

SECTION 285.315

General Information Requirements Applicable for All Utilities Subject to this Part

Utility: The Peoples Gas Light and Coke Company

Subpart (a)

FORM 21 ILCC

ANNUAL REPORT OF ELECTRIC UTILITIES
LICENSEES AND/OR NATURAL GAS UTILITIES

TO THE

**ILLINOIS COMMERCE
COMMISSION**



Exact Legal Name of Respondent (Company)	Year of Report
The Peoples Gas Light and Coke Company	December 31, 2012

This state agency is requesting disclosure of information that is necessary to accomplish the statutory purpose as outlined in Section 5-109 of the Public Utilities Act [220 ILCS 5/5-109]. Disclosure of this information is REQUIRED. Failure to provide any information could result in a fine of \$100 per day under Section 5-109 of the Public Utilities Act.

ANNUAL REPORT OF ELECTRIC UTILITIES, LICENSEES AND/OR NATURAL GAS UTILITIES

Name of Respondent The Peoples Gas Light and Coke Company	This Report Is: (1) X An Original (2) A Resubmission	Date of Report (Mo./Da./Yr.)	Year of Report Dec. 31, 2012
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Exact Legal Name of Respondent:

The Peoples Gas Light and Coke Company

Previous Name and Date of Change (if name changed during reporting year):

Address of Principal Office at End of Year (street, city, state, zip code):

130 East Randolph Street, Chicago, Illinois 60601

Name and Title of Contact Person:

James F. Schott Vice President and Chief Financial Officer

Address of Contact Person (street, city, state, zip code):

700 North Adams, P. O. Box 19001, Green Bay, WI 54307-9001

Telephone Number of Contact Person, including Area Code:

920-433-1350

Email address of Contact Person:

JFSchott@integrysgroup.com

Utility website:

www.integrysgroup.com

**ANNUAL REPORT OF ELECTRIC UTILITIES,
LICENSEES AND/OR NATURAL GAS UTILITIES
INSTRUCTIONS FOR FILING FORM 21 ILCC**

GENERAL INFORMATION

I. PURPOSE:

This form is a regulatory support requirement (Public Utilities Act, Section 5-109). It is designed to collect financial and operational information from electric and gas utilities subject to the jurisdiction of the Illinois Commerce Commission.

II. WHO MUST SUBMIT:

All electric and gas utilities subject to the Illinois Commerce Commission jurisdiction.

III. WHAT, WHERE AND WHEN TO SUBMIT

(a) Submit a completed and verified copy of Form 21 ILCC on or before MARCH 31 of the year following the year covered by this report (three hole punched but not bound) to:

ILLINOIS COMMERCE COMMISSION

527 East Capitol Avenue

Springfield, IL 62701

(b) Submit immediately upon publication one copy of the submitted FERC Form Nos. 1 and/or 2, if applicable, to the above address. The submitted copy should be three hole punched, but not bound.

(c) Submit immediately upon publication one copy of the SEC 10-K Report, if applicable, to the above address. The submitted copy should be three hole punched.

(d) Submit immediately upon publication one copy of the Annual Report to Stockholders. The submitted copy should be three hole punched. *

(e) Submit an electronic file of Form 21 ILCC and electronic files or hyperlinks to the FERC Form 1, the SEC 10-K, and the Annual Report to Stockholders when submitted in hard copy to the Illinois Commerce Commission to fad@icc.illinois.gov.

IV. REGISTERED AGENT

Exact Name of Registered Agent Thomas G. Aridas

Street or Local Address 130 East Randolph Street

City Chicago State Illinois Zip Code 60601

Telephone (312) 240-4250

* Respondent is a subsidiary of Peoples Energy, LLC. which is a wholly owned subsidiary of Integrys Energy Group, Inc and does not issue an annual report to stockholders.

ANNUAL REPORT OF ELECTRIC UTILITIES, LICENSEES AND/OR NATURAL GAS UTILITIES

GENERAL INSTRUCTIONS

- I. This form of annual report is prepared in conformity with the applicable Uniform System of Accounts and all of the accounting terminology used herein is in accordance therewith.
- II. Enter in whole numbers only, except where otherwise noted. (Enter cents for averages and figures per unit where cents are important.) The truncating of cents is allowed except on the four basic financial statements where rounding to dollars is required. The amounts shown on all supporting pages must agree with the amounts entered on the statements that they support. When applying thresholds to determine significance for reporting purposes, use for balance sheet accounts in the balances at the end of the current reporting year, and use for statement of income accounts the current year's amounts.
- III. Complete each question fully and accurately, even if it has been answered in a previous annual report. Enter the word "NONE" where it truly and completely states the fact.
- IV. The schedules within Form 21ILCC are classified as follows:
 - 0 Series - General Corporate Schedules required by all utilities filing Form 21 ILCC
 - 100 Series - General Corporate Schedules required by gas only utilities not submitting FERC Form No. 2.
 - 200 Series - Balance Sheet Supporting Schedules required by gas utilities not submitting FERC Form No. 2.
 - 300 Series - Income Supporting Schedules required by gas utilities not submitting FERC Form No. 2.
 - 500 Series - Gas Plant Statistical Data required by gas utilities not submitting FERC Form No. 2.
 - 600 Series - Electric Data required by all electric utilities.
 - 700 Series - Gas Data required by all gas utilities.

Electric only utilities that submit FERC Form No. 1 to the Illinois Commerce Commission (ICC) must submit the following schedules : 0 Series and 600 Series.

Combination utilities (utilities that provide both electric and gas service in Illinois) that submit FERC Form No. 1 (but not FERC Form No. 2) to the ICC must submit the following schedules: 0 Series, 200 Series, 300 Series, 500 Series, 600 Series, and 700 Series.

Combination utilities (utilities that provide both electric and gas service in Illinois) that submit FERC Form Nos. 1 and 2 to the ICC must submit the following schedules: 0 Series, 600 Series and 700 Series.

Gas only utilities that submit FERC Form No. 2 to the ICC must submit the following schedules: 0 Series and 700 Series.

Gas only utilities that do not submit FERC Form No. 2 to the ICC must submit the following schedules: 0 Series, 100 Series, 200 Series, 300 Series, 500 Series and 700 Series.

If a schedule within a series is not applicable to the respondent, enter the words "NOT APPLICABLE" on the particular page or omit the page and enter "N/A" or "NOT APPLICABLE" in the "Remarks" column on the List of Schedules on pages vi through x. If pages are deleted, indicate in the footer of the prior provided page number of the next subsequently provided page.
- V. It is preferred that all data be typed on the form. Entries of an opposite character (such as decreases reported in a column providing for both increases and decreases) should be enclosed in parentheses.
- VI. Enter the month, day and year for all dates. Use customary abbreviations. The "Date of Report" at the top of each page is applicable only to the resubmission (see VII below).
- VII. When making revisions, resubmit only those pages that have been changed from the original submission. Submit the same number of copies as required for filing the form. Include with the resubmission the Identification and Attestation page as the last page. Mail dated resubmission to:
ILLINOIS COMMERCE COMMISSION
527 East Capitol Avenue
Springfield, IL 62701
- VIII. Provide a supplemental statement further explaining accounts or pages as necessary. Attach the supplemental statement (8 1/2 x 11 inch size) to the page being supplemented. Provide the appropriate identification information, including the title(s) of the page and the page number supplemented.
- IX. Do not make references to reports of previous years or to other reports in lieu of required entries, except as specifically authorized. The annual report should in all particulars be complete in itself.
- X. Wherever (schedule) pages refer to figures from a previous year, the figures reported must be based upon those shown on the annual report of the previous year, or an appropriate explanation given as to why the different figures were used.
- XI. Respondents may submit computer printed schedules (reduced to 8 1/2 x 11) instead of the schedules herein if they are substantially the same format.
- XII. Where Illinois Commerce Commission authority is to be supplied, enter the applicable docket number.
- XIII. The word "respondent", whenever used in this report, means the person, corporation, licensee, agency, authority, or other legal entity or instrumentality in whose behalf the report is made.
- XIV. Because of the limited space afforded on some Form 21 ILCC schedules, dollar signs may be omitted where necessary. The rounding of numbers in thousands is permissible in cases where there is insufficient room for all digits. However, notations to this effect must be made in a conspicuous location on the page on which the rounding occurs.

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**FORM 21 ILCC
LIST OF SCHEDULES**

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Schedules	Page	Remarks
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Franchise Requirements (Account 927) (Electric)	608	N/A
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UTILITY NAME

The Peoples Gas Light and Coke Company

Year of Report

Dec. 31, 2012

VERIFICATION

The responsible accounting officer shall verify this report under oath.

STATE OF Illinois

COUNTY OF Cook

Linda M. Kallas makes oath and says that she is
(Name of Affiant)

Vice President and Corporate Controller
(Official Title of Affiant)

of The Peoples Gas Light and Coke Company
(Exact Legal Title or Name of Respondent)

that he/she has examined the following report; that to the best of his/her knowledge, information, and belief, all statements of fact contained in the said report are true, and the said report is a correct statement of the business and affairs of the above-named respondent in respect to each and every matter set forth therein during the period from and including January 1, 2012, to and including December 31, 2012.

(Signature of Affiant)

Subscribed and sworn to before me, a Notary Public in and for the State and County named,

this _____ day of _____, 20____.

My Commission expires _____, 20____.

(Signature of Oath Administer)

Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report Is: (1) X An Original (2) A Resubmission	Date of Report (Mo./Da./Yr.)	Year of Report Dec. 31, 2012
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BALANCE SHEET

Instructions:				
Line No.	Title of Account (a)	Page Ref FERC Form 1 and/or 2 or ILCC Form 21 (b)	Balance at Beginning of Year (c)	Balance at End of Year (d)
1	UTILITY PLANT			
2	Utility Plant (101-106, and 114)	200-201	2,991,821,038	3,224,573,842
3	Construction Work in Progress (107)	200-201	17,555,919	52,908,174
4	TOTAL Utility Plant (Enter Total of lines 2 and 3)		3,009,376,957	3,277,482,016
5	(Less) Accum. Prov. For Depr. Amort. Depl. (108, 111, and 115)	200-201	1,113,831,965	1,146,404,253
6	Net Utility Plant (Enter Total of line 4 less 5)		1,895,544,992	2,131,077,763
7	Nuclear Fuel (120.1-120.4, and 120.6)	202-203		
8	(Less) Accum. Prov. For Amort. Of Nucl. Assembl. (120.5)			
9	Net Nuclear Fuel (Enter total of line 7 less line 8)			
10	Net Utility Plant (Enter total of lines 6 and 9)		1,895,544,992	2,131,077,763
11	Utility Plant Adjustments (116)			
12	Gas Stored Underground-Noncurrent (117)	220	9,089,950	9,276,522
13	OTHER PROPERTY AND INVESTMENTS			
14	Nonutility Property (121)	41	82,802	82,802
15	(Less) Accum. Prov. For Depr. And Amort. (122)	41	5,695	5,894
16	Investment in Associated Companies (123)	29-30		
17	Investment in Subsidiary Companies (123.1)	224-225	4,691,042	4,705,141
18	(For Cost of account 123.1, see footnote FERC Form 1 page 224, line 42)			
19	Noncurrent Portion of Allowances			
20	Other Investments (124)	29-30		
21	Special Funds (125-128)	16		
22	TOTAL Other Property and Investments (Total of lines 14-17 and 19-21)		4,768,149	4,782,049
23	CURRENT AND ACCRUED ASSETS			
24	Cash (131)		4,546,591	4,547,557
25	Special Deposits (132-134)	16	552,671	470,316
26	Working Funds (135)			
27	Temporary Cash Investments (136)	29-30		
28	Notes Receivable (141)	17		
29	Customer Accounts Receivable (142)		144,489,690	146,397,689
30	Other Accounts Receivable (143)	17	2,356,533	5,946,914
31	(Less) Accum. Prov. For Uncollectibles Acct. - Credit (144)	48	34,700,396	34,357,069
32	Notes Receivable from Associated Companies (145)	18	8,900,000	20,800,000
33	Accounts Receivable from Assoc. Companies (146)	18	632,488	885,849
34	Fuel Stock (151)	20		
35	Fuel Stock Expense Undistributed (152)	20		
36	Residuals (Elec.) and Extracted Products (153)	20		
37	Plant Materials and Operating Supplies (154)	20	12,420,913	17,872,267
38	Merchandise (155)	20		
39	Other Materials and Supplies (156)	20		
40	Nuclear Materials Held for Sale (157)	202-203/227		
41	Allowances (158.1 and 158.2)	228-229		
42	(Less) Noncurrent Portion of Allowances			
43	Stores Expenses Undistributed (163)	20	14,535	53,279
44	Gas Stored Underground - Current (164.1)		81,092,481	70,725,525
45	Liquefied Natural Gas Stored and Held for Processing (164.2 - 164.3)		2,083,608	2,664,673
46	Prepayments (165)	230	5,615,857	14,871,333
47	Advances for Gas (166-167)			
48	Interest and Dividends Receivable (171)			
49	Rents Receivable (172)			
50	Accrued Utility Revenue (173)		87,776,512	91,874,842
51	Miscellaneous Current and Accrued Assets (174)	19	7,900,613	37,213

Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report is: (1) X An Original (2) A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report Dec. 31, 2012
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Instructions: Include in columns (e) through (i), total company balances of Utility Plant in Service and associated balances corresponding to the line numbers on page (2), lines 1 through 12. Include in column (g), Total Company Common Utility, balances that cannot be directly assigned to a specific service in columns (e), (f) or (h). Columns (e) thru (i) must total column (d) on page 2. For amounts in columns (e) thru (i), show corresponding Illinois jurisdictional amounts in columns (j) thru (n).

BALANCE SHEET

Total Company Direct Electric Utility (e)	Total Company Direct Gas Utility (f)	Total Company Common Utility (g)	Total Company Competitive Utility (h)	Total Company Other Utility (i)	Line No.
					1
	3,224,573,842				2
	52,908,174				3
	3,277,482,016				4
	1,146,404,253				5
	2,131,077,763				6
					7
					8
					9
	2,131,077,763				10
					11
	9,276,522				12
					13

Illinois Direct Electric Utility (j)	Illinois Direct Gas Utility (k)	Illinois Common Utility (l)	Illinois Competitive Utility (m)	Illinois Other Utility (n)	Line No.
					1
	3,224,573,842				2
	52,908,174				3
	3,277,482,016				4
	1,146,404,253				5
	2,131,077,763				6
					7
					8
					9
	2,131,077,763				10
					11
	9,276,522				12
					13

Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report Is: (1) X An Original (2) A Resubmission	Date of Report (Mo./Da./Yr.)	Year of Report Dec. 31, 2012
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BALANCE SHEET Cont'd

Instructions:				
Line No.	Title of Account (a)	Page Ref FERC Form 1 and/or 2 or ILCC Form 21 (b)	Balance at Beginning of Year (c)	Balance at End of Year (d)
52	Derivative Instrument Assets (175)		7,582,711	2,632,742
53	Derivative Instrument Assets - Hedges (176)			
54	TOTAL Current and Accrued Assets (Enter total of lines 24 thru 53)		331,264,807	345,423,130
55	DEFERRED DEBITS			
56	Unamortized Debt Expense (181)	26-27	6,471,146	6,949,237
57	Extraordinary Property Losses (182.1)	230		
58	Unrecovered Plant and Regulatory Study Costs (182.2)	230		
59	Other Regulatory Assets (182.3)	232	909,295,961	991,806,355
60	Prelim. Survey and Investigation Charges (Electric) (183)			
61	Prelim. Survey and Investigation Charges (Gas) (183.1, 183.2)			
62	Clearing Accounts (184)			
63	Temporary Facilities (185)			
64	Miscellaneous Deferred Debits (186)	233	766,654	7,004,719
65	Def. Losses from Disposition of Utility Plant (187)			
66	Research, Devel and Demonstration Expenditures (188)			
67	Unamortized Loss on Reacquired Debt (189)	24	13,727,026	13,123,816
68	Accumulated Deferred Income Taxes (190)	234-235	13,723,825	10,542,386
69	Unrecovered Purchased Gas Costs (191)			
70	TOTAL Deferred Debits (Enter total of lines 56 thru 69)		943,984,612	1,029,426,513
71	TOTAL Assets and Other Debits (Enter total of lines 10,11,12,22,54,70)		3,184,652,510	3,519,985,977

Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report Is: (1) X An Original (2) A Resubmission	Date of Report (Mo./Da./Yr.)	Year of Report Dec. 31, 2012
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BALANCE SHEET

Instructions:

Line No.	Title of Account (a)	Page Ref FERC Form 1 and/or 2 or ILCC Form 21 (b)	Balance at Beginning of Year (c)	Balance at End of Year (d)
1	PROPRIETARY CAPITAL			
2	Common Stock Issued (201)	250-251	219,841,970	220,459,674
3	Preferred Stock Issued (204)	250-251		
4	Capital Stock Subscribed (202,205)	45		
5	Stock Liability for Conversion (203,206)	45		
6	Premium on Capital Stock (207)	45		
7	Other Paid in Capital (208-211)	253		
8	Installments Received on Capital Stock (212)	45		
9	(Less) Discount on Capital Stock (213)	46		
10	(Less) Capital Stock Expense (214)	46	142,800	142,800
11	Retained Earnings (215, 215.1, and 216)	6,6a	478,445,898	477,965,605
12	Unappropriated Undistributed Subsidiary Earnings (216.1)	6a	1,633,347	1,647,446
13	(Less) Reacquired Capital Stock (217)	250-251		
14	Accumulated Other Comprehensive Income (219)	122a,122b	(735,163)	(238,711)
15	TOTAL Proprietary Capital (Enter total of lines 2 thru 14)		699,043,252	699,691,214
16	LONG-TERM DEBT			
17	Bonds (221)	22-23	525,000,000	625,000,000
18	(Less) Reacquired Bonds (222)	22-23		
19	Advances from Associated Companies (223)	22-23		
20	Other Long-Term Debt (224)	22-23		
21	Unamortized Premium on Long-Term Debt (225)			
22	(Less) Unamortized Discount on Long-Term Debt-Debit (226)		492,672	463,681
23	TOTAL Long-Term Debt (Enter total of lines 17 thru 22)		524,507,328	624,536,319
24	OTHER NONCURRENT LIABILITIES			
25	Obligations Under Capital Leases-Noncurrent (227)			
26	Accumulated Provision for Property Insurance (228.1)			
27	Accumulated Provision for Injuries and Damages (228.2)		9,463,122	14,474,323
28	Accumulated Provision for Pensions and Benefits (228.3)		303,311,601	288,555,038
29	Accumulated Miscellaneous Operating Provisions (228.4)			
30	Accumulated Provision for Rate Refunds (229)		1,782,446	-
31	Asset Retirement Obligations (230)		356,489,358	372,775,100
32	TOTAL Other Noncurrent Liabilities (Enter total of lines 25 thru 31)		671,046,527	675,804,461
33	CURRENT AND ACCRUED LIABILITIES			
34	Notes Payable (231)	21	37,000,000	178,600,000
35	Accounts Payable (232)		126,369,086	137,284,832
36	Notes Payable to Associated Companies (233)	21		
37	Accounts Payable to Associated Companies (234)	21	20,960,169	22,600,104
38	Customer Deposits (235)		26,708,886	24,931,833
39	Taxes Accrued (236)	262-263	33,049,726	29,545,376
40	Interest Accrued (237)		5,572,732	5,811,183
41	Dividends Declared (238)			
42	Matured Long-Term Debt (239)			
43	Matured Interest (240)			
44	Tax Collections Payable (241)		-	(1,049)
45	Miscellaneous Current and Accrued Liabilities (242)		69,442,372	68,383,123
46	Obligations Under Capital Leases-Current (243)			

Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report Is: (1) X An Original (2) A Resubmission	Date of Report (Mo./Da./Yr.)	Year of Report Dec. 31, 2012
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BALANCE SHEET Cont'd

Instructions:

Line No.	Title of Account (a)	Page Ref FERC Form 1 and/or 2 or ILCC Form 21 (b)	Balance at Beginning of Year (c)	Balance at End of Year (d)
47	Derivative Instrument Liabilities (244)		31,235,146	11,089,974
48	Derivative Instrument Liabilities - Hedging (245)		1,128,162	355,064
49	TOTAL Current and Accrued Liabilities (Enter Total of Lines 34 thru 48)		351,466,279	478,600,440
50	DEFERRED CREDITS			
51	Customer Advances for Construction (252)		2,011,542	1,556,082
52	Accumulated Deferred Investment Tax Credits (255)		22,007,569	22,681,987
53	Deferred Gains from Disposition of Utility Plant (256)			
54	Other Deferred Credits (253)	269	447,830,620	483,556,808
55	Other Regulatory Liabilities (254)	278	19,694,017	14,457,376
56	Unamortized Gain on Reacquired Debt (257)	24		
57	Accumulated Deferred Income Taxes (281-283)	272-277	447,045,376	519,101,290
58	TOTAL Deferred Credits (Enter total of lines 51 thru 57)		938,589,124	1,041,353,543
59				
60				
61				
62				
63				
64				
65				
66				
67				
68				
69	TOTAL Liab. And Other Credits (Enter total of lines 15,23,32,49 & 58)		3,184,652,510	3,519,985,977

Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report Is: (1) X An Original (2) A Resubmission	Date of Report (Mo./Da./Yr.)	Year of Report Dec. 31, 2012
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STATEMENT OF RETAINED EARNINGS

Instructions:

1. Report all changes in appropriated retained earnings, unappropriated retained earnings, and unappropriated, undistributed subsidiary earnings for the year.
2. Each credit and debit during the year should be identified as to the retained earnings account in which recorded. Show the contra primary account affected in column (b).
3. State the purpose and amount of each reservation or appropriation of retained earnings.
4. List first account 439 Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items in that order.
5. Show dividends for each class and series of capital stock.
6. Show separately the State and Federal income tax effect of items in account 439, Adjustments to Retained Earnings.
7. Explain in a footnote the balance for determining the amount reserved or appropriated. If such reservation or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated.
8. If any notes appearing in the report to stockholders are applicable to this statement, include them on pages 122-123.

Line No.	Item (a)	Contra Primary Account Affected (b)	Amount (c)
UNAPPROPRIATED RETAINED EARNINGS (216)			
1	Balance-Beginning of Year		478,445,898
2	Changes		
3	Adjustments to Retained Earnings (439)		
4	Comprehensive Income		
5			
6			
7			
8			
9	Total Credits to Retained Earnings (439)		None
10			
11			
12			
13			
14			
15	Total Debits to Retained Earnings (439)		None
16	Balance Transferred from Income (Account 433 less Account 418.1)		54,494,060
17	Appropriations to Retained Earnings (436)		
18			
19			
20			
21			
22	Total Appropriations of Retained Earnings (436)		None
23	Dividends Declared-Preferred Stock (437)		
24			
25			
26			
27			
28			
29	Total Dividends Declared-Preferred Stock (437)		None
30			
31			
32	Dividends Declared-Common Stock (438)		54,974,353
33			
34			
35			
36			
37	Transfers from Account 216.1, Unappropriated, Undistributed, Subsidiary Earnings		
38	Balance-End of Year (Total lines 1,9,15,16,22,29,36,37)		477,965,605

Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report Is: (1) X An Original (2) A Resubmission	Date of Report (Mo./Da./Yr.)	Year of Report Dec. 31, 2012
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STATEMENT OF RETAINED EARNINGS, cont'd

Instructions:

1. Report all changes in appropriated retained earnings, unappropriated retained earnings, and unappropriated, undistributed subsidiary earnings for the year.
2. Each credit and debit during the year should be identified as to the retained earnings account in which recorded. Show the contra primary account affected in column (b).
3. State the purpose and amount of each reservation or appropriation of retained earnings.
4. List first account 439 Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items in that order.
5. Show dividends for each class and series of capital stock.
6. Show separately the State and Federal income tax effect of items in account 439, Adjustments to Retained Earnings.
7. Explain in a footnote the balance for determining the amount reserved or appropriated. If such reservation or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated.
8. If any notes appearing in the report to stockholders are applicable to this statement, include them on pages 122-123.

Line No.	Item (a)	Contra Primary Account Affected (b)	Amount (c)
	APPROPRIATED RETAINED EARNINGS (215)		
39			
40			
41			
42			
43			
44			
45	TOTAL Appropriated Retained Earnings (215)		None
46	APPROP. RETAINED EARNINGS - AMORT. RESERVE, FEDERAL (215.1)		
47	TOTAL Appropriated Retained Earnings-Amort. Reserve, Federal (215.1)		None
48	TOTAL Appropriated Retained Earnings (215, 215.1) (Enter total lines 45 and 46)		None
49	TOTAL Retained Earnings (215,215.1,216) (Enter total lines 38 and 47)		477,965,605
50	UNAPPROPRIATED UNDISTRIBUTED SUBSIDIARY EARNINGS (216.1)		
51	Balance-Beginning of Year (Debit or Credit)		1,633,347
52	Equity in Earnings for Year (Credit) (418.1)		14,099
53	(Less) Dividends Received (Debit)		
54			
55	Balance - End of Year (Total lines 49 thru 52)		1,647,446

Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY		This Report Is: (1) X An Original (2) A Resubmission	Date of Report (Mo./Da./Yr.)	Year of Report Dec. 31, 2012
STATEMENT OF INCOME FOR THE YEAR				
Instructions: 1. Report the amount derived from total company operations for the current year and the previous year on this page.				
Line No.	Account (a)	FERC Form 1 and 2 (Ref) Page No. (b)	Total Company Current Year (c)	Total Company Previous Year (d)
1	UTILITY OPERATING INCOME			
2	Operating Revenues (400)	300-301	882,635,767	1,029,686,758
3	Operating Expenses			
4	Operation Expenses (401)	320-325	588,479,839	757,941,314
5	Maintenance Expenses (402)	320-325	68,656,020	55,633,993
6	Depreciation Expense (403)	336-337	82,592,151	78,118,928
7	Depreciation Expense for Asset Retirement Costs (403.1)	336-337		
8	Amortization & Depletion Of Utility Plant (404-405)	336-337	5,701,172	5,695,565
9	Amortization Of Utility Plant Acquisition Adjustment (406)	336-337		
10	Amort. Of Property Losses, Unrecovered Plant and Regulatory Study Costs (407.1)			
11	Amort. Of Conversion Expense (407.2)			
12	Regulatory Debits (407.3)			
13	Regulatory Credits (407.4)			
14	Taxes Other Than Income Taxes (408.1)	262-263	19,995,396	19,855,698
15	Income Taxes - Federal (409.1)	262-263	(37,724,303)	(9,979,059)
16	Income Taxes - Other (409.1)	262-263	(2,675,997)	(3,489,552)
17	Provision for Deferred Income Taxes (410.1)	234,272-277	195,757,748	390,768,973
18	(Less) Provision for Deferred Income Taxes-Cr. (411.1)	234,272-277	117,906,735	344,066,219
19	Investment Tax Credit Adj.-Net (411.4)		674,418	(67,808)
20	(Less) Gains from Disp. Of Utility Plant (411.6)			
21	Losses from Disp. Of Utility Plant (411.7)			
22	(Less) Gains from Disposition of Allowances (411.8)			
23	Losses from Disposition of Allowances (411.9)			
24	Accretion Expense (411.10)			
25	Total Utility Operating Expenses (Total lines 4 through 24)		803,549,709	950,411,833
26	Net Utility Operating Income (Enter total of line 2 less line 25. Carry forward to page 7b, line 27)		79,086,058	79,274,925

Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report Is: (1) X An Original (2) A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report Dec. 31, 2012
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Instructions: For balances that cannot be allocated to a specific jurisdiction or service, reflect "*****" in the cell (box) and provide the total gas or electric company balance in the Total gas or electric Company column.

STATEMENT OF INCOME FOR THE YEAR

Illinois Electric Utility (e)	Total Company Electric Utility (f)	Illinois Gas Utility (g)	Total Company Gas Utility (h)	Other Utility (i)	Line No.
					1
		882,515,452	882,515,452	120,315	2
					3
		588,462,775	588,462,775	17,064	4
		68,656,020	68,656,020		5
		82,592,151	82,592,151		6
					7
		5,701,172	5,701,172		8
					9
					10
					11
					12
					13
		19,995,396	19,995,396		14
		(37,724,303)	(37,724,303)		15
		(2,675,997)	(2,675,997)		16
		195,757,748	195,757,748		17
		117,906,735	117,906,735		18
		674,418	674,418		19
					20
					21
					22
					23
					24
		803,532,645	803,532,645	17,064	25
		78,982,807	78,982,807	103,251	26

Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY		This Report Is: (1) X An Original (2) A Resubmission	Date of Report (Mo./Da./Yr.)	Year of Report Dec. 31, 2012
STATEMENT OF INCOME FOR THE YEAR				
Instructions: Report the amount derived from total company operations for the current year and the previous year on this page. Explain in a footnote if the previous year's amounts are different from that reported in prior years.				
Line No.	Account (a)	FERC Form 1 and/or 2 (Ref) Page No. (b)	Total Company Current Year (c)	Total Company Previous Year (d)
27	Net Utility Operating Income (page 7, line 26)		79,086,058	79,274,925
28	OTHER INCOME AND DEDUCTIONS			
29	Other Income			
30	Non-utility Operating Income			
31	Revenues from Merchandising, Jobbing and Contract Work (415)			
32	(Less) Costs and Exp. Of Merchandising, Job & Contract Work (416)			
33	Revenues from Non-Utility Operations (417)		(199)	(199)
34	(Less) Expenses of Non-Utility Operations (417.1)			
35	Nonoperating Rental Income (418)			
36	Equity in Earnings of Subsidiary Companies (418.1)		14,099	(3,688)
37	Interest and Dividend Income (419)		803,944	783,036
38	Allowance for Other Funds Used During Construction (419.1)			
39	Miscellaneous Nonoperating Income (421)		637,001	1,176,223
40	Gain on Disposition of Property (421.1)		-	(41,122)
41	Total Other Income (Enter total of lines 31 through line 40)		1,454,845	1,914,250
42	Other Income Deductions			
43	Loss on Disposition of Property (421.2)			
44	Miscellaneous Amortization (425)	340		
45	Miscellaneous Income Deductions (426.1-426.5)	340	1,707,016	1,487,393
46	Total Other Income Deductions (Total of lines 43 through 45)		1,707,016	1,487,393
47	TAXES APPLICABLE TO OTHER INCOME AND DEDUCTIONS			
48	Taxes Other than Income Taxes (408.2)	262-263	33,965	40,181
49	Income Taxes-Federal (409.2)	262-263	76,953	168,812
50	Income Taxes-Other (409.2)	262-263	21,504	101,878
51	Provision for Deferred Income Taxes (410.2)	234, 272-277	113,780	(55,637)
52	(Less) Provision for Deferred Income Taxes-Cr. (411.2)	234, 272-277	127,726	227,083
53	Investment Tax Credit Adj. (411.5)			
54	(Less) Investment Tax Credits (420)			
55	Total Taxes on Other Income and Deduct. (Total of line 48 through 54)		118,476	28,151
56	Net Other Income and Deductions (Enter Total lines 41, 46, 55)		(370,647)	398,706
57	INTEREST CHARGES			
58	Interest on Long-Term Debt (427)	23	22,653,243	21,598,439
59	Amort. Of Debt Disc. And Expense (428)		715,851	642,767
60	Amortization of Loss on Reacquired Debt (428.1)	24	603,210	599,135
61	(Less) Amort. Of Premium on Debt-Credit (429)			
62	(Less) Amort. Of Gain on Reacquired Debt-Credit (429.1)			
63	Interest on Debt to Assoc. Companies (430)	340	245,450	321,852
64	Other Interest Expense (431)	340	(10,502)	(93,769)
65	(Less) Allowance for Borrowed Funds Used During Construction - Cr. (432)			
66	Net Interest Charges (Enter total of lines 58 through 65)		24,207,252	23,068,424
67	Income Before Extraordinary Items		54,508,159	56,605,207
68	EXTRAORDINARY ITEMS			
69	Extraordinary Income (434)			
70	(Less) Extraordinary Deductions (435)			
71	Net Extraordinary Items (Enter total of line 69 less line 70)			
72	Income Taxes-Federal and Other (409.3)	262-263		
73	Extraordinary Items After Taxes (Enter total of line 71 less line 72)			
74	Net Income (Enter total of lines 67 and 73)		54,508,159	56,605,207

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Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report Is: (1) X An Original (2) A Resubmission	Date of Report (Mo., Day, Yr.)	Year of Report Dec. 31, 2012
ILLINOIS GAS NET OPERATING REVENUES			
Instructions: Report the amount derived from or incurred in providing utility services in Illinois.			
Line No.	Title of Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
1	GAS SERVICE REVENUES		
2	(480) Residential Sales	645,167,150	758,738,625
3	(481) Commercial and Industrial Sales		
4	Small (or Commercial)	94,493,123	114,814,888
5	Large (or Industrial)	12,013,555	13,649,036
6	(482) Other Sales to Public Authorities		
7	TOTAL Sales to Ultimate Consumers (lines 2-6)	751,673,828	887,202,549
8	(483) Sales for Resale		
9	(484) Interdepartmental Sales		
10			
11			
12	TOTAL Gas Service Revenues (lines 7-9)	751,673,828	887,202,549
13	OTHER OPERATING REVENUES		
14	(485) Intracompany Transfers		
15	(487) Forfeited Discounts	6,440,281	7,162,771
16	(488) Miscellaneous Service Revenues	3,327,065	3,084,479
17	(489.1) Rev. from Trans. of Gas of others through gathering facilities		
18	(489.2) Rev. from Trans. of Gas of others through transmission facilities		
19	(489.3) Rev. from Trans. of Gas of others through distribution facilities	120,359,582	117,186,744
20	(489.4) Rev. from storing gas of others		
21	(490) Sales of Prod. Ext. from Natural Gas		
22	(491) Rev. from Natural Gas Proc. by Others		
23	(492) Incidental Gasoline and Oil Sales		
24	(493) Rent from Gas Property	43,565	39,096
25	(494) Interdepartmental Rents		
26	(495) Other Gas Revenues	13,741,031	16,650,328
27	TOTAL Other Operating Revenues (Total of lines 14-26)	143,911,524	144,123,418
28	TOTAL Gas Operating Revenues (Total of lines 12 plus 27)	895,585,352	1,031,325,967
29	(Less) (496) Provision for Rate Refunds	(13,069,900)	(1,782,446)
30	TOTAL Gas Operating Revenues Net of Provision for Refunds (lines 28-29)	882,515,452	1,029,543,521
31	Dist. Type Sales by States (Incl. Main Line Sales to Resid. and Comm. Cust.)	751,673,828	887,202,549
32	Main Line Industrial Sales (Incl. Main Line Sales to Pub. Authorities)		
33	Sales for Resale		
34	Other Sales to Pub. Auth. (Local Dist. Only)		
35	Interdepartmental Sales		
36	TOTAL (Same as Line 12, columns (b) and (c))	751,673,828	887,202,549

Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report Is: (1) X An Original (2) A Resubmission	Date of Report (Mo., Day, Yr.)	Year of Report Dec. 31, 2012	
ILLINOIS GAS NET OPERATING REVENUES (Continued)				
THERMS OF NATURAL GAS SOLD		AVERAGE NO. OF NAT. GAS CUSTOMERS PER MO.		Line No.
Current Year (d)	Prior Year (e)	Current Year (f)	Prior Year (g)	
				1
723,620,894	842,038,868	740,250	733,014	2
				3
129,736,282	148,364,126	38,731	38,531	4
18,114,214	19,532,450	1,423	1,400	5
				6
871,471,390	1,009,935,444	780,404	772,945	7
				8
				9
				10
				11
				12
				13
				14
Quantity of Natural Gas Transported		Average No. of Transport Customers Per Month		15
Current Year	Prior Year	Current Year	Prior Year	16
				17
				18
635,695,151	711,375,747	50,387	54,631	19

Note: Quantities of natural gas sold in columns (d) and (e) are reported in therms in 14.65 at 60 ° F. Therms must be multiplied by 0.994568907 (14.65/14.73) to convert to therms in 14.73 at 60 ° F.

Monthly BTU factors used to convert metered volume to therms during the years are as shown:

	<u>BTU Factors for Year</u>	<u>BTU Factors for Previous Year</u>
JAN	1.010	1.008
FEB	1.010	1.008
MAR	1.010	1.008
APR	1.010	1.008
MAY	1.010	1.008
JUN	1.010	1.008
JUL	1.010	1.009
AUG	1.011	1.009
SEP	1.011	1.009
OCT	1.011	1.010
NOV	1.011	1.010
DEC	1.011	1.010

Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report Is: (1) X An Original (2) A Resubmission	Date of Report (Mo., Day, Yr.)	Year of Report Dec. 31, 2012
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GAS TRANSPORTATION REVENUES

Line No.	Source of Revenue (a)	REVENUES		THERMS OF NATURAL GAS DELIVERED		AVERAGE NUMBER OF TRANSPORTATION CUSTOMERS PER MONTH	
		Amount for Current Year (b)	Amount for Previous Year (c)	Current Year (d)	Prior Year (e)	Current Year (f)	Prior Year (g)
1	GAS TRANSPORTATION REVENUES						
2	Residential Customers	43,854,620	42,119,369	163,234,529	191,395,615	40,038	44,059
3	Commercial and Industrial Customers						
4	Small (or Commercial)	37,154,986	34,008,271	204,331,871	226,925,178	7,915	8,138
5	Large (or Industrial)	17,371,659	16,374,065	136,156,095	142,955,499	878	918
6	Public Authorities	18,900,489	17,586,840	131,972,656	150,099,455	1,556	1,516
7	TOTAL (lines 2-6)	117,281,754	110,088,545	635,695,151	711,375,747	50,387	54,631

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ANALYSIS OF UNBILLED REVENUE

Line No.		Prior Year	Current Year	ILCC Form 21 Reference
1	Electric Utility Revenue			
2	Less: Prior Year Unbilled Revenue			Pg. 13(a), Ln 3 prior year
3	Add: Current Year Unbilled Revenue			
4	Gross Electric Utility Operating Revenue			Pg. 7a, col. (f), Ln 2
5	Gas Utility Revenue	1,051,550,857	878,777,852	
6	Less: Prior Year Unbilled Revenue	95,969,598	73,962,262	Pg. 13(a), Ln 7 prior year
7	Add: Current Year Unbilled Revenue	73,962,262	77,699,862	
8	Gross Gas Utility Operating Revenue	1,029,543,521	882,515,452	Pg. 7a, col. (g), Ln 2
9	Total Utility Revenue (Ln 1 + Ln 5)	1,051,550,857	878,777,852	Pg. 14, Ln 1
10	Less: Total Prior Year Unbilled Revenue (Ln 2 + Ln 6)	95,969,598	73,962,262	Pg. 13 (a), Ln 11 prior year
11	Add: Total Current Year Unbilled Revenue (Ln 3 + Ln 7)	73,962,262	77,699,862	
12	Total Gross Utility Operating Revenue	1,029,543,521	882,515,452	

Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report Is: (1) X An Original (2) A Resubmission	Date of Report (Mo./Da./Yr.)	Year of Report Dec. 31, 2012
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RECONCILIATION OF GROSS REVENUE TAX

Instructions: This schedule is to reconcile the amounts shown in the accompanying Annual Report with the amounts shown on the Amended/Annual Gross Revenues Tax Return.

Line No.	(a)	As Shown on Amended Gross Revenue Tax Return (b)	As Shown on Annual Report (c)	Page & Line Where Amount in Column (c) can be Found in the Annual Report (d)
1	1) a. Actual Gross Operating Revenues as shown in Annual Report	878,777,852	878,777,852	Page 13(A), Line 5 and Line 9
2	b. Less Interstate Revenue			
3	c. Gross Revenue Applicable to Illinois (line 1 minus line 3)	878,777,852	878,777,852	Page 13(A), Line 5 and Line 9
4	DEDUCT:			
5	2) a. Revenues from Sale to Utilities for Resale			
6	b. Uncollectible Accounts (if accrual accounting used)	17,970,168	17,970,168	Page 324 (B), Line 235
7	c. Other Deductions (if amounts are included in line 1 c. above)			
8	Account Description	Account Number		
9	Enterprise Zone		2,793,293	
10	Rent for Gas Property	493	43,565	Page 11 (B), Line 24
11	Other Gas Revenue	495	13,741,031	Page 11 (B), Line 26
12				
13				
14	Total Deductions (line 5 thru line 13)	34,548,057	34,548,057	
15	Taxable Illinois Gross Revenues (line 3 minus line 14)	844,229,795	844,229,795	

NOTE: Balance in column (b) should equal balance in column (c). In the event that the amount in Column (c) does not equal the amount in Column (b) or if the amount in Column (c) cannot be found in the Annual Report, please provide a schedule reconciling the discrepancy or documentation to support the amount.

A utility filing its Public Utility Fund Gross Revenue Return using the "receipts" method must provide a reconciliation between the amounts used for revenues and deductions on the Gross Revenue Return and the amounts in the Annual Report. If these amounts cannot be reconciled, provide the necessary documentation to fulfill the requirements of Subsection 2-202(d)(1) of the Public Utilities Act to the Commission's Manager of Accounting Department. The necessary documentation can consist of a detailed analysis of actual billed revenue to the receipts collected. Supporting work papers should include the cash receipts journal showing the receipts collected. Also, provide documentation supporting the deductions.

Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report Is: (1) X An Original (2) A Resubmission	Date of Report (Mo./Da./Yr.)	Year of Report Dec. 31, 2012
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SPECIAL FUNDS (Accounts 125, 126, 127, 128)

Instructions:

1. Report below the balance at the end of year of each special fund maintained during the year. Identify each fund as to account in which included.
2. Indicate nature of any fund included in Account 128 Other Special Funds.
3. If the trustee of any fund is an associated company, give name of such associated company.
4. If assets other than cash comprise any fund, furnish a list of the securities or other assets, giving interest or dividend rate of each, cost to respondent, number of shares or principal amount, and book cost at end of year.

Line No.	Name of Fund and Trustee, if any (a)	Balance End of Year (b)
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19	Total	None

SPECIAL DEPOSITS (Accounts 132, 133, 134)

Instructions:

1. Report below the amount of special deposits by classes at end of year.
2. If any deposit consists of assets other than cash, give a brief description of such assets.
3. If any deposit is held by an associated company, give name of company.

Line No.	Description and Purpose of Deposit (a)	Balance End of Year (b)
1		
2	Workers Compensation (Account 134)	462,283
3	Margin Account with Broker (Account 134)	5,033
4	Security Deposit (Account 134)	3,000
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19	Total	470,316

Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report Is: (1) X An Original (2) A Resubmission	Date of Report (Mo./Da./Yr.)	Year of Report Dec. 31, 2012
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NOTES RECEIVABLE (Account 141)

Instructions:
1. Give the particulars called for below concerning notes receivable at end of year.
2. Give particulars of any note pledged or discounted.
3. Minor items may be grouped by classes, showing number of such items.
4. Designate any note the maker of which is a director, officer or other employee.

Line No.	Name of Maker and Purpose for Which Received	Date of	Date of Maturity	Interest Rate %	Balance at End of Year
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15	Total				None

OTHER ACCOUNTS RECEIVABLE (Account 143)

Instructions:
1. Give the particulars called for below concerning other accounts receivable at end of year.
2. Designate any account in excess of \$10,000 that is more than 1 year old.

Line No.	Description	Balance at End of Year (b)
1	Officers and Employees	
2	Due on subscriptions to capital stock (state class and series of stock):	
3		
4		
5		
6		
7		
8	Miscellaneous (group and describe by classes):	
9	Accounts Receivable - Medicare Part D Subsidy	247,475
10	Accounts Receivable - Hub Storage Service	1,143,516
11	Accounts Receivable - Off-System Gas Sales	1,091,094
12	Accounts Receivable - Workers Compensation	513,078
13	Accounts Receivable - Insurance Reimbursement	2,281,745
14	Accounts Receivable - Miscellaneous	55,520
15	Accounts Receivable - PEGASys	2,486
16	Accounts Receivable - Hurricane Sandy Assistance Reimbursement	612,000
17		
18		
19		
20		
21	Total	5,946,914

Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report Is: (1) X An Original (2) A Resubmission	Date of Report (Mo./Da./Yr.)	Year of Report Dec. 31, 2012
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RECEIVABLE FROM ASSOCIATED COMPANIES (Accounts 145, 146)

Instructions:

1. Report particulars of notes and accounts receivable from associated companies at end of year.
2. Provide separate headings and totals for Accounts 145 Notes Receivable from Associated Companies, and 146 Accounts Receivable from Associated Companies, in addition to a total for the combined accounts.
3. For notes receivable list each note separately and show in column (a) date of note and date of maturity.
4. If any note was received in satisfaction of an open account, state the period covered by such open account
5. Include in column (d) interest recorded as income during the year, including interest on accounts and notes held any time during the year.
6. Give particulars of any notes pledged or discounted, also of any collateral held as guarantee of payment of any note or account.

Line No.	Name of Company (a)	Balance at End of Year (b)	Interest for Year	
			Rate % (c)	Amount (d)
1	Account 145 - Notes Receivable from Associated Companies			
2	North Shore Gas Company	20,800,000	Various	21,964
3				
4				
5	Account 146 - Accounts Receivable from Associated Companies			
6	North Shore Gas Company	550,855		None
7	Integrays Business Support, LLC	305,781		None
8	Minnesota Energy Resources Corporation	25,363		None
9	Wisconsin Public Service Corporation	3,665		None
10	Peoples Energy, LLC	136		None
11	Michigan Gas Utilities Corporation	42		None
12	Upper Peninsula Power Company	7		None
13				
14				
15				
16				
17	Total	885,849		None
18				
19				
20				
21				
22				
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				

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MISCELLANEOUS CURRENT AND ACCRUED ASSETS (Account 174)

Instructions: Give description and amount of miscellaneous current and accrued assets as of end of year.
Minor items may be grouped by classes, showing number of such items.

Line No.	DESCRIPTION	AMOUNT
1		
2		
3	Miscellaneous invoiced charges pending final distribution	37,213
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		
26		
27		
28		
29		
30		
31	Total	37,213

Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report Is: (1) X An Original (2) A Resubmission	Date of Report (Mo./Da./Yr.)	Year of Report Dec. 31, 2012
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MATERIALS AND SUPPLIES

Instructions:

- For Account 154, report the amount of plant materials and operating supplies under the primary functional classifications as indicated in column (a); estimates of amounts by function are acceptable. In column (d), designate the department or departments that use the class of material.
- Explain important inventory adjustments during the year (on a supplemental page) showing general classes of material and supplies and the various accounts (operating expenses, clearing accounts, plant, etc.) affected - debited or credited. Show separately debits or credits to stores expense-clearing, if possible

Line No.	Account (a)	Balance Beginning of Year (b)	Balance End of Year (c)	Department Which Used Material (d)
1	Fuel Stock (Account 151)	None	None	
2	Fuel Stock Expenses Undistributed (Account 152)	None	None	
3	Residuals and Extracted Products (Account 153)	None	None	
4	Plant Materials and Operating Supplies (Account 154)			
5	Assigned to - Construction (Estimated)	7,619,941	9,470,306	Gas
6	Assigned to - Operations and Maintenance			
7	Production Plant (Estimated)	401,704	690,186	Gas
8	Transmission Plant (Estimated)	3,897	2,516	Gas
9	Distribution Plant (Estimated)	3,519,750	5,251,635	Gas
10	Assigned to - Other	875,621	2,457,624	Gas
11	TOTAL Account 154 (enter total of lines 5 thru 10)	12,420,913	17,872,267	
12	Merchandise (Account 155)			
13	Other Materials and Supplies (Account 156)	None	None	
14	Nuclear Materials Held for Sale (Acct. 157) (Not applicable to Gas util.)	NA	NA	
15	Stores Expense Undistributed (Account 163)	14,535	53,279	Gas
16				
17				
18				
19				
20	TOTAL Materials and Supplies (Per Balance Sheet)	12,435,448	17,925,546	

Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report Is: (1) X An Original (2) A Resubmission	Date of Report (Mo./Da./Yr.)	Year of Report Dec. 31, 2012
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NOTES PAYABLE (Account 231)

Instructions:

1. Report the particulars indicated concerning notes payable at end of year.
2. Give particulars of collateral pledged, if any.
3. Any demand notes should be designated as such in column (c).

Line No.	Payee (a)	Purpose for Which Issued (b)	Date of Note (c)	Interest Rate % (d) (1)	Balance End of Year (e)
1	Banc of America Securities	General Corp Req	12/13/2012	0.44%	10,000,000
2	Goldman Sachs	General Corp Req	12/17/2012	0.44%	35,000,000
3	Banc of America Securities	General Corp Req	12/18/2012	0.44%	20,000,000
4	Banc of America Securities	General Corp Req	12/20/2012	0.44%	15,600,000
5	Banc of America Securities	General Corp Req	12/21/2012	0.44%	33,000,000
6	Goldman Sachs	General Corp Req	12/26/2012	0.43%	40,000,000
7	Banc of America Securities	General Corp Req	12/27/2012	0.44%	14,200,000
8	Goldman Sachs	General Corp Req	12/31/2012	0.37%	10,800,000
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23	TOTAL				178,600,000

PAYABLES TO ASSOCIATED COMPANIES (Accounts 233, 234)

Instructions:

1. Report particulars of notes and accounts to associated companies at end of year.
2. Provide separate totals for Accounts 233, Notes Payable to Associated Companies, and 234, Accounts Payable to Associated Companies, in addition to total for the combined accounts.
3. List each note separately and state the purpose for which issued. Show also in column (a) date of note and maturity.
4. Include in column (e) the amount of any interest expense during the year on notes or accounts that were paid before the end of year.

Line No.	Name of Company (a)	Commission Authorization (b)	Balance End of Year (c)	Interest for Year	
				Rate % (d)	Amount (e)
1	Account 233- Notes Payable to Associated Companies				
2	Integrus Energy Group, Inc.			Various	241,406
3	North Shore Gas Company			Various	4,044
4					
5					
6	Total		None		245,450
7					
8	Account 234- Accounts Payable to Associated Companies				
9	Integrus Business Support, LLC		15,171,070		None
10	Peoples Gas Neighborhood Development Corporation		4,157,432		None
11	IES - Natural Gas, LLC		2,848,365		None
12	Wisconsin Public Service Corporation		320,426		None
13	Integrus Energy Group, Inc.		89,652		None
14	Integrus Transportation Fuels, LLC		11,102		None
15	Integrus Energy Services, Inc.		1,384		None
16	North Shore Gas Company		532		None
17	Minnesota Energy Resources Corporation		141		None
18					
19					
20					
21	Total		22,600,104		None
22					
23					
24					
25					
26					
27					

(1) Annual interest rate.

Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report Is: (1) X An Original (2) A Resubmission	Date of Report (Mo./Da./Yr.)	Year of Report Dec. 31, 2012
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LONG TERM DEBT (Accounts 221, 222, 223 and 224)

Instructions:

- Report by balance sheet Account the particulars (details) concerning long-term debt included in Accounts 221- Bonds, 222- Reacquired Bonds, 223- Advances from Associated Companies, and 224- Other Long-Term Debt. If information to meet the stock exchange reporting requirement outlined in column (a) is available from the SEC 10-K Report Form filing, a specific reference to the report form (i.e. year and company title) may be reported in column (a) provided the fiscal years for both the 10-K report and this report are compatible.
- For bonds assumed by the respondent, include in column (a) the name of the issuing company as well as a description of the bonds.
- For advances from Associated Companies, report separately advances on notes and advances on open accounts. Designate demand notes as such. Include in column (a) name of associated companies from which advances were received.
- For receivers' certificates, show in column (a) the name of the court and date of court order under which such certificates were issued.
- In a supplemental statement, give explanatory particulars (details) for Accounts 223 and 224 of net changes during the year. With respect to long-term advances, show for each company: (a) principal advanced during year, (b) interest added to principal amounts, and (c) principal repaid during year. Give commission authorization numbers and dates.

Line No.	Class and Series of Obligation, Coupon Rate (a)	Principal Amount of Debit Issued (b)	Nominal Date of Issue (c)	Date of Maturity (d)	Outstanding (Total amount outstanding without reduction for amounts held by respondent) (e)
1	Account 221 - Bonds				
2	Series KK, 5.000%	50,000,000	02-06-03	02-01-33	50,000,000
3	Series NN, 4.625%	75,000,000	04-29-03	05-01-13	75,000,000
4	Series QQ, 4.875%	75,000,000	11-25-03	11-01-38	75,000,000
5	Series RR, 4.300%	50,000,000	06-01-05	06-01-35	50,000,000
6	Series SS, 7.000%	45,000,000	11-03-08	11-01-13	45,000,000
7	Series TT, 8.000%	5,000,000	11-03-08	11-01-18	5,000,000
8	Series UU, 4.630%	75,000,000	09-30-09	09-01-19	75,000,000
9	Series VV, 2.125%	50,000,000	08-18-10	03-01-30	50,000,000
10	Series WW, 2.625%	50,000,000	10-05-10	02-01-33	50,000,000
11	Series XX, 2.210%	50,000,000	11-01-11	11-01-16	50,000,000
12	Series YY, 3.980%	100,000,000	12-04-12	12-01-42	100,000,000
13					
14					
15					
16					
17	Account 222 - Reacquired Bonds				None
18					
19	Account 223 - Advances From Associated Companies				None
20					
21	Account 224 - Other Long-Term Debt				None
22					
23					
24					
25					
26					
27					
28					
29	TOTAL	625,000,000			625,000,000

- Bond insurance fee amortization for Series PP prior to redemption May 17, 2012.
- Bond insurance fee amortization for Series KK.
- Callable February 1, 2013 at par.
- Not redeemable except in extraordinary circumstances.
- Callable November 1, 2013 at 101% of face value.
- Not callable during the initial term ending on the June 1, 2016 mandatory tender date.
- Callable at the greater of 100% of principal or the present value of the remaining payments, plus accrued interest, plus 50 basis points.
- Callable at the greater of 100% of principal or the present value of the remaining payments, plus accrued interest, plus 50 basis points.
- Callable at the greater of 100% of principal or the present value of the remaining payments, plus accrued interest, plus 50 basis points.
- Not callable during the initial term ending on the July 1, 2014 mandatory tender date.
- Not callable during the initial term ending on the August 1, 2015 mandatory tender date.
- Callable at the greater of 100% of principal or the present value of the remaining payments, plus accrued interest, plus 50 basis points.
- Callable at the greater of 100% of principal or the present value of the remaining payments, plus accrued interest, plus 50 basis points.

Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report Is: (1) X An Original (2) A Resubmission	Date of Report (Mo./Da./Yr.)	Year of Report Dec. 31, 2012
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LONG TERM DEBT (Accounts 221, 222, 223 and 224)

Instructions:

6. If the respondent has pledged any of its long-term debt securities, give particulars (details) in a footnote, including name of the pledgee and purpose of the pledge.

7. If the respondent has any long-term securities which have been nominally issued and are nominally outstanding at end of year, describe such securities in a footnote.

8. If interest expense was incurred during the year on any obligation retired or reacquired before end of year, include interest expense in column (g). Explain in a footnote any difference between the total of column (g) and the total Account 427, Interest on Long-Term Debt and Account 430, Interest on Debt to Associated Companies.

9. Give particulars (details) concerning any long-term debt authorized by a regulatory commission but not yet issued.

10. In column (b) show the principal amount of bonds or other long -term debt originally issued.

11. In column (i) provide redemption price in % or per \$100 of face amount outstanding. If the respondent has provided information required in column (i) in a document filed pursuant to Article 6 of the Illinois Public Utilities Act, respondent may reference that document in a footnote in lieu of providing the information here.

INTEREST FOR YEAR	HELD BY RESPONDENT		Redemption Price at End of Year (l)	Line No.
Amount (f)	Reacquired Bonds (Acct. 222) (g)	Sinking and Other Funds (h)		
				1
2,500,000			(3)	2
3,468,750			(4)	3
3,656,250			(5)	4
2,150,000			(6)	5
3,150,000			(7)	6
400,000			(8)	7
3,472,500			(9)	8
1,062,500			(10)	9
1,312,500			(11)	10
1,105,000			(12)	11
309,556			(13)	12
28,687	(1)			13
37,500	(2)			14
				15
				16
				17
				18
				19
				20
				21
				22
				23
				24
				25
				26
				27
				28
22,653,243				29

Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report Is: (1) X An Original (2) A Resubmission	Date of Report (Mo./Da./Yr.)	Year of Report Dec. 31, 2012
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UNAMORTIZED LOSS AND GAIN ON REACQUIRED DEBT (Accounts 189, 257)

- Report under separate subheadings for Unamortized Loss and Unamortized Gain on Reacquired Debt, particulars (details) of gain and loss, including maturity date, on reacquisition applicable to each class and series of long-term debt. If gain or loss resulted from a refunding transaction, include also the maturity date of the new issue.
- In column (e) show the principal amount of bonds or other long-term debt reacquired.
- In column (f) show the net gain or net loss realized on each debt reacquisition as computed in accordance with General Instruction 17 of the Uniform System of Accounts.
- Show loss amounts by enclosing the figures in parentheses.
- Explain in a footnote any debits and credits other than amortization debited to Account 428.1, Amortization of Loss on Reacquired Debt, or credited to Account 429.1, Amortization of Gain on Reacquired Debt-Credit.

Line No.	Designation of Long-Term Debt (a)	Date Reacquired (b)	Amortization Period		Principal of Debt Reacquired (e)	Net Gain or Net Loss (f)	Balance at Beginning of Year (g)	Debits During Year (h)	Credits During Year (i)	Balance at End of Year (j)
			Date From (c)	Date To (d)						
1	Account 189 - Unamortized Loss on Reacquired Debt									
2	First and Refunding Mortgage Bonds									
3	Series WW, 2.625%		10-05-10	02-01-33			2,603,754	123,498		2,480,256
4	Series VV, 2.125%		08-18-10	03-01-30			1,810,806	99,677		1,711,129
5	Series KK, 5.000%		02-06-03	02-01-33			1,222,361	57,978		1,164,383
6	Series QQ, 4.875%		11-25-03	11-01-38			1,872,268	69,774		1,802,494
7	Series PP (1)		10-09-03	10-01-37			1,668,638	66,426		1,602,212
8	Series OO		10-09-03	10-01-37			2,174,584	84,450		2,090,134
9	Series RR, 4.300%		06-01-05	06-01-35			2,374,615	101,407		2,273,208
10										
11	Total						13,727,026	-	603,210	13,123,816
12	Account 257 - Unamortized Gain on Reacquired Debt									
13	First and Refunding Mortgage Bonds									None
14										
15										
16										
17										
18										
19										
20										
21										
22										
23										
24										
25										
26										
27										
28										
29										
30										

(1) The Series PP Bonds were converted to Weekly Rate mode effective April 17, 2008. At that time, Peoples purchased and is currently holding the related IDFA Series 2003D. These bonds were retired May 17, 2012.

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DISCOUNT ON COMMON STOCK AND PREFERRED STOCK ISSUANCES
(Accounts 201 through 204 and 207)

1. Identify the amount of discount or expense, including underwriting discounts, recorded in account 214, Capital Stock Expense, that has accumulated since December 31, 1993. Amounts recorded before December 31, 1993 may also be included.

Line No.	Account Title (a)	Amount of Discount (b)	Amount Recovered through Rates (c)
1	Account 201, Common Stock Issued	None	None
2	Account 202, Common Stock Subscribed	None	None
3	Account 203, Common Stock Liability for Conversion	None	None
4	Account 204, Preferred Stock Issued	None	None
5	Account 207, Premium on Capital Stock	None	None
6	Total	None	None

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UNAMORTIZED DEBT EXPENSE, PREMIUM & DISCOUNT ON LONG-TERM DEBT
(Accounts 181, 225, 226)

Instructions:
1. Report under separate subheadings for Unamortized Debt Expense, Unamortized Premium on Long-Term Debt and Unamortized Discount on Long-Term Debt, particulars (details) of expense, premium or discount applicable to each class and series of long-term debt.
2. Show premium amounts by enclosing the figures in parentheses.
3. In column (b) show the principal amount of bonds or other long-term debt originally issued.
4. In column (c) show the expense, premium or discount with respect to the amount of bonds or other long-term debt originally issued.

Line No.	Designation of Long-Term Debt (a)	Principal Amount of Debt Issued (b)	Total Expenses, Premium or Discount (c)	AMORTIZATION PERIOD	
				Date From (d)	Date To (e)
1	Account 181 - Unamortized Debt Expense				
2	First and Refunding Mortgage Bonds				
3	Series KK, 5.000%	50,000,000	1,970,837	02-06-03	02-01-33
4	Series NN, 4.625%	75,000,000	801,674	04-29-03	05-01-13
5	Series QQ, 4.875%	75,000,000	1,983,548	11-25-03	11-01-38
6	Series RR, 4.300%	50,000,000	1,038,405	06-01-05	06-01-35
7	Series TT, 8.000%	5,000,000	63,813	11-03-08	11-01-18
8	Series SS, 7.000%	45,000,000	574,314	11-03-08	11-01-13
9	Series UU, 4.630%	75,000,000	768,208	09-30-09	09-01-19
10	Series VV, 2.125%	50,000,000	722,586	08-18-10	03-01-30
11	Series WW, 2.625%	50,000,000	610,499	10-05-10	02-01-33
12	Series XX, 2.210%	50,000,000	558,731	11-01-11	11-01-16
13	Series YY, 3.980%	100,000,000	973,626	12-04-12	12-01-42
14	ICC Issuance Fees for Long-Term Debt (1)				
15					
16					
17					
18					
19					
20					
21	Account 225 - Unamortized Premium on Long-Term Debt	None			
22					
23	Account 226 - Unamortized Discount on Long-Term Debt				
24	First and Refunding Mortgage Bonds				
25	Series KK, 5.000%	50,000,000	689,000	02-06-03	02-01-33
26	Series NN, 4.625%	75,000,000	60,000	04-29-03	05-01-13
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					
41					
42					
43					
44	TOTAL		10,815,241		

- Notes:
(1) In the order in ICC Docket 12-0285, the company was given approval for the issuance of \$50 million in debt. This debt has not been issued.
(2) Additional Issuance costs for respective Series.
(3) New bond issuance costs for Series YY.
(4) Does not include \$70,850 for Series NN hedge loss charged to account 428.

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UNAMORTIZED DEBT EXPENSE, PREMIUM & DISCOUNT ON LONG-TERM DEBT
(Accounts 181, 225, 226) (continued)

Instructions:

5. Furnish in a footnote particulars (details) regarding the treatment of Unamortized debt expenses, premium or discount associated with issues redeemed during the year. Also, give in a footnote the date of the Commission's authorization of treatment other than as specified by the Uniform System of Accounts.
6. Identify separately undisposed amounts applicable to issues that were redeemed in prior years.
7. Explain any debits and credits other than amortization debited to Account 428- Amortization of Debt Discount and Expenses, or credited to Account 429 - Amortization of Premium on Debt - Credit.

Balance at Beginning of Year (f)	Debits During Year (g)		Credits During Year (h)		Balance at End of Year (i)	Line No.
						1
						2
1,388,006			65,834		1,322,172	3
107,481			80,611		26,870	4
1,524,293			56,806		1,467,487	5
811,248			34,644		776,604	6
43,693			6,394		37,299	7
211,400			115,309		96,091	8
596,095			77,751		518,344	9
672,194			37,002		635,192	10
577,018			27,369		549,649	11
539,718	475	(2)	111,766		428,427	12
	973,626	(3)	2,524		971,102	13
	120,000				120,000	14
						15
						16
						17
6,471,146	1,094,101		616,010		6,949,237	18
						19
None					None	20
						21
						22
						23
						24
484,667			22,988		461,679	25
8,005			6,003		2,002	26
						27
492,672			28,991		463,681	28
						29
						30
						31
						32
						33
						34
						35
						36
						37
						38
						39
						40
						41
						42
						43
6,963,818	1,094,101		645,001	(4)	7,412,918	44

Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo./Da./Yr.)	Year of Report Dec. 31, 2012
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**SECURITIES ISSUED OR ASSUMED AND
SECURITIES REFUNDED OR RETIRED DURING THE YEAR**

1. Furnish a supplemental statement giving a brief description of security financing and refinancing transactions during the year and the accounting for the securities, discounts, premiums, expenses, and related gains or losses. Identify as to Commission authorization numbers and dates.
2. Furnish particulars (details) showing fully the accounting for the total principal amount, par value, or stated value of each class and series of security issued, assumed, retired, or refunded and the accounting for premiums, discounts, expenses, and gains or losses relating to the securities. Set forth the facts of the accounting clearly with regard to redemption premiums, unamortized discounts, expenses, and gains or losses relating to the securities retired or refunded, including the accounting for such amounts carried in the respondent's accounts at the date of the refunding or refinancing transactions with respect to securities previously refunded or retired.
3. Include in the identification of each class and series of security, as appropriate, the interest or dividend rate, nominal date of issuance, maturity date, aggregate principal amount, par value or stated value, and number of shares. Give also the issuance of redemption price and name of the principal underwriting firm through which the security transactions were consummated.
4. Where the accounting for the amounts relating to securities refunded or retired is other than that specified in General Instruction 17 of the Uniform System of Accounts, give references to the Commission authorization for the different accounting and state the accounting method.
5. For securities assumed, give the name of the company for which the liability on the securities was assumed as well as particulars (details) of the transactions whereby the respondent undertook to pay obligations of another company. If any unamortized discount, premiums, expenses, and gains or losses were taken over onto the respondent's books, furnish details of these amounts with amounts relating to refunding securities clearly earmarked.

See attachment.

Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report is: (1) X An Original (2) A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report Dec. 31, 2012
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**SECURITIES ISSUED OR ASSUMED AND SECURITIES
REFUNDED OR RETIRED DURING THE YEAR**

Line No.	Description (a)	Principal Amounts Issued/(Retired) (b)	Issuance/ Redemption Price (c)	Gross Discount or Premium On Redemption (d)	Issuance/ Redemption Expenses (e)	Debt Discount (f)
1						
2	<u>First and Refunding Mortgage Bonds:</u>					
3						
4	Series YY, 3.980%	100,000,000	100.00		973,626	
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28	Total	100,000,000			973,626	

Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report Is: (1) X An Original (2) A Resubmission	Date of Report (Mo./Da./Yr.)	Year of Report Dec. 31, 2012
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INVESTMENTS (Accounts 123, 124, 136)

Instructions:

1. Report below investments in Accounts 123- Investments in Associated Companies, 124- Other Investments, and 136-Temporary Cash Investments.
2. Provide a subheading for each account and list there under the information called for:
 - (a) Investment in Securities - List and describe each security owned, giving name of issuer, date acquired and date of maturity. For bonds, also give principal amount, date of issue, maturity and interest rate. For capital stock (including capital stock of respondent) reacquired under a definite plan for resale pursuant to authorization by the Board of Directors, and included in Account 124- Other Investments, state number of shares, classes, and series of stock. Minor investments may be grouped by classes. Investments included in Account 136- Temporary Cash Investments, also may be grouped by classes.
 - (b) Investment Advances - Report separately for each person or company the amounts of loans or investment advances which are properly includable in Account 123. Advances subject to current repayment should be included in Accounts 145 and 146. With respect to each advance, show whether the advance is a note or open account.

Line No.	Description of Investment (a)	Book Cost at Beginning of Year (If book cost is different from cost to respondent, give cost to respondent in a footnote and explain difference) (b)	Purchases or Additions During Year (c)
1	Account 123 - Investment in Associated Companies	None	None
2			
3			
4			
5	Account 124 - Other Investments	None	None
6			
7			
8			
9			
10			
11			
12			
13	Account 136 - Temporary Cash Investments	None	294,800,000
14			
15			
16			
17			
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INVESTMENTS (Accounts 123, 124, 136) (continued)

Instructions:

Each note should be listed giving date of issuance, maturity date, and specifying whether note is a renewal. Designate any advances due from officers, directors, stockholders, or employees. Exclude amounts reported on page 229, of FERC Form 1.

3. For any securities, notes or accounts that were pledged designate with an asterisk such securities, notes or accounts and in a footnote state the name of pledges and purpose of the pledge.

4. If Commission approval was required for any advance made or security acquired designate such fact in a footnote and give name of Commission, date of authorization, and case or docket number.

5. Report in column (g) interest and dividend revenues from investments including such revenues from securities disposed of during the year.

6. In column (h) report for each investment disposed of during the year the gain or loss represented by the difference between cost of the investment (or the other amount at which carried in the books of account if different from cost) and the selling price thereof, not including any dividend or interest adjustment includible in column (g).

Sales or Other Dispositions During Year (d)	Principal Amount or No. of Shares at End of Year (e)	Book Cost at End of Year (If book cost is different from cost to respondent, give cost to respondent in a footnote and explain difference.) (f)	Revenues for year (g)	Gain or Loss from Investment Disposed of (h)	Line No.
None	None	None	None	None	1
					2
					3
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None	None	None	None	None	7
					8
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294,800,000	None	-	1,199	None	13
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PARTICULARS CONCERNING CERTAIN OTHER INCOME ACCOUNTS

Instructions:			
1. Report in this schedule the revenues and expenses with respect to: Income from Nonutility Operations (Account 417), Expenses of Nonutility Operations (Account 417.1), Nonoperating Rental Income (Account 418), Equity Earnings in Subsidiary Companies (Account 418.1), Interest and Dividend Income (Account 419), Allowances for Other Funds Used During Construction (Account 419.1), Miscellaneous Nonoperating Income (Account 421), and Gains on Disposition of Property (Account 421.1).			
2. Give the basis of any important segregation of income and expense between utility and Nonutility operations.			
3. Minor items may be grouped by classes, show number of items.			
Line No.	Item (a)	Amount (b)	
1	Account 417 - Revenues from Nonutility Operations	(199)	
2			
3	Account 417.1 - Expenses of Nonutility Operations		
4	Depreciation Expense		
5	Other Expenses		
6	Total	None	
7			
8	Account 418 - Nonoperating Rental Income		
9	Revenues		
10	Expenses		
11	Total	None	
12			
13			
14	Account 418.1 - Equity in Earnings of Subsidiary Companies	14,099	
15			
16			
17	Account 419 - Interest and Dividend Income		
18	Carrying Charges Related to Investigation and Removal of Manufactured Gas Residues	780,781	
19	Intercompany Interest Income	21,964	
20	Interest on Commercial Paper and Short-Term Investments	1,199	
21	Total	803,944	
22			
23			
24	Account 419.1 - Allowance for Other Funds Used During Construction	None	
25			
26			
27			
28			
29	Account 421 - Miscellaneous Nonoperating Income		
30	Mark-to-Market Changes on Exchange-Traded Funds	355,641	
31	Funds Exempt from Escheatment	209,055	
32	Lease Payments	34,560	
33	Mark-to-Market Changes on Derivatives	25,493	
34	Miscellaneous and Other	12,252	
35	Total	637,001	
36			
37	Account 421.1 - Gain on Disposition of Property	None	
38			

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EMPLOYEE DATA

Instructions:

1. The data on number of employees should be reported for the payroll period ending nearest to October 31, or any payroll period ending 60 days before or after October 31.
2. If the respondent's payroll for the reported period include any special construction forces, include such employees as part-time and temporary employees and show the number of such special construction employees so included.
3. The number of employees assignable to each department from joint functions of combination utilities may be determined by estimate, based on employee equivalents. Show the estimated number of equivalent employees attributed to each department from joint functions.
4. If respondent furnishes two or more kinds of utility service, general officers, executive and other employees not assignable to any particular department are to be reported in column (h). No employee is to be included more than once.

Classification (a)	Electric (b)	Gas (c)	Water (d)	Heating (e)	(f)	(g)	Common (h)	Total (i)
Number of employees as of payroll period ended 12/22/2012								
TOTAL regular full-time employees		1,263						1,263
TOTAL part-time & temporary employees		-						-
Total Employees		1,263						1,263

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CHARGES FOR OUTSIDE, PROFESSIONAL AND OTHER CONSULTATIVE SERVICES

Instructions:

- Report the information specified below for all changes made during the year included in any account (including plant accounts) for outside consultative and other professional services. (These services include rate, management, construction, engineering, research, financial, valuation, legal, accounting, purchasing, advertising, labor relations, and public relations, rendered for the respondent under written or oral arrangement, for which aggregate payments were made during the year to any corporation, partnerships organization of any kind, or individual (other than for services as an employee or for payments made for medical and related services) amounting to more than \$50,000 for utilities with operating revenues of \$25,000,000 or less and more than \$250,000 for utilities with operating revenues of more than \$25,000,000, including payments for legislative services, except those which should be reported in Account 425.4 Expenditure for Certain Civic, Political and Related Activities.
 - Name and Address of person or organization rendering services.
 - Description of services received during year and project or case to which services relate.
 - Basis of charges.
 - Total charges for the year, detailing utility department and account charged.
- For any services that are of a continuing nature, give the date and term of contract and date of Commission authorization, if contract received Commission approval.
- Designate with an asterisk associated companies.

Line No.	Item (a)	Amount (b)
1		
2	See supplemental sheet	
3		
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CHARGES FOR OUTSIDE PROFESSIONAL AND
OTHER CONSULTATIVE SERVICES

<u>Description of Service (1)</u>	<u>Account Charged</u>	<u>Amount (2)</u>
<u>Accounting</u>		
Deloitte & Touche LLP 111 S. Wacker Drive Chicago, IL 60606	181, 182.5, 923	\$ 775,990
<u>Collections</u>		
Iqor/ First Contact LLC 335 Madison Avenue, 27th Floor New York, NY 10017	905	5,924,171
<u>Consulting</u>		
Broadspire Services Inc. 1001 Summit Boulevard Atlanta, GA 30319	143, 925	342,526
<u>Engineering</u>		
Clark Dietz 125 West Church Street Champaign, IL 61820	107	253,148
Jacobs Field Services North America Inc. 1088 Springhurst Drive Green Bay, WI 54304	107	250,806
Jacobs Engineering Group Inc. 421 Lawrence Drive DePere, WI 54115	107	620,715
<u>Legal</u>		
Foley & Lardner LLP 777 East Wisconsin Avenue Milwaukee, WI 53202	181, 182.0, 182.5, 186, 426, 923	738,171
Jenner & Block LLP 335 N. Clark Street Chicago, IL 60654	182.0, 923	440,994
Johnson & Bell LTD 33 W. Monroe St, Suite 2700 Chicago, IL 60603	143, 923, 925	611,245
Rooney Rippie & Ratnaswamy LLP Kingsbury Center, Suite 430 350 W. Hubbard Street Chicago, IL 60654	143, 182.5, 923, 925	354,400
<u>Environmental</u>		
Burns & McDonnell 1431 Opus Place, Suite 400 Downers Grove, IL 60515	182.0	3,277,829
Natural Resource Technology Inc. 23713 W. Paul Rd, Suite D Pewaukee, WI 53072	182.0	1,479,327

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CHARGES FOR OUTSIDE PROFESSIONAL AND
OTHER CONSULTATIVE SERVICES

<u>Description of Service (1)</u>	<u>Account Charged</u>	<u>Amount (2)</u>
<u>Training</u>		
UWUA Power for America Training Trust Fund 400 Galleria Officentre, Suite 116 Southfield, MI 48034	880	366,567
Various (3)	Various	2,377,423
<u>General</u>		
Integrys Business Support, LLC 130 East Randolph Street Chicago, Illinois 60601	Various	40,387,716 (4)
	TOTAL	<u>\$ 58,201,028</u>

- Notes:
- (1) All charges apply to the gas utility.
 - (2) Basis of charges: Fees and Expenses.
 - (3) Multiple vendors but no one vendor exceeds \$250,000.
 - (4) Integrys Energy Group, Inc. and its utilities, including Peoples Gas and North Shore, are parties to an Affiliated Interest Agreement dated March 1, 2007, approved by the Commission in Docket 06-0540. Billings for services rendered by associated companies are designed to make the company rendering the services whole for all costs and expenses relating to the performance of said services. Services between and among Peoples Energy, LLC ("PELLC") and its wholly owned subsidiaries are rendered in accordance with a Services and Transfers Agreement dated and effective February 7, 2007, as approved by the Commission in Docket 06-0540, with authority to transfer the agreement from Peoples Energy Corporation to PELLC granted in Docket 10-0588. Integrys Business Support, LLC provides services to all Integrys Energy Group, Inc. utility subsidiaries under an agreement approved by the Commission in Docket 07-0361.

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COMMON UTILITY PLANT AND EXPENSES

1. Describe the property carried in the utility's accounts as common utility plant and show the book cost of such plant at end of year classified by accounts as provided by Plant Instruction 13, Common Utility Plant, of the Uniform System of Accounts. Also, show the allocation of such plant costs to the respective departments using the common utility plant and explain the basis of allocation used, giving the allocation factors.
2. Furnish the accumulated provisions for depreciation and amortization at end of year, showing the amounts and classifications of such accumulated provisions, and amounts allocated to utility departments using the common utility plant to which such accumulated provisions relate, including explanation of basis of allocation and factors used.
3. Give for the year the expenses of operation, maintenance, rents, depreciation, and amortization for common utility plant classified by accounts as provided by the Uniform System of Accounts. Show the allocation of such expenses to the departments using the common utility plant to which such expenses are related. Explain the basis of allocation used and give the factors of allocation.
4. Give the date of approval by the Commission for use of the common utility plant classification and reference to order of the Commission or other authorization.

None

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NONUTILITY PROPERTY (Account 121)

1. Give a brief description and state the location of Nonutility property included in Account 121.
2. Designate with an asterisk any property that is leased to another company. State name of lessee and whether lessee is an associated company.
3. Furnish particulars (details) concerning sales, purchases, or transfers of Nonutility Property during the year.
4. List separately all property previously devoted to public service and give date of transfer to Account 121, Nonutility Property. These items are separate and distinct from those allowed to be grouped under Instruction No. 5.
5. Minor items (5% of the Balance at the End of the Year, for Account 121) may be grouped.
6. Natural gas companies which have oil property should report such property by State, classified as to (a) oil lands and land rights, (b) oil wells, and (c) other oil property. Gasoline plants and other plants for the recovery of products from natural gas are classifiable as gas plant and should be reported as such and not shown as Nonutility Property.

Line No.	Description & Location (a)	Balance at Beginning of Year (b)	Purchases, Sales, Transfers, etc. (c)	Balance at End of Year (d)
1	Chicap (Mokena) Lateral Pipeline Land owned in fee located in Will and Cook Counties, Illinois. Transferred to NonUtility Property in September 1985 from Gas Plant Held for Future Use	34,568		34,568
2	Archives-Chicago Land owned in fee located in Cook County, Illinois. Transferred to NonUtility property in June 1987 from Gas Plant in Service	19,467		19,467
3	Morris Pipeline Land owned in fee located in Will and Grundy Counties, Illinois. Transferred to NonUtility Property in December 1995 from Gas Plant in Service.	23,982		23,982
4	Fire System Monitoring Equipment Located at Company's 2700 S. Eleanor location. Transferred to NonUtility Property in January 2004.	4,785		4,785
5				
6	TOTAL	82,802	-	82,802
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18				

ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION OF NONUTILITY PROPERTY (Account 122)

Line No.	Item (a)	Amount (b)
1	Balance, Beginning of Year	5,695
2	Accruals for Year, Charged to	
3	(417) Income from Nonutility Operations	199
4	(418) Nonoperating Rental Income	
5	Other Accounts (Specify):	
6		
7	TOTAL Accruals for Year (Enter Total of lines 3 thru 6)	199
8	Net Charges for Plant Retired	
9	Book Cost of Plant Retired	
10	Cost of Removal	
11	Salvage (Credit)	
12	TOTAL Net Charges (Enter Total of lines 9 thru 11)	-
13	Other Debit or Credit Items (Describe)	
14	Loss on Equipment	
15	Balance, End of Year (Enter Total of lines 1, 7, 12 and 14)	5,894

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ACCUMULATED DEFERRED INCOME TAXES - ACCELERATED AMORTIZATION PROPERTY (Account 281)

Instructions:
1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to amortizable property.
2. For Other (Specify), include deferrals relating to other income and deductions.

Line No.	Account (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR	
			Amounts Debited To Account 410.1 (c)	Amounts Credited To Account 411.1 (d)
1	Accelerated Amortization (Account 281)			
2	Electric			
3	Defense Facilities			
4	Pollution Control Facilities			
5	Other			
6				
7				
8	TOTAL Electric (Enter total of lines 3 thru 7)			
9	Gas			
10	Defense Facilities			
11	Pollution Control Facilities			
12	Other			
13				
14				
15	TOTAL Gas (Enter total of lines 10 thru 14)			
16	Other (Specify)			
17	TOTAL (Acct. 281) (total of 8, 15 and 16)	None		
18	Classification of TOTAL			
19	Federal Income Tax			
20	State Income Tax			
21	Local Income Tax			

NOTES

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ACCUMULATED DEFERRED INCOME TAXES - ACCELERATED AMORTIZATION PROPERTY
(Account 281) (continued)

CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year (k)	Line No.
		DEBITS		CREDITS			
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	Account Debited (g)	Amount (h)	Account Credited (i)	Amount (j)		
							1
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						None	17
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NOTES (continued):

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GENERAL DESCRIPTION OF CONSTRUCTION OVERHEAD PROCEDURE

Instructions:

- For each construction overhead explain: (a) the nature and extent of work, etc., the overhead charges are intended to cover, (b) the general procedure for determining the amount capitalized, (c) the method of distribution to construction jobs, (d) whether different rates are applied to different types of construction, (e) basis of differentiation in rates for different types of construction, and (f) whether the overhead is directly or indirectly assigned.
- Show below the computation of allowances for funds used during construction rates, in accordance with the provisions of Gas Plant Instructions 3 (17) of the Uniform System of Accounts.
- Where a net-of-tax rate for borrowed funds is used, show the appropriate tax effect adjustment to the computations below in a manner that clearly indicates the amount of reduction in the gross rate for tax effect.

Notes: (1) See page 44-1 Supplemental Sheet - for general description of construction overheads.
(2) An allowance for funds used during construction (AFUDC) was not recorded during the calendar year 2012.

COMPUTATION OF ALLOWANCES FOR FUNDS USED DURING CONSTRUCTION RATES

- For line 1(5), column (d) below, enter the rate granted in the last rate proceeding. If such is not available, use the average rate earned during the preceding three years.
- Identify, in a footnote, the specific entity used as the source for the capital structure figures.
- Indicate, in a footnote, if the reported rate of return is one that has been approved in a rate case, black-box settlement rate, or an actual three-year average rate.

1. Components of Formula (Derived from actual book balances and actual cost rates):

Line No.	Title (a)	Amount (b)	Capitalization Ratio (Percent) (c)	Cost Rate Percentage (d)
1	Average Short-Term Debt	S		
2	Short Term Interest			s
3	Long-Term Debt	D		d
4	Preferred Stock	P		p
5	Common Equity	C		c
6	Total Capitalization			
7	Average Construction Work in Progress Balance	W		

2. Gross Rates for Borrowed Funds = $s \left(\frac{S}{W} \right) + d \left(\frac{D}{D + P + C} \right) \left(1 - \frac{S}{W} \right)$

3. Rate for Other Funds = $\left[1 - \frac{S}{W} \right] \left[p \left(\frac{P}{D + P + C} \right) + c \left(\frac{C}{D + P + C} \right) \right]$

4. Weighted Average Rate Actually Used for the Year:
a. Rate for Borrowed Funds -
b. Rate for Other Funds -

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GENERAL DESCRIPTION OF CONSTRUCTION OVERHEADS

Internal Design, Engineering, and Supervision

The company capitalizes salaries and expenses of supervisory, engineering and clerical personnel involved with the construction and retirement of gas mains, gas services, and the installation and removal of customers' meters and house regulators. Costs include design and engineering services as well as supervising, directing, and controlling activities of field employees engaged in the construction and retirement activities. Each month, the amounts are allocated to gas mains, gas services, meter installation, and retirement projects (exclusive of projects related to the Accelerated Main Replacement Program) based on direct union labor charged to those projects.

External Design, Engineering, and Supervision

The company capitalizes external costs incurred for the design, engineering and consulting services involved with the construction and retirement of gas mains, gas services and the installation and removal of customers' meters and house regulators. Each month, the amounts are allocated to gas mains, gas services, meter installation, and retirement projects (exclusive of projects related to the Accelerated Main Replacement Program) based on direct union labor charged to those projects.

Accelerated Main Replacement Program Design, Engineering, and Supervision

The company capitalizes salaries and expenses of supervisory, engineering and clerical personnel as well as external consulting services involved with the construction and retirement of gas mains and gas services related to the Accelerated Main Replacement Program. Costs include consulting, design, and engineering as well as the supervising, directing, and controlling activities of field employees engaged in the construction and retirement activities. Each month, the amounts are allocated to gas mains and gas services construction projects identified as part of the Accelerated Main Replacement Program based on direct union labor charged to those projects.

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**CAPITAL STOCK SUBSCRIBED, CAPITAL STOCK LIABILITY FOR CONVERSION PREMIUM ON CAPITAL AND
INSTALLMENTS RECEIVED ON CAPITAL STOCK (Accounts 202 and 205, 203 and 206, 207, 212)**

For utilities with gas and electric operations who file this page in FERC Form 1, this page is optional.

Please note on page, "See FERC Form 1".

1. Show for each of the above accounts the amounts applying to each class and series of capital stock.
2. For Account 202, Common Stock Subscribed, and Account 205, Preferred Stock Subscribed, show the subscription price and the balance due on each class at the end of year.
3. Describe in a footnote the agreement and transactions under which a conversion liability existed under Account 203, Common Stock Liability for Conversion, or Account 206, Preferred Stock Liability for Conversion, at the end of the year.
4. For Premium on Account 207, Capital Stock, designate with an asterisk any amounts representing the excess of consideration received over stated values of stocks without par value.

Line No.	Name of Account and Description of Item (a)	Number of shares (b)	Amount (c)
1	Account 202 -Common Stock Subscribed		None
2			
3	Account 203 - Common Stock Liability for Conversion		None
4			
5	Account 205 - Preferred Stock Subscribed		None
6			
7	Account 207- Premium on Capital Stock		None
8			
9			
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29			
30	Total		None

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DISCOUNT ON CAPITAL STOCK (Account 213)

1. Report the balance at end of the year of discount on capital stock for each class and series of capital stock.
2. If any change occurred during the year in the balance with respect to any class or series of stock, attach a statement giving particulars (details) of the change. State the reason for any charge-off during the year and specify the amount charged.

Line No.	Class and Series of Stock (a)	Balance at End of Year (b)
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21	TOTAL	None

CAPITAL STOCK EXPENSE (Account 214)

1. Report the balance at end of the year of capital stock expense for each class and series of capital stock.
2. If any change occurred during the year in the balance with respect to any class or series of stock, attach a statement giving particulars (details) of the change. State the reason for any charge-off of capital stock expense and specify the amount charged.

Line No.	Class and Series of Stock (a)	Balance at End of Year (b)
1	Common Stock	142,800
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
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15		
16		
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19		
20		
21	TOTAL	142,800

Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report Is: (1) X An Original (2) A Resubmission	Date of Report (Mo./Da./Yr.)	Year of Report Dec. 31, 2012
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Transactions with Associated (Affiliated) Companies

- This page shall be completed for calendar years beginning January 1, 2009 and following.
- Report below the information called for concerning all non-power goods or services received from or provided to associated (affiliated) companies amounting to more than \$50,000 for utilities with operating revenues of \$25,000,000 or less and more than \$250,000 for utilities with operating revenues of more than \$25,000,000.
- Where amounts billed to or received from the associated (affiliated) company are based on an allocation process, explain in a footnote the basis of the allocation.
- Provide for each line item, the regulatory citation where authorization for the affiliate transaction has been granted (e.g. Docket Number, legislation).

Line No.	Description of the Good or Service (a)	Name of Associated/ Affiliated Company (b)	Account(s) Charged or Credited (c)	Amount Charged or Credited (d)	Regulatory Authority (e)	Method of Determining Charges (f)
1	Non-power Goods or Services Provided by Affiliated Company to Respondent					
2						
3		Integrus Business Support, LLC	Various	145,634,478	Docket 07-0361	(1)
4		Integrus Energy Group, Inc.	Various	2,384,418	Docket 06-0540	(1)
5		Wisconsin Public Service Corporation	Various	1,703,364	Docket 06-0540	(1)
6		Peoples Energy Home Services	Various	385,680	Docket 06-0540	(1)
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19	Total			150,107,940		
20	Non-power Goods or Services Provided by Respondent to an Affiliated Company					
21						
22		Integrus Business Support, LLC	Various	1,365,581	Docket 07-0361	(1)
23		North Shore Gas Company	Various	3,530,213	Docket 06-0540	(1)
24		Peoples Energy Home Services	Various	389,916	Docket 06-0540	(1)
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41						
42						
43						
44						
45						
46						
47	Total			5,285,710		

(1) The amount represents transactions that create an intercompany payable/receivable. This includes transactions for services rendered, as well as payments made on behalf of one company by another company.

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Accumulated Provisions For Uncollectible Accounts Receivable

1. This page is required for utilities that have implemented an automatic adjustment clause tariff for uncollectibles under Sections 16-111.8 or 19-145 of the Public Utilities Act.
2. Report below the specified information called for in this schedule. Electric and gas information shall be separately reported.
3. In the comments section, provide an explanation or calculation of how the Illinois-jurisdictional amounts are derived.
4. If the Accumulated Provision for Uncollectible Accounts Receivable is not used to record the Write-offs (Col. D) and Recoveries (Col. E), so state and provide the relevant Write-off and Recoveries data by ICC Account.
5. The information may be reported in more detail if direct cost data is available.

Line No.	Description (a)	Balance at Beginning of Year (b)	Reserve Accrual (c)	Write-offs (d)	Recoveries (e)	Adjustments (f)	Balance at End of Year (g)
1	Total Electric						
2	Total Gas	34,700,396	25,828,594	(29,294,260)	7,722,339	(4,600,000)	34,357,069

Explanation of how Illinois-jurisdictional amounts are derived:

The reserve accrual is calculated by obtaining applicable revenues and multiplying by the bad debt accrual rate (2.54%). Since revenues are booked net of taxes, an additional accrual to the reserve is calculated by multiplying the billed taxes times the bad debt accrual rate. Write-offs and recoveries are based on actual activity reflected in the Company's customer information system. Adjustments are recorded based on an analysis of customer account balances, collection experience and other relevant information.

Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo./Da./Yr.)	Year of Report Dec. 31, 2012
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GENERAL INFORMATION

1. Provide name and title of officer having custody of the general corporate books of account and addresses of office where the general corporate books are kept, and addresses of office where any other corporate books of account are kept, if different from that where the general corporate books are kept.

James F. Schott - Vice President and Chief Financial Officer
130 East Randolph Street
Chicago, IL 60601

2. Provide the name of the State under the laws of which respondent is incorporated, and date of incorporation. If incorporated under a special law, give reference to such law. If not incorporated, state that fact and give the type of organization and the date.

Illinois
February 12, 1855

3. If at any time during the year the property of respondent was held by a receiver or trustee, give (a) name of receiver or trustee, (b) date such receiver or trustee took possession, (c) the authority by which the receivership or trusteeship was created, and (d) date when possession by receiver or trustee ceased.

Not Applicable

4. State the classes of utility and other services furnished by respondent during the year in each State in which the respondent operated.

Natural Gas

5. Have you engaged as the principal accountant to audit your financial statements an accountant who is not the principal accountant for your previous year's certified financial statements?

(1) Yes. Enter the date when such independent accountant was initially engaged: _____

(2) No

Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report Is: (1) X An Original (2) A Resubmission	Date of Report (Mo./Da./Yr.)	Year of Report Dec. 31, 2012
CONTROL OVER RESPONDENT			
1. If any corporation, business trust, or similar organization or combination of such organizations jointly held control over the respondent at end of year, state name of controlling corporation or organization, manner in which control was held, and extent of control. If control was in a holding company organization, show the chain of ownership or control to the main parent company or organization. If control was held by a trustee(s), state name of trustee(s), name of beneficiary or beneficiaries for whom trust was maintained, and purpose of the trust.			
2. If the above required information is available from the SEC 10-K Report Form filing, a specific reference to the report form (i.e. year and company title) may be listed provided the fiscal years for both the 10-K report and this report are compatible.			

Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report Dec. 31, 2012
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OFFICERS

1. Report below the name, title and salary for each executive officer whose salary is \$150,000 or more. An "executive officer" or a respondent includes its president, secretary, treasurer, and vice president in charge of a principal business unit, division or function (such as sales, administration or finance), and any other person who performs similar policy-making functions.
2. If a change was made during the year in the incumbent of any position, show name of the previous incumbent, and date the change in incumbency was made.
3. Utilities which are required to file the same data with the Securities and Exchange Commission, may substitute a copy of item 4 of Regulation S-K (identified as this page). The substituted page(s) should be the same size as this page.

Title (A)	Name of Officer (b)	Salary (C)
This data is included in filed copies only.		

Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY		This Report Is: (1) X An Original (2) A Resubmission	Date of Report (Mo./Da./Yr.)	Year of Report Dec. 31, 2012
DIRECTORS				
1. Report below the information called for concerning each director of the respondent who held office at any time during the year. Include in column (a), abbreviated titles of the directors who are officers of the respondent.				
2. Designate members of the Executive Committee by an asterisk and the Chairman of the Executive Committee by a double asterisk.				
Line No.	Name and Title of Director (a)	Principal Business Address (b)	No. of Directors Meetings During Yr. (c)	Fees During Year (d)
1				
2	Charles A. Schrock	130 East Randolph Street, Chicago, IL 60601	4	None
3	Director			
4				
5	Lawrence T. Borgard	700 North Adams, P. O. Box 19001, Green Bay, WI 54307-9001	4	None
6	Chairman of the Board			
7	and Chief Executive Officer			
8				
9	Willard S. Evans, Jr.	130 East Randolph Street, Chicago, IL 60601	4	None
10	President			
11				
12	William D. Laakso	700 North Adams, P. O. Box 19001, Green Bay, WI 54307-9001	4	None
13	Director			
14				
15	Phillip M. Mikulsky	700 North Adams, P. O. Box 19001, Green Bay, WI 54307-9001	4	None
16	Director			
17				
18	Joseph P. O'Leary	130 East Randolph Street, Chicago, IL 60601	4	None
19	Senior Vice President and			
20	Chief Financial Officer			
21				
22	Mark A. Radtke	700 North Adams, P. O. Box 19001, Green Bay, WI 54307-9001	4	None
23	Director			
24				
25	James F. Schott	700 North Adams, P. O. Box 19001, Green Bay, WI 54307-9001	4	None
26	Vice President - External			
27	Affairs			
28				

* Respondent does not have an Executive Committee

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Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report Is: (1) X An Original (2) A Resubmission	Date of Report (Mo./Da./Yr.)	Year of Report Dec. 31, 2012
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SECURITY HOLDERS AND VOTING POWERS

Instructions:

1. Give the names and addresses of the 10 security holders of the respondent who, at the date of the latest closing of the stock book or compilation of list of stockholders of the respondent, prior to the end of the year, had the highest voting powers in the respondent, and state the number of votes which each would have had the right to cast on that date if a meeting were then in order. If any such holder held in trust, give in a footnote the known particulars of the trust (whether voting trust, etc.) duration of trust, and principal holds of beneficiary interests in the trust. If the stock book was not closed or a list of stockholders was not compiled within one year prior to the end of the year, or if since the previous compilation of a list of stockholders, some other class of security has become vested with voting rights, then show such 10 security holders as of the close of the year. Arrange the names of the security holders in the order of voting power, commencing with the highest. Show in column (a) the titles of officers and directors included in such list of 10 security holders.
2. If any security other than stock carriers voting rights, explain in a supplemental statement the circumstances whereby such security became vested with voting rights and give other important particulars (details) concerning the voting rights of such security. State whether voting rights are actual or contingent; if contingent, describe the contingency.
3. If any class or issue of security has any special privileges in the election of directors, trustees or managers, or in the determination of corporate action by any method, explain briefly in a footnote.
4. Furnish particulars (details) concerning any options, warrants, or rights outstanding at the end of the year for others to purchase securities of the respondent, including prices, expiration dates, and other material information relating to exercise of the options, warrants, or rights. Specify the amount of such securities or assets so entitled to be purchased by any officer, director, associated company, or any of the ten largest security holders. This instruction is inapplicable to convertible securities or to any securities substantially all of which are outstanding in the hands of the general public where the options, warrants, or rights were issued on a prorata basis.

1. Give date of the latest closing of the stock book prior to end of year, and state the purpose of such closing. Respondent does not close its stock book.	2. State the total number of votes cast at the latest general meeting prior to the end of the year for election of directors of the respondent and number of such votes cast by proxy Total: 25,357,566 By Proxy: -	3. Give the date and place of such meeting: May 8, 2012 130 E. Randolph Street Chicago, IL 60601
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Line No.	Name (Title) & Address of Security Holder (a)	VOTING SECURITIES			
		Number of votes as of (date):			
		Total Votes (b)	Common Stock (c)	Preferred Stock (d)	Other (e)
4	TOTAL votes of all voting securities		25,357,566		
5	TOTAL number of security holders		1		
6	TOTAL votes of security holders listed below		25,357,566		
7					
8	Peoples Energy, LLC		25,357,566		
9	130 East Randolph Street, Chicago, IL 60601				
10					
11					
12	Meeting conducted by unanimous consent of the sole shareholder on May 8, 2012.				
13					
14	Directors were elected May 8, 2012, via unanimous consent of the sole shareholder in lieu of an annual meeting.				
15					
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Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report Is: (1) X An Original (2) A Resubmission	Date of Report (Mo./Da./Yr.)	Year of Report Dec. 31, 2012
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SECURITY HOLDERS AND VOTING POWERS (con't)

Line No.	Name (Title) & Address of Security Holder (a)	Total Votes (b)	Common Stock (c)	Preferred Stock (d)	Other (e)
31					
32					
33					
34					
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37					
38					
39					
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42					
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Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report Is: (1) X An Original (2) A Resubmission	Date of Report (Mo./Da./Yr.)	Year of Report Dec. 31, 2012
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IMPORTANT CHANGES DURING THE YEAR

Instructions:

Give particulars (details) concerning the matters indicated below. Make the statements explicit and precise, and number them in accordance with the inquiries. Each inquiry should be answered. Enter "none" or "not applicable" where applicable. If information which answers an inquiry is given elsewhere in the report, make a reference to the schedule in which it appears.

1. Changes in and important additions to franchise right: Describe the actual consideration given therefore and state from whom the franchise rights were acquired. If acquired without the payment of consideration, state the fact.
2. Acquisition of ownership in other companies by reorganization, merger, or consolidation with other companies: Give name of companies involved, particulars concerning the transactions, name of the Commission authorizing the transaction, and reference to Commission authorization.
3. Purchase or sale of an operating unit or system: Give a brief description of the property, and of the transactions relating thereto, and references to Commission authorization, if any was required. Give date journal entries called for by the Uniform System of Accounts were submitted to the Commission.
4. Important leaseholds (other than leaseholds for natural gas lands) that have been acquired or given, assigned or surrendered: Give effective dates, lengths of terms, names of parties, rents and other conditions. State name of Commission authorizing lease and give reference to such authorization.
5. Important extension or reduction of transmission or distribution system: state territory added or relinquished and date operations began or ceased and give reference to such authorization, if any was required. State also the approximate number of customers added or lost and approximate annual revenues of each class of service. Each natural gas company must also state major new continuing sources of gas made available to it from purchases, development, purchase contract or otherwise, giving location and approximate total gas volumes available, period of contracts, and other parties to any such arrangements etc.
6. Obligations incurred or assumed by respondent as guarantor for the performance by another of any agreement or obligation, including ordinary commercial paper maturing on demand or not later than one year after date of issue: State on behalf of whom the obligation was assumed and amount of the obligation. Give reference to Commission authorization if any was required.
7. Changes in articles of incorporation or amendments to charter: Explain the nature and purpose of such changes or amendments.
8. State the estimated annual effect and nature of any important wage scale changes during the year.
9. State briefly the status of any materially important legal proceedings pending at the end of the year, and the results of any such proceedings culminated during the year.
10. Describe briefly any materially important transaction of the respondent not disclosed elsewhere in this report in which an officer, director, security holder reported on page 106, voting trustee, associated company or known associate of any of these persons was a party or in which any such person had a material interest.
11. Estimated increase or decrease in annual revenues due to important rate changes: State effective date and approximate amount of increase or decrease for each revenue classification. State the number of customers affected.
12. If the important changes during the year relating to the respondent company appearing in the annual report to stockholders are applicable in every respect and furnish the data required by instructions 1 to 11 above, such notes may be attached to this page.

1. None
2. None
3. None
4. None
5. None
6. None
7. None
8. None
9. None
10. None

11. By order entered on January 10, 2012, in Consolidated Dockets #11-0280 and #11-0281, the Commission authorized the Company to increase its rates to reflect approximately \$40.2 million in additional revenues, excluding add-on charges for revenue taxes and Rider UEA-GC, Uncollectible Expense Adjustments-Gas Costs (\$57.8 million less \$17.6 million for Rider UEA-GC). The Commission approved Rider UEA-GC to recover the gas costs portion of the Uncollectible Account Expense.

Rates filed pursuant to the order became effective with service rendered on and after January 21, 2012.

The approximate amount of increase for each revenue classification and the number of customers affected is as follows:

Service Classification	Revenue Increase/(Decrease)	Number of Customers Affected
1	\$30,218,409	750,855
2	\$9,103,168	80,891
4	(\$325,800)	182
8	\$2,750	3
Other Revenue	\$1,211,000	
	<u>\$40,209,527</u>	<u>831,931</u>

12. None

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COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)

Instructions:				
Line No.	Title of Account (a)	Ref. Page No. (b)	Balance at Beginning of Year (c)	Balance at End of Year (d)
1	UTILITY PLANT			
2	Utility Plant (101-106 and 114)	200-201	2,991,821,038	3,224,573,842
3	Construction Work in Progress (107)	200-201	17,555,919	52,908,174
4	TOTAL Utility Plant (Enter Total of lines 2 and 3)		3,009,376,957	3,277,482,016
5	(Less) Accum. Prov. For Depr. Amort. Depl. (108, 111 and 115)	200-201	1,113,831,965	1,146,404,253
6	Net Utility Plant (Enter Total of line 4 less 5)		1,895,544,992	2,131,077,763
7	Nuclear Fuel (120.1-120.4 and 120.6)			
8	(Less) Accum. Prov. For Amort. Of Nucl. Fuel Assembl. (120.5)			
9	Net Nuclear Fuel (Enter total of line 7 less line 8)			
10	Net Utility Plant (Enter total of lines 6 less 9)		1,895,544,992	2,131,077,763
11	Utility Plant Adjustments (116)	122-123		
12	Gas Stored Underground-Noncurrent (117)	220	9,089,950	9,276,522
13	OTHER PROPERTY AND INVESTMENTS			
14	Nonutility Property (121)	41	82,802	82,802
15	(Less) Accum. Prov. For Depr. And Amort. (122)	41	5,695	5,894
16	Investments in Associated Companies (123)	222-223		
17	Investment in Subsidiary Companies (123.1)	224-225	4,691,042	4,705,141
18	(For Cost of Account 123.1, see footnote page 224, line 42)			
19	Noncurrent Portion of Allowances			
20	Other Investments (124)	222-223		
21	Special Funds (125-128)	16		
22	TOTAL Other Property and Investments (Total of lines 14-17 and 19-21)		4,768,149	4,782,049
23	CURRENT AND ACCRUED ASSETS			
24	Cash (131)		4,546,591	4,547,557
25	Special Deposits (132-134)	16	552,671	470,316
26	Working Funds (135)			
27	Temporary Cash Investments (136)	29-30		
28	Notes Receivable (141)	17		
29	Customer Accounts Receivable (142)		144,489,690	146,397,689
30	Other Accounts Receivable (143)	17	2,356,533	5,946,914
31	(Less) Accum. Prov. For Uncollectibles Acct.-Credit (144)	48	34,700,396	34,357,069
32	Notes Receivable from Associated Companies (145)	18	8,900,000	20,800,000
33	Accounts Receivable from Assoc. Companies (146)	18	632,488	885,849
34	Fuel Stock (151)	20		
35	Fuel Stock Expense Undistributed (152)	20		
36	Residuals (Elec.) and Extracted Products (Gas) (153)	20		
37	Plant Materials and Operating Supplies (154)	20	12,420,913	17,872,267
38	Merchandise (155)	20		
39	Other Materials and Operating Supplies (156)	20		
40	Nuclear Materials Held for Sale (157)	20		
41	Allowances (158.1 and 158.2)			
42	(Less) Noncurrent Portion of Allowances			
43	Stores Expenses Undistributed (163)	20	14,535	53,279
44	Gas Stored Underground-Current (164.1)	220	81,092,481	70,725,525
45	Liquefied Natural Gas Stored and Held for Processing (164.2 - 164.3)	220	2,083,608	2,664,673
46	Prepayments (165)	230	5,615,857	14,871,333
47	Advances for Gas (166-167)			
48	Interest and Dividends Receivable (171)			
49	Rents Receivable (172)			
50	Accrued Utility Revenue (173)		87,776,512	91,874,842
51	Miscellaneous Current and Accrued Assets (174)	19	7,900,613	37,213

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COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS) (continued)

Instructions:				
Line No.	Title of Account (a)	Ref. Page No. (b)	Balance at Beginning of Year (c)	Balance at End of Year (d)
52	Derivative Instrument Assets (175)		7,582,711	2,632,742
53	Derivative Instrument Assets - Hedges (176)			
54	TOTAL Current and Accrued Assets (Enter total of lines 24 thru 53)		331,264,807	345,423,130
55	DEFERRED DEBITS			
56	Unamortized Debt Expense (181)	26-27	6,471,146	6,949,237
57	Extraordinary Property Losses (182.1)	230		
58	Unrecovered Plant and Regulatory Study Costs (182.2)	230		
59	Other Regulatory Assets (182.3)	232	909,295,961	991,806,355
60	Prelim. Survey and Investigation Charges (Electric) (183)			
61	Prelim. Survey and Investigation Charges (Gas) (183.1, 183.2)			
62	Clearing Accounts (184)			
63	Temporary Facilities (185)			
64	Miscellaneous Deferred Debits (186)	233	766,654	7,004,719
65	Deferred Losses from Disposition of Utility Plant (187)			
66	Research, Development & Demonstration Expenditures (188)			
67	Unamortized Loss on Reacquired Debt (189)		13,727,026	13,123,816
68	Accumulated Deferred Income Taxes (190)	234-235	13,723,825	10,542,386
69	Unrecovered Purchased Gas Costs (191)			
70	TOTAL Deferred Debits (Enter total of lines 56 thru 69)		943,984,612	1,029,426,513
71	TOTAL Assets and Other Debits (Enter total of lines 10,11,12,22,54 and 70)		3,184,652,510	3,519,985,977

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COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS)

Instructions:

Line No.	Title of Account (a)	Ref. Page No. (b)	Balance at Beginning of Year (c)	Balance at End of Year (d)
1	PROPRIETARY CAPITAL			
2	Common Stock Issued (201)	250-251	219,841,970	220,459,674
3	Preferred Stock Issued (204)	250-251		
4	Capital Stock Subscribed (202 and 206)	252		
5	Stock Liability for Conversion (203 and 206)	252		
6	Premium on Capital Stock (207)	252		
7	Other Paid in Capital (208 - 211)	253		
8	Installments Received on Capital Stock (212)	252		
9	(Less) Discount on Capital Stock (213)	254		
10	(Less) Capital Stock Expense (214)	25	142,800	142,800
11	Retained Earnings (215,215.1,216)	118-119	478,445,898	477,965,605
12	Unappropriated Undistributed Subsidiary Earnings (216.1)	118-119	1,633,347	1,647,446
13	(Less) Reacquired Capital Stock (217)	250-251		
14	Accumulated Other Comprehensive Income (219)	122a-122b	(735,163)	(238,711)
15	TOTAL Proprietary Capital (Enter total of lines 2 thru 14)		699,043,252	699,691,214
16	LONG-TERM DEBT			
17	Bonds (221)	22-23	525,000,000	625,000,000
18	(Less) Reacquired Bonds (222)			
19	Advances from Associated Companies (223)			
20	Other Long-Term Debt (224)			
21	Unamortized Premium on Long-Term Debt (225)	26-27		
22	(Less) Unamortized Discount on Long-Term Debt-Debit (226)	26-27	492,672	463,681
23	(Less) Current Portion of Long-Term Debt			
24	TOTAL Long-Term Debt (Enter total of lines 17 thru 23)		524,507,328	624,536,319
25	OTHER NONCURRENT LIABILITIES			
26	Obligations Under Capital Leases-Noncurrent (227)			
27	Accumulated Provision for Property Insurance (228.1)			
28	Accumulated Provision for Injuries and Damages (228.2)		9,463,122	14,474,323
29	Accumulated Provision for Pensions and Benefits (228.3)		303,311,601	288,555,038
30	Accumulated Miscellaneous Operating Provisions (228.4)			
31	Accumulated Provision for Rate Refunds (229)		1,782,446	-
32	Asset Retirement Obligations (230)		356,489,358	372,775,100
33	TOTAL Other Noncurrent Liabilities (Enter total of lines 26 thru 32)		671,046,527	675,804,461
34	CURRENT AND ACCRUED LIABILITIES			
35	Current Portion of Long-Term Debt			
36	Notes Payable (231)	21	37,000,000	178,600,000
37	Accounts Payable (232)		126,369,086	137,284,832
38	Notes Payable to Associated Companies (233)	21		
39	Accounts Payable to Associated Companies (234)	21	20,960,169	22,600,104
40	Customer Deposits (235)		26,708,886	24,931,833
41	Taxes Accrued (236)	262-263	33,049,726	29,545,376
42	Interest Accrued (237)		5,572,732	5,811,183
43	Dividends Declared (238)			
44	Matured Long Term Debt (239)			
45	Matured Interest (240)			
46	Tax Collections Payable (241)			(1,049)
47	Miscellaneous Current and Accrued Liabilities (242)		69,442,372	68,383,123
48	Obligations Under Capital Leases-Current (243)			
49	Derivative Instrument Liabilities (244)		31,235,146	11,089,974
50	Derivative Instrument Liabilities - Hedges (245)		1,128,162	355,064
51	TOTAL Current & Accrued Liabilities (Enter total of lines 35 thru 50)		351,466,279	478,600,440

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COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS) (Continued)

Instructions:				
Line No.	Title of Account (a)	Ref. Page No. (b)	Balance at Beginning of Year (c)	Balance at End of Year (d)
52	DEFERRED CREDITS			
53	Customer Advances for Construction (252)		2,011,542	1,556,082
54	Accumulated Deferred Investment Tax Credits (255)		22,007,569	22,681,987
55	Deferred Gains from Disposition of Utility Plant (256)			
56	Other Deferred Credits (253)	269	447,830,620	483,556,808
57	Other Regulatory Liabilities (254)	278	19,694,017	14,457,376
58	Unamortized Gain on Reacquired Debt (257)	24		
59	Accumulated Deferred Income Taxes (281-283)	274-277	447,045,376	519,101,290
60	TOTAL Deferred Credits (Enter total of lines 53 thru 59)		938,589,124	1,041,353,543
61	TOTAL Liabilities and Other Credits (Enter total of lines 15,24,33,51 & 60)		3,184,652,510	3,519,985,977

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STATEMENT OF INCOME FOR THE YEAR

- Instructions:
- Report amounts for accounts 412 and 413, Revenue and Expenses from Utility Plant Leased to Others, in another utility column (i, j) in a similar manner to a utility department. Spread the amount(s) over lines 2 thru 24 as appropriate. Include these amounts in columns (c) and (d) totals.
 - Report amounts in account 414, Other Utility Operating Income, in the same manner as accounts 412 and 413 above.
 - Report data for lines 7, 9, and 10 for Natural Gas companies using accounts 404.1, 404.2, 404.3, 407.1 and 407.2.
 - Use page 122 for important notes regarding the statement of income or any account thereof.
 - Give concise explanations concerning unsettled rate proceedings where a contingency exists such that refunds of a material amount may need to be made to the utility's customers or which may result in a material refund to the utility with respect to power or gas purchase. State for each year affected, the gross revenues or costs to which the contingency relates and the tax effects together with an explanation of the major factors which affect the rights of the utility to retain such revenues or recover amounts paid with respect to power and gas purchases.
 - Give concise explanations concerning significant amounts of any refunds made or received during the year resulting from settlement of any rate proceeding affecting revenues received or costs incurred for power or gas purchases, and a summary of the adjustments made to balance sheet and income and expense accounts.

Line No.	Account (a)	(Ref) Page No. (b)	TOTAL	
			Current Year (c)	Previous Year (d)
1	UTILITY OPERATING INCOME			
2	Operating Revenues (400)	300-301	882,635,767	1,029,686,758
3	Operating Expenses			
4	Operations Expenses (401)	320-325	588,479,839	757,941,314
5	Maintenance Expenses (402)	320-325	68,656,020	55,633,993
6	Depreciation Expenses (403)	336-338	82,592,151	78,118,928
7	Depreciation Expense for Asset Retirement Costs (403.1)	336-338		
8	Amortization & Depletion Of Utility Plant (404-405)	336-338	5,701,172	5,695,565
9	Amortization & Utility Plant Acq. Adj. (406)	336-338		
10	Amortiz. of Prop.Losses, Unrecovered Plant & Regulatory Study Costs (407.1)			
11	Amortization of Conversion Expenses (407.2)			
12	Regulatory Debits (407.3)			
13	(Less) Regulatory Credits (407.4)			
14	Taxes Other Than Income Taxes (408.1)	262-263	19,995,396	19,855,698
15	Income Taxes - Federal (409.1)	262-263	(37,724,303)	(9,979,059)
16	Income Taxes - Other (409.1)	262-263	(2,675,997)	(3,489,552)
17	Provision for Deferred Income Taxes (410.1)	234, 274, 277	195,757,748	390,768,973
18	(Less) Provision for Deferred Income Taxes - Credit (411.1)	234, 274, 277	117,906,735	344,066,219
19	Investment Tax Credit Adjustment - Net (411.4)		674,418	(67,808)
20	(Less) Gains from Disp. Of Utility Plant (411.6)			
21	Losses from Disp. Of Utility Plant (411.7)			
22	(Less) Gains from Disposition of Allowances (411.8)			
23	Losses from Disposition of Allowances (411.9)			
24	Accretion Expense (411.10)			
25	TOTAL Utility Operating Expenses (Enter total of lines 4 thru 24)		803,549,709	950,411,833
26	Net Utility Operating Income (Enter total of line 2 less 25)		79,086,058	79,274,925
27				
28	OTHER INCOME AND DEDUCTIONS			
29	Other Income			
30	Nonutility Operating Income			
31	Revenues from Merchandising, Jobbing and Contract Work (415)			
32	(Less) Costs & Expenses of Merchandising, Job & Contract Work (416)			
33	Revenues from Nonutility Operations (417)		(199)	(199)
34	(Less) Expenses of Nonutility Operations (417.1)			
35	Nonoperating Rental Income (418)			
36	Equity in Earnings of Subsidiary Companies (418.1)	119	14,099	(3,688)
37	Interest and Dividend Income (419)		803,944	783,036
38	Allowance for Other Funds Used During Construction (419.1)			
39	Miscellaneous Nonoperating Income (421)		637,001	1,176,223
40	Gain on Disposition of Property (421.1)		-	(41,122)
41	TOTAL Other Income (Enter total of lines 31 thru 40)		1,454,845	1,914,250
42	Other Income Deductions			
43	Loss on Disposition of Property (421.1)			
44	Miscellaneous Amortization (425)	340		
45	Miscellaneous Income Deductions (426.1 - 426.5)	340	1,707,016	1,487,393
46	TOTAL Other Income Deductions (Total of lines 42 thru 45)		1,707,016	1,487,393

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STATEMENT OF INCOME FOR THE YEAR (Continued)

Instructions:

7. If any notes appearing in the report to stockholders are applicable to this Statement of Income, such notes may be attached at page 122.
8. Enter on page 122 a concise explanation of only those changes in accounting methods made during the year which had an effect on net income, including the basis of allocations and apportionments from those used in this preceding year. Also give the approximate dollar effect of such changes.
9. Explain in a footnote if the previous year's figures are different from that reported in prior reports.
10. If the columns are insufficient for reporting additional utility departments, supply the appropriated account titles, lines 2 to 25, and report the information in the blank space on page 122 or in a supplemental statement.

ELECTRIC UTILITY		GAS UTILITY		OTHER UTILITY		Line No.
Current Year (e)	Previous Year (f)	Current Year (g)	Previous Year (h)	Current Year (i)	Previous Year (j)	
						1
		882,515,452	1,029,543,521	120,315	143,237	2
						3
		588,462,775	757,924,565	17,064	16,749	4
		68,656,020	55,633,993			5
		82,592,151	78,118,928			6
						7
		5,701,172	5,695,565			8
						9
						10
						11
						12
						13
		19,995,396	19,855,698			14
		(37,724,303)	(9,979,059)			15
		(2,675,997)	(3,489,552)			16
		195,757,748	390,768,973			17
		117,906,735	344,066,219			18
		674,418	(67,808)			19
						20
						21
						22
						23
						24
		803,532,645	950,395,084	17,064	16,749	25
		78,982,807	79,148,437	103,251	126,488	26

Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report Is: (1) X An Original (2) A Resubmission	Date of Report (Mo, Da, Yr) Dec. 31, 2012	Year of Report Dec. 31, 2012
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STATEMENT OF INCOME FOR THE YEAR (Continued)

Line No.	OTHER UTILITY		OTHER UTILITY		OTHER UTILITY	
	Current Year (k)	Previous Year (l)	Current Year (m)	Previous Year (n)	Current Year (o)	Previous Year (p)
1						
2						
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Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report Is: (1) X An Original (2) A Resubmission	Date of Report (Mo./Da./Yr.)	Year of Report Dec. 31, 2012
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STATEMENT OF INCOME FOR THE YEAR (continued)

Line No.	Account (a)	Ref. Page No. (b)	TOTAL	
			Current Year (c)	Previous Year (d)
47	Taxes Applicable to Other Income and Deductions			
48	Taxes Other than Income Taxes (408.2)	262-263	33,965	40,181
49	Income Taxes - Federal (409.2)	262-263	76,953	168,812
50	Income Taxes - Other (409.2)	262-263	21,504	101,878
51	Provision for Deferred Income Taxes (410.2)	234,274-277	113,780	(55,637)
52	(Less) Provision for Deferred Income Taxes - Credit (411.2)	234,274-277	127,726	227,083
53	Investment Tax Credit Adjustment - Net (411.5)			
54	(Less) Investment Tax Credits (420)			
55	TOTAL Taxes on Other Income & Deductions (Total of 48 thru 54)		118,476	28,151
56	Net Other Income & Deductions (Enter total of lines 41, 46 and 55)		(370,647)	398,706
57	Interest Charges			
58	Interest on Long-Term Debt (427)		22,653,243	21,598,439
59	Amortization of Debt Disc. And Expense (428)	26-27	715,851	642,767
60	Amortization of Loss on Reacquired Debt (428.1)		603,210	599,135
61	(Less) Amortization of Premium on Debt - Credit (429)	26-27		
62	(Less) Amortization of Gain on Reacquired Debt - Credit (429.1)			
63	Interest on Debt to Associated Companies (430)	340	245,450	321,852
64	Other Interest Expense (431)		(10,502)	(93,769)
65	(Less) Allowance for Borrowed Funds Used During Construction -Credit (432)			
66	Net Interest Charges (Enter total of lines 58 thru 65)		24,207,252	23,068,424
67	Income Before Extraordinary Items (Enter total of lines 26, 56 and 66)		54,508,159	56,605,207
68	Extraordinary Items			
69	Extraordinary Income (434)			
70	(Less) Extraordinary Deductions (435)			
71	Net Extraordinary Items (Enter total of line 69 less line 70)			
72	Income Taxes - Federal and Other (409.3)	262-263		
73	Extraordinary Items after Taxes (Enter total of line 71 less line 72)			
74	Net Income (Enter total of lines 67 and 73)		54,508,159	56,605,207

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STATEMENT OF RETAINED EARNINGS FOR THE YEAR

Instructions

- Report all changes in appropriated retained earnings, unappropriated retained earnings, and unappropriated, undistributed subsidiary earnings for the year.
- Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436-439 inclusive). Show the contra primary account affected in column (b).
- State the purpose and amount of each reservation or appropriation of retained earnings.
- List first account 439 Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items in that order.
- Show dividends for each class and series of capital stock.
- Show separately the State and Federal income tax effect of items in account 439, Adjustments to Retained Earnings.
- Explain in a footnote the basis for determining the amount reserved or appropriated. If such reservation or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated.
- If any notes appearing in the report to stockholders are applicable to this statement, attach them at page 122.

Line No.	Item (a)	Contra Primary Account Affected (b)	Amount (c)
UNAPPROPRIATED RETAINED EARNINGS (216)			
1	Balance - Beginning of Year		478,445,898
2	Changes (Identify by prescribed retained earnings accounts)		
3	Adjustments to Retained Earnings (439)		
4	Credit:		
5	Credit:		
6	Credit:		
7	Credit:		
8	Credit:		
9	TOTAL Credits to Retained Earnings (Account 439) (Enter total of lines 4 thru 8)		None
10	Debit:		
11	Debit:		
12	Debit:		
13	Debit:		
14	Debit:		
15	TOTAL Debits to Retained Earnings (Account 439) (Enter total of lines 10 thru 14)		None
16	Balance Transferred from Income (Account 433 less Account 418.1)		54,494,060
17	Appropriations of Retained Earnings (Account 436)		
18			
19			
20			
21			
22	TOTAL Appropriations of Retained Earnings (Account 436) (Total of lines 18 thru 21)		None
23	Dividends Declared - Preferred Stock (437)		
24			
25			
26			
27			
28			
29	TOTAL Dividends Declared - Preferred Stock (Account 437) (Total of lines 24 thru 28)		None
30			
31			
32	Dividends Declared - Common Stock (Account 438)		54,974,353
33			
34			
35			
36			
37	Transfers from Account 216.1, Unappropriated, Undistributed, Subsidiary Earnings		
38	Balance - End of Year (Total lines 1,9,15,16,22,29,36,37)		477,965,605

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STATEMENT OF RETAINED EARNINGS FOR THE YEAR (continued)				
Line No.	Item (a)	Amount (b)		
	APPROPRIATED RETAINED EARNINGS (215)			
	State balance and purpose of each appropriated retained earnings amount at end of year and give accounting entries for any applications of appropriated retained earnings during the year.			
39				
40				
41				
42				
43				
44				
45	TOTAL Appropriated Retained Earnings (Account 215)	None		
	APPROPRIATED RETAINED EARNINGS - AMORTIZATION RESERVE, FEDERAL (Account 215.1)			
	State below the total amount set aside through appropriations of retained earnings, as of the end of the year, in compliance with the provisions of Federally granted hydroelectric project licenses held by the respondent. If any reductions or changes other than the normal annual credits hereto have been made during the year, explain such items in a footnote.			
46	TOTAL Appropriated Retained Earnings - Amortization Reserve, Federal (Account 215.1)	None		
47	TOTAL Appropriated Retained Earnings (Accounts 215 and 215.1) (Enter total lines 45 and 46)	None		
48	TOTAL Retained Earnings (Accounts 215, 215.1, and 216) (Enter total of lines 38 and 47)	477,965,605		
	UNAPPROPRIATED UNDISTRIBUTED SUBSIDIARY EARNINGS (Account 216.1)			
49	Balance - Beginning of Year (Debit or Credit)	1,633,347		
50	Equity in Earnings for Year (Credit) (418.1)	14,099		
51	(Less) Dividends Received (Debit)			
52	Other Changes (Explain)			
53	Balance - End of Year (Total lines 49 thru 52)	1,647,446		

Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY		This Report Is: (1) An Original (2) X A Resubmission	Date of Report (Mo./Da./Yr.)	Year of Report Dec. 31, 2012
STATEMENT OF CASH FLOWS				
Instructions				
1. If the notes to the cash flow statement in the respondent's annual stockholders report are applicable to this statement, such notes should be attached to page 122. Information about noncash investing and financing activities should be provided on page 122. Provide also on page 122 a reconciliation between "Cash and Cash Equivalents at End of Year" with related amounts on the balance sheet.				
2. Under "Other" specify significant amounts and group others.				
3. Operating Activities - Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show on page 122 the amounts of interest paid (net of amounts capitalized) and income taxes paid.				
Line No.	DESCRIPTION (See Instructions for Explanation of Codes) (a)			Amounts (b)
1	Net Cash Flow from Operating Activities:			
2	Net Income (Line 74(c) on page 117)			54,508,159
3	Noncash Charges (Credits) to Income:			
4	Depreciation and Depletion			88,296,498
5	Amortization of (Specify)			
6	Miscellaneous Deferred Debits			
7	Long-Term Debt Expense			1,319,061
8	Nonutility Plant Depreciation			199
9	Deferred Income Taxes (Net)			77,851,013
10	Investment Tax Credit Adjustments (Net)			674,418
11	Net (Increase) Decrease in Receivables			(10,193,398)
12	Net (Increase) Decrease in Inventory			9,785,891
13	Net (Increase) Decrease in Allowances Inventory			
14	Net Increase (Decrease) in Payables and Accrued Expenses			9,950,037
15	Net (Increase) Decrease in Other Regulatory Assets			(82,510,394)
16	Net Increase (Decrease) in Other Regulatory Liabilities			(5,236,641)
17	(Less) Allowance for Other Funds Used During Construction			
18	(Less) Undistributed Earnings from Subsidiary Companies			14,099
19	Other:			
20	Net Increase (Decrease) in Comprehensive Income			425,602
21	Net Increase (Decrease) in Noncurrent Liabilities			4,762,379
22	Net Increase (Decrease) in Deferred Credits			41,076,422
23	Net (Increase) Decrease in Other Assets			(1,932,205)
24	Net Increase (Decrease) in Other Liabilities			(23,754,572)
25	Net (Increase) Decrease in Deferred Debits			(15,769,473)
26	Net (Increase) Decrease in Capital Stock Expense			
27				
28	Net Cash Provided by (Used in) Operating Activities (Total of lines 2 thru 26)			149,238,897
29				
30	Cash Flows from Investment Activities:			
31	Construction and Acquisition of Plant (including land):			
32	Gross Additions to Utility Plant (less nuclear fuel)			(306,406,363)
33	Gross Additions to Nuclear Fuel			
34	Gross Additions to Common Utility Plant			
35	Gross Additions to Nonutility Plant			
36	(Less) Allowance for Other Funds Used During Construction			
37	Other:			
38	Other Assets			(17,613,923)
39				
40	Cash Outflows for Plant (Total of lines 32 thru 39)			(324,020,286)
41				
42	Acquisition of Other Noncurrent Assets (d)			
43	Proceeds from Disposal of Noncurrent Assets (d)			
44				
45	Investments in and Advance to Associated and Subsidiary Companies			
46	Contributions and Advances from Associated and Subsidiary Companies			
47	Disposition of Investments in (and Advances to) Associated and Subsidiary Companies			(11,900,000)
48				
49	Purchase of Investment Securities (a)			
50	Proceeds from Sales of Investment Securities (a)			

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STATEMENT OF CASH FLOWS (continued)			
Instructions			
4. Investing Activities - Include at Other (line 31) net cash outflow to acquire other companies. Provide a reconciliation of assets with liabilities assumed on page 122. Do not include on this statement the dollar amount of leases capitalized per Uniform System of Accounts General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost on page 122.			
5. Codes used: (a) Net proceeds or payments. (b) Bonds, debentures and other long-term debt. (c) Include commercial paper. (d) Identify separately such items as investments, fixed assets, intangibles, etc.			
6. Enter on page 122 clarifications and explanations.			
Line No.	DESCRIPTION (See Instructions for Explanation of Codes) (a)		Amounts (b)
51	Loans Made or Purchased		
52	Collections on Loans		
53			
54	Net (Increase) Decrease in Receivables		
55	Net (Increase) Decrease in Inventory		
56	Net (Increase) Decrease in Allowances Held for Speculation		
57	Net Increase (Decrease) in Payables and Accrued Expenses		
58	Other:		
59			
60			
61	Net Cash Provided by (Used In) Investing Activities (Total of lines 40 thru 60)		(335,920,286)
62			
63			
64	Cash Flows from Financing Activities:		
65	Proceeds from Issuance of:		
66	Long-Term Debt (b)		100,000,000
67	Preferred Stock		
68	Common Stock		
69	Other:		
70			
71	Net Increases in Short-Term Debt (c)		
72	Other:		141,600,000
73			
74			
75	Cash Provided by Outside Sources (Total of lines 66 thru 74)		241,600,000
76			
77	Payments for Retirement of:		
78	Long-Term Debt (b)		
79	Preferred Stock		
80	Common Stock		
81	Other:		
82			
83	Net Decrease in Short-Term Debt (c)		
84			
85	Dividends on Common Stock		(55,000,000)
86	Dividends on Preferred Stock		
87	Net Cash Provided by (Used In) Financing Activities (Total of lines 75 thru 86)		186,600,000
88			
89			
90	Net Increase (Decrease) in Cash and Cash Equivalents (Total of lines 28, 61 and 87)		(81,389)
91			
92			
93	Cash and Cash Equivalents at Beginning of Year		5,099,262
94			
95	Cash and Cash Equivalents at End of Year		5,017,873

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STATEMENT OF ACCUMULATED COMPREHENSIVE INCOME, COMPREHENSIVE INCOME, AND HEDGING ACTIVITIES

Instructions:

1. Report in columns (b) (c) (d) and (e) the amounts of accumulated other comprehensive income items, on a net-of-tax basis, where appropriate.
2. Report in columns (f) and (g) the amounts of other categories of other cash flow hedges.
3. For each category of hedges that have been accounted for as "fair value hedges", report the accounts affected and the related amounts in a footnote.

Line No.	Item (a)	Unrealized Gains and Losses on Available-for-Sale Securities (b)	Minimum Pension Liability Adjustment (net amount) (c)	Foreign Currency Hedges (d)	Other Adjustments (e)
1	Balance of Account 219 at Beginning of Preceding Year				
2	Preceding Year Reclassification from Account 219 to Net Income				
3	Preceding Year Changes In Fair Value				
4	Total (lines 2 and 3)				
5	Balance of Account 219 at End of Preceding Year				
6	Balance of Account 219 at Beginning of Current Year				
7	Current Year Reclassification from Account 219 to Net Income				
8	Current Year Changes in Fair Value				
9	Total (lines 7 and 8)				
10	Balance of Account 219 at End of Current Year				

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STATEMENT OF ACCUMULATED COMPREHENSIVE INCOME, COMPREHENSIVE INCOME, AND HEDGING ACTIVITIES (continued)

Line No.	Other Cash Flow Hedges Interest Rate Swaps (f)	Other Cash Flow Hedges Commodity (g)	Totals for Each Category of Items Recorded in Account 219 (h)	Net Income (Carried Forward from Page 117) (i)	Total Comprehensive Income (j)
1	(99,611)	(579,673)	(679,284)		
2	41,846	1,230,403	1,272,249		
3	-	(1,328,128)	(1,328,128)		
4	41,846	(97,725)	(55,879)	56,605,207	56,549,328
5	(57,765)	(677,398)	(735,163)		
6	(57,765)	(677,398)	(735,163)		
7	41,678	800,227	841,905		
8	-	(345,453)	(345,453)		
9	41,678	454,774	496,452	54,508,159	55,004,611
10	(16,087)	(222,624)	(238,711)		

G. NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Nature of Operations—We are a regulated natural gas utility company that purchases, stores, distributes, sells, and transports natural gas to customers in Chicago. We are subject to the jurisdiction of, and regulation by, the ICC, which has general supervisory and regulatory powers over public utilities in Illinois, and the FERC, which regulates the interstate services we provide.

As used in these notes, the term “financial statements” refers to the consolidated financial statements. This includes the consolidated statements of income, consolidated statements of comprehensive income, consolidated balance sheets, consolidated statements of capitalization, consolidated statements of common shareholder’s equity, and consolidated statements of cash flows, unless otherwise noted.

The term "utility" refers to our regulated activities, while the term "nonutility" refers to our activities that are not regulated, as well as the activities of our subsidiary.

(b) Consolidated Basis of Presentation—At December 31, 2012, we had one wholly owned subsidiary, Peoples Gas Neighborhood Development Corporation. The financial statements include our accounts and the accounts of our wholly owned subsidiary, after eliminating intercompany transactions and balances.

(c) Reclassifications—We reclassified \$12.4 million reported in other current assets at December 31, 2011, to inventories – materials and supplies to be consistent with the current year presentation on the balance sheets.

We adjusted changes in working capital on the statements of cash flows by reclassifying \$(2.8) million and \$(0.6) million related to materials and supplies at December 31, 2011, and 2010, respectively, from the change in other current assets line item to the change in inventories line item. We reclassified \$5.5 million and \$2.5 million at December 31, 2011, and 2010, respectively, from the change in other current assets line item to the recoveries and refunds of other regulatory assets and liabilities line item. These reclassifications were made to be consistent with the current year presentation on the statements of cash flows. They had no impact on total cash flows from operating activities.

(d) Use of Estimates—We prepare our financial statements in conformity with accounting principles generally accepted in the United States of America. We make estimates and assumptions that affect assets, liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from these estimates.

(e) Cash and Cash Equivalents—Short-term investments with an original maturity of three months or less are reported as cash equivalents.

The following is a supplemental disclosure to our statements of cash flows:

<i>(Millions)</i>	2012	2011	2010
Cash paid for interest	\$ 22.6	\$ 21.7	\$ 24.7
Cash (received) paid for income taxes	(25.7)	(27.7)	11.7

Construction costs funded through accounts payable totaled \$55.6 million, \$38.2 million, and \$5.3 million at December 31, 2012, 2011, and 2010, respectively. These costs were treated as noncash investing activities. In 2010, \$100.0 million of First Mortgage Bonds were issued to redeem \$100.0 million of First and Refunding Mortgage Bonds. This transaction was treated as a noncash financing activity.

(f) Revenues and Customer Receivables—Revenues related to the sale of natural gas are recognized when service is provided or natural gas is delivered to customers. We also accrue estimated amounts of revenues for services provided or natural gas delivered but not yet billed to customers. Estimated unbilled revenues are calculated using a variety of judgments and assumptions related to customer class, contracted rates, weather, and customer use. At December 31, 2012 and 2011, our unbilled revenues were \$88.4 million and \$84.4 million, respectively.

At December 31, 2012, there were no customers or industries that accounted for more than 10% of our revenues.

We present revenues net of pass-through taxes on the income statements.

We have various rate-adjustment mechanisms in place that allow subsequent adjustments in rates for prudently incurred costs. A summary of significant rate-adjustment mechanisms follows:

- Our rates include a one-for-one recovery mechanism for natural gas commodity costs.
- Our rates include riders for cost recovery of both environmental cleanup and energy conservation and management program costs.
- Our rates include a rider for cost recovery or refund of bad debts based on the difference between actual bad debt expense (as defined in the latest rate order) and the amount recovered in rates.

- Our rates include a decoupling mechanism, which allows us to adjust our rates going forward to recover or refund differences between actual and authorized margin. However, see Note 15, "*Regulatory Environment*," for more information on our accounting for decoupling in 2012.

Revenues are also impacted by other accounting policies related to our natural gas hub. Amounts collected from wholesale customers that use our natural gas hub are credited to natural gas costs, resulting in a reduction to retail customers' charges for natural gas and services.

(g) Inventories—Inventories consist of materials and supplies and natural gas in storage. Materials and supplies are priced at average cost. We price storage injections at the calendar year average of the costs of natural gas supply purchased. Withdrawals from storage are priced on the LIFO cost method. The estimated replacement cost of our natural gas in inventory at December 31, 2012, and December 31, 2011, exceeded the LIFO cost by approximately \$79.3 million and \$53.8 million, respectively. In calculating these replacement amounts, we used a Chicago city-gate natural gas price per dekatherm of \$3.58 at December 31, 2012, and \$3.06 at December 31, 2011.

(h) Risk Management Activities—As part of our regular operations, we enter into contracts, including options, forwards, and swaps, to manage changes in commodity prices, which are described more fully in Note 2, "*Risk Management Activities*."

All derivatives are recognized on the balance sheets at their fair value unless they are designated as and qualify for the normal purchases and sales exception. We continually assess our contracts designated as normal and will discontinue the treatment of these contracts as normal if the required criteria are no longer met. Our tariffs allow for full recovery from our customers of prudently incurred natural gas supply costs, including gains or losses on these derivative instruments. These derivatives are marked to fair value; the resulting risk management assets are offset with regulatory liabilities or decreases to regulatory assets, and risk management liabilities are offset with regulatory assets or decreases to regulatory liabilities. Management believes any gains or losses resulting from the eventual settlement of these derivative instruments will be refunded to or collected from customers in rates.

We also have derivative contracts to manage the risk associated with the purchase of natural gas used in our own operations.

Derivative accounting rules provide the option to present certain asset and liability derivative positions net on the balance sheets and to net the related cash collateral against these net derivative positions. During 2011, we changed our policy to conform with our parent and elected not to net these items. On the balance sheets, cash collateral provided to others is reflected in other current assets.

We have risk management contracts with various counterparties. We monitor credit exposure levels and the financial condition of our counterparties on a continuous basis to minimize credit risk. At December 31, 2012, we did not have risk management contracts with any one counterparty or industry that accounted for more than 10% of our total credit risk exposure.

(i) Property, Plant, and Equipment—Utility plant is stated at cost, including any associated allowance for funds used during construction and asset retirement costs. The costs of renewals and betterments of units of property (as distinguished from minor items of property) are capitalized as additions to the utility plant accounts. Maintenance, repair, replacement, and renewal costs associated with items not qualifying as units of property are considered operating expenses. We record a regulatory liability for cost of removal accruals, which are included in rates. Actual removal costs are charged against the regulatory liability as incurred. Except for land, no gains or losses are recognized in connection with ordinary retirements of utility property units. We charge the cost of units of property retired, sold, or otherwise disposed of, less salvage value, to accumulated depreciation.

We record straight-line depreciation expense over the estimated useful life of utility property using depreciation rates as approved by the ICC. Our annual utility composite depreciation rates were 3.16%, 3.18%, and 3.10% for 2012, 2011, and 2010, respectively.

We capitalize certain costs related to software developed or obtained for internal use and amortize those costs to operating expense over the estimated useful life of the related software, which ranges from 3 to 15 years. If software is retired prior to being fully amortized, the difference is recorded as a loss on the income statements.

See Note 3, "*Property, Plant, and Equipment*," for details regarding our property, plant, and equipment balances.

(j) Regulatory Assets and Liabilities—Regulatory assets represent probable future revenue associated with certain costs or liabilities that have been deferred and are expected to be recovered from customers through the ratemaking process. Regulatory liabilities represent amounts that are expected to be refunded to customers in future rates or amounts collected in rates for future costs. If at any reporting date a previously recorded regulatory asset is no longer probable of recovery, the regulatory asset is reduced to the amount considered probable of recovery with the reduction charged to expense in the year the determination is made. See Note 4, "*Regulatory Assets and Liabilities*," for more information.

(k) Customer Deposits and Credit Balances—When customers apply for new service, they may be required to provide a deposit for the service. We use a credit scoring system as one of the methods to determine whether a deposit is necessary.

Customers can elect to be on a budget plan. Under this type of plan, customers pay a fixed amount each month, with an annual adjustment to equal actual annual usage. Payments in excess of actual customer usage are presented as customer credit balances on the balance sheets.

(l) Retirement of Debt—Any call premiums or unamortized expenses associated with refinancing utility debt obligations are amortized consistent with regulatory treatment of those items. Any gains or losses resulting from the retirement of utility debt that is not refinanced are amortized over the remaining life of the original debt.

(m) Asset Retirement Obligations—We recognize at fair value legal obligations associated with the retirement of tangible long-lived assets that result from the acquisition, construction or development, and/or normal operation of the assets. A liability is recorded for these obligations as long as the fair value can be reasonably estimated, even if the timing or method of settling the obligation is unknown. The asset retirement obligations are accreted using a credit-adjusted risk-free interest rate commensurate with the expected settlement dates of the asset retirement obligations; this rate is determined at the date the obligation is incurred. The associated retirement costs are capitalized as part of the related long-lived assets and are depreciated over the useful lives of the assets. Subsequent changes resulting from revisions to the timing or the amount of the original estimate of undiscounted cash flows are recognized as an increase or a decrease in the carrying amount of the liability and the associated retirement cost. See Note 7, "*Asset Retirement Obligations*," for more information.

(n) Income Taxes—We and our subsidiary are included in the consolidated United States income tax return filed by Integrys Energy Group. We and our subsidiary are parties to a federal and state tax allocation arrangement with Integrys Energy Group and its subsidiaries under which each entity determines its provision for income taxes on a stand-alone basis. We settle the intercompany liabilities at the time that payments are made to the applicable taxing authority. At December 31, 2012, there were no significant intercompany payables or receivables for income taxes.

Deferred income taxes have been recorded to recognize the expected future tax consequences of events that have been included in the financial statements by using currently enacted tax rates for the differences between the income tax basis of assets and liabilities and the basis reported in the financial statements. We record valuation allowances for deferred income tax assets unless it is more likely than not that the benefit will be realized in the future. We defer certain adjustments made to income taxes that will impact future rates and record regulatory assets or liabilities related to these adjustments.

We use the deferral method of accounting for investment tax credits (ITCs). Under this method, we record the ITCs as deferred credits and amortize such credits as a reduction to the provision for income taxes over the life of the asset that generated the ITCs. ITCs that do not reduce income taxes payable for the current year are eligible for carryover and recognized as a deferred income tax asset.

We report interest and penalties accrued related to income taxes as a component of provision for income taxes in the income statements.

We record excess tax benefits from stock-based compensation awards when the actual tax benefit is realized. We follow the tax law ordering approach to determine when the tax benefit has been realized. Under this approach, the tax benefit is realized in the year it reduces taxable income. Current year stock-based compensation deductions are assumed to be used before any net operating loss carryforwards.

For more information regarding our accounting for income taxes, see Note 8, "*Income Taxes*."

(o) Employee Benefits—The costs of pension and other postretirement benefits are expensed over the periods during which employees render service. Effective with new rates implemented in 2010, we reflect pension and other postretirement benefit costs in rates using Integrys Energy Group's basis in the related plan assets and obligations and method of determining these costs, which Integrys Energy Group established at the time of the February 2007 PELLC merger. In addition, the cumulative difference between our accounting basis and the accounting basis of Integrys Energy Group in our pension and postretirement benefit obligations is amortized as a component of our rates over the average remaining service lives of the participating employees. In computing the expected return on pension plan assets, a market-related value of plan assets is used that recognizes differences between actual investment returns and the expected return on plan assets over the subsequent five years. Our regulators allow recovery in rates for the net periodic benefit cost calculated under GAAP.

We recognize the funded status of defined benefit postretirement plans on the balance sheet, and recognize changes in the plans' funded status in the year in which the changes occur. We record changes in the funded status to regulatory asset or liability accounts, pursuant to the Regulated Operations Topic of the FASB ASC.

We account for our participation in benefit plans sponsored by IBS and PELLC as multiple employer plans. Under affiliate agreements, we are responsible for our share of plan costs and obligations and are entitled to our share of plan assets; accordingly, we account for our pro rata share of the IBS and PELLC plans as our own plans.

For more information on our employee benefits, see Note 10, "*Employee Benefit Plans*."

(p) Fair Value—A fair value measurement is required to reflect the assumptions market participants would use in pricing an asset or liability based on the best available information. These assumptions include the risks inherent in a particular valuation technique (such as a pricing model) and the risks inherent in the inputs to the model.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (exit price). We use a mid-market pricing convention (the mid-point price between bid and ask prices) as a practical measure for valuing the majority of our derivative assets and liabilities.

Fair value accounting rules provide a hierarchy that prioritizes the inputs used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurement) and the lowest priority to unobservable inputs (Level 3 measurement). The three levels of the fair value hierarchy are defined as follows:

Level 1 – Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions for the asset or liability occur in sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 – Pricing inputs are observable, either directly or indirectly, but are not quoted prices included within Level 1. Level 2 includes those financial instruments that are valued using external inputs within models or other valuation methodologies.

Level 3 – Pricing inputs include significant inputs that are generally less observable from objective sources. These inputs may be used with internally developed methodologies that result in management's best estimate of fair value.

Financial assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

We determine fair value using a market-based approach that uses observable market inputs where available, and internally developed inputs where observable market data is not readily available. For the unobservable inputs, consideration is given to the assumptions that market participants would use in valuing the asset or liability. These factors include not only the credit standing of the counterparties involved, but also the impact of our nonperformance risk on our liabilities.

When possible, we base the valuations of our risk management assets and liabilities on quoted prices for identical assets in active markets. These valuations are classified in Level 1. The valuations of certain contracts include inputs related to market price risk (commodity or interest rate), price volatility (for option contracts), price correlation (for cross commodity contracts), probability of default, and time value. These inputs are available through multiple sources, including brokers and over-the-counter and online exchanges. Transactions valued using these inputs are classified in Level 2.

We conduct a thorough review of fair value hierarchy classifications on a quarterly basis.

We have established risk oversight committees whose primary responsibility includes directly or indirectly ensuring that all valuation methods are applied in accordance with predefined policies. The development and maintenance of our forward price curves has been assigned to our risk management department, which is part of the corporate treasury function. This group is separate and distinct from any of the trading functions within the organization. To validate the reasonableness of our fair value inputs, our risk management department compares changes in valuation and researches any significant differences in order to determine the underlying cause. Changes to the fair value inputs are made if necessary.

See Note 14, "Fair Value," for more information.

(q) Subsequent Events—Subsequent events were evaluated for potential recognition or disclosure through March 8, 2013, which is the date the financial statements were available to be issued.

(r) New Accounting Pronouncements—

Recently Issued Accounting Guidance Not Yet Effective

Accounting Standards Update (ASU) 2013-02, "Reporting of Amounts Reclassified Out of Accumulated Other Comprehensive Income," was issued in February 2013. This guidance requires disclosure of amounts reclassified out of accumulated other comprehensive income by component. Significant amounts are required to be presented by the respective line items of net income or should be cross-referenced to other disclosures. These disclosures may be presented on the income statement or in the notes to the financial statements. This guidance is effective prospectively for reporting periods beginning after December 15, 2012. Adoption of this guidance will result in new disclosures in a footnote in our Annual Report for the reporting period ending December 31, 2013.

ASU 2011-11, "Disclosures about Offsetting Assets and Liabilities," was issued in December 2011. The guidance requires enhanced disclosures about offsetting and related arrangements. ASU 2013-01, "Clarifying the Scope of Disclosures About Offsetting Assets and Liabilities," was issued in January 2013. This guidance clarifies that the scope of ASU 2011-11 applies to certain derivatives included in the Derivatives and Hedging Topic of the FASB ASC. The guidance for both of these updates is effective for annual reporting periods beginning on or after January 1, 2013, and interim periods within those annual periods. Adoption of this guidance will result in new disclosures in Note 2, "Risk Management Activities," in our Annual Report for the reporting period ending December 31, 2013.

ASU 2012-02, "Testing Indefinite-Lived Intangible Assets for Impairment," was issued in July 2012. This guidance gives companies an option to first perform a qualitative assessment to determine whether it is more likely than not that an indefinite-lived intangible asset is impaired. If a company concludes that this is the case, the fair value of the indefinite-lived intangible asset must be determined, and a quantitative impairment test is required. Otherwise, a company can bypass the quantitative impairment test. This guidance is effective for annual and interim impairment tests performed for fiscal years beginning after September 15, 2012. Adoption of the guidance is not expected to have a significant impact on our Annual Report.

NOTE 2—RISK MANAGEMENT ACTIVITIES

We use derivative instruments to manage commodity costs. The derivatives include natural gas purchase contracts as well as financial derivative contracts (commodity swaps and options) used to manage the risks associated with the market price volatility of natural gas supply costs and the costs of gasoline and diesel fuel used by our utility vehicles.

The following tables show our assets and liabilities from risk management activities:

<i>(Millions)</i>	Balance Sheet Presentation ⁽¹⁾	December 31, 2012	
		Assets	Liabilities
Nonhedge derivatives			
Natural gas contracts	Current	\$ 1.8	\$ 10.4
Natural gas contracts	Other Long-term	0.8	0.7
Petroleum product contracts	Current	0.1	—
Cash flow hedges			
Natural gas contracts	Current	—	0.4
	Current	1.9 ⁽²⁾	10.8
	Other Long-term	0.8	0.7
Total		\$ 2.7	\$ 11.5

⁽¹⁾ We classify assets and liabilities from risk management activities as current or long-term based on the maturities of the underlying contracts.

⁽²⁾ This amount is reflected in other current assets on the balance sheets.

<i>(Millions)</i>	Balance Sheet Presentation ⁽¹⁾	December 31, 2011	
		Assets	Liabilities
Nonhedge derivatives			
Natural gas contracts	Current	\$ 8.4	\$ 24.7
Natural gas contracts	Other Long-term	—	6.6
Cash flow hedges			
Natural gas contracts	Current	—	0.9
Natural gas contracts	Other Long-term	—	0.2
	Current	8.4 ⁽²⁾	25.6
	Other Long-term	—	6.8
Total		\$ 8.4	\$ 32.4

⁽¹⁾ We classify assets and liabilities from risk management activities as current or long-term based on the maturities of the underlying contracts.

⁽²⁾ This amount is reflected in other current assets on the balance sheets.

Certain of our derivative and nonderivative commodity instruments contain provisions that could require "adequate assurance" in the event of a material change in our creditworthiness, or the posting of additional collateral for instruments in net liability positions, if triggered by a decrease in credit ratings. The aggregate fair value of all derivative instruments with credit risk related contingent features that were in a liability position at December 31, 2012, and December 31, 2011, was \$11.4 million, and \$32.3 million, respectively. At December 31, 2012, and December 31, 2011, we had not posted any cash collateral related to the credit risk related contingent features of these commodity instruments. If all of the credit risk related contingent features contained in commodity derivative instruments had been triggered at December 31, 2012, and December 31, 2011, we would have been required to post collateral of \$8.5 million, and \$23.8 million, respectively.

Our cash collateral amount provided to others was insignificant at December 31, 2012 and 2011.

Nonhedge Derivatives

The tables below show the unrealized gains (losses) related to our nonhedge derivatives. The unrealized gains (losses) recorded on the statements of income related to the petroleum product contracts were not significant.

<i>(Millions)</i>	Financial Statement Presentation	2012	2011	2010
Natural gas contracts	Balance Sheet – Regulatory assets (current)	\$ 16.5	\$ (8.2)	\$ 0.2
Natural gas contracts	Balance Sheet – Regulatory assets (long-term)	6.7	(6.1)	0.1
Natural gas contracts	Balance Sheet – Regulatory liabilities (current)	(6.7)	8.1	—
Natural gas contracts	Balance Sheet – Regulatory liabilities (long-term)	0.3	—	—

We had the following notional volumes of outstanding derivative contracts that were not designated as hedges:

	December 31, 2012	December 31, 2011
Natural gas (millions of therms)	705.4	783.7
Petroleum products (barrels)	15,021.0	10,114.0

Cash Flow Hedges

Prior to January 1, 2012, we designated natural gas contracts as cash flow hedges to hedge changes in the price of natural gas used to support operations. The cost of natural gas used to support operations is not a component of the natural gas costs recovered from customers on a one-for-one basis. These contracts extend through July 2013. We had the following notional volumes of outstanding contracts that were designated as cash flow hedges:

	Purchases	
	December 31, 2012	December 31, 2011
Natural gas (millions of therms)	2.9	8.1

Changes in the fair values of the effective portions of these contracts are included in OCI, net of taxes. Amounts recorded in OCI related to these cash flow hedges will be recognized in earnings when the hedged transactions occur, or if it is probable that the hedged transaction will not occur. The tables below show the amounts related to cash flow hedges recorded in OCI and in earnings:

Unrealized Loss Recognized in OCI on Derivative Instruments (Effective Portion)

<i>(Millions)</i>	2012	2011	2010
Natural gas contracts	\$ (0.4)	\$ (1.3)	\$ (1.6)

Loss Reclassified from Accumulated OCI into Income (Effective Portion)

<i>(Millions)</i>	Income Statement Presentation	2012	2011	2010
Settled natural gas contracts	Operating and maintenance expense	\$ (1.1)	\$ (1.2)	\$ (0.9)

No amounts were reclassified from accumulated OCI into earnings as a result of the discontinuance of cash flow hedge accounting related to these natural gas contracts during 2012, 2011 and 2010. Cash flow hedge ineffectiveness related to these natural gas contracts was not significant during 2012, 2011 and 2010. When testing for effectiveness, no portion of these derivative instruments was excluded. In the next 12 months, an insignificant loss is expected to be recognized in earnings as the hedged transactions occur.

NOTE 3—PROPERTY, PLANT, AND EQUIPMENT

Property, plant, and equipment consisted of the following utility and nonutility assets at December 31:

<i>(Millions)</i>	2012	2011
Total utility plant	\$ 3,233.8	\$ 3,000.9
Less: Accumulated depreciation	1,121.1	1,098.1
Net	2,112.7	1,902.8
Construction work in progress	52.9	17.6
Net utility plant	2,165.6	1,920.4
Net nonutility plant	0.1	0.1
Total property, plant, and equipment	\$ 2,165.7	\$ 1,920.5

NOTE 4—REGULATORY ASSETS AND LIABILITIES

We expect to recover our regulatory assets and incur future costs or refund our regulatory liabilities through rates charged to customers. Recovery or refund is based on specific periods determined by the regulators or over the normal operating period of the assets and liabilities to which they relate. Based on prior and current rate treatment, we believe it is probable that we will continue to recover from customers the regulatory assets described below.

The following regulatory assets and liabilities were reflected on our balance sheets as of December 31:

<i>(Millions)</i>	2012	2011	See Note
Regulatory assets			
Environmental remediation costs (net of insurance recoveries) ⁽¹⁾	\$ 504.5	\$ 448.5	9
Unrecognized pension and other postretirement benefit costs ^{(2) (10)}	310.3	269.3	10
Merger related pension and other postretirement benefit costs ^{(3) (10)}	70.8	79.2	
Asset retirement obligations	59.8	44.3	7
Income tax related items	20.9	23.9	8
Derivatives	15.2	36.2	1(h)
Unamortized loss on reacquired debt ⁽⁴⁾	13.1	13.7	
Other	9.9	15.7	
Total	\$ 1,004.5	\$ 930.8	
Balance Sheet Presentation			
Current	\$ 45.4	\$ 44.7	
Long-term	959.1	886.1	
Total	\$ 1,004.5	\$ 930.8	
Regulatory liabilities			
Removal costs ⁽⁵⁾	\$ 25.3	\$ 15.7	
Natural gas costs refundable through rate adjustments ⁽⁶⁾	17.3	19.8	
Uncollectible expense ⁽⁷⁾	8.7	10.1	
Energy efficiency program ⁽⁸⁾	3.9	4.8	
Other	1.8	8.1	
Total	\$ 57.0	\$ 58.5	
Balance Sheet Presentation			
Current	\$ 31.5	\$ 39.6	
Long-term ⁽⁹⁾	25.5	18.9	
Total	\$ 57.0	\$ 58.5	

⁽¹⁾ As of December 31, 2012, we had not yet made cash expenditures for \$481.8 million of these environmental remediation costs. The recovery of these costs depends on the timing of the actual expenditures.

⁽²⁾ Represents the unrecognized future pension and postretirement costs resulting from actuarial gains and losses on defined benefit and postretirement plans. We are authorized recovery of this regulatory asset over the average future remaining service life of the plan participants.

⁽³⁾ Composed of unrecognized benefit costs that existed prior to the PELLC merger. We are authorized recovery of the pension portion of this regulatory asset through 2023, and through 2019 for the portion related to other postretirement benefit costs.

⁽⁴⁾ Recovered over the term of the replacement debt as authorized by the ICC.

⁽⁵⁾ Represents amounts collected from customers to cover the cost of future removal of property, plant, and equipment.

⁽⁶⁾ Represents the over-collection of natural gas costs that will be refunded to customers in the future.

⁽⁷⁾ Represents amounts to be refunded to customers related to our bad debt rider. The rider allows us to recover or refund the incremental difference between the rate case authorized uncollectible expense and the actual uncollectible expense reported to the ICC each year.

⁽⁸⁾ Represents amounts refundable to customers related to a program designed to meet energy efficiency standards.

⁽⁹⁾ Included in other long-term liabilities on our balance sheets.

⁽¹⁰⁾ Not earning a return.

NOTE 5—SHORT-TERM DEBT AND LINES OF CREDIT

Our outstanding short-term borrowings were as follows as of December 31:

<i>(Millions, except for percentages)</i>	2012	2011	2010
Commercial paper outstanding	\$ 178.6	\$ 37.0	—
Average discount rate on outstanding commercial paper	0.43%	0.34%	—

The commercial paper outstanding at December 31, 2012, had maturity dates ranging from January 2, 2013 through January 17, 2013.

The table below presents our average amount of short-term borrowings based on daily outstanding balances during the years ended December 31:

<i>(Millions)</i>	2012	2011	2010
Average amount of commercial paper	\$ 78.0	\$ 2.3	\$ 0.1
Average amount of short-term notes payable to related parties	1.0	0.1	0.4

We manage our liquidity by maintaining adequate external financing commitments and short-term notes to related parties. The information in the table below relates to our short-term debt and our revolving credit facilities used to support our commercial paper borrowing program, including remaining available capacity under these facilities, as of December 31:

<i>(Millions)</i>	Maturity	2012	2011
Revolving credit facility *	04/23/13	\$ —	\$ 250.0
Revolving credit facility	06/13/17	250.0	—
Revolving short-term notes payable to related parties		200.0	200.0
Total short-term credit capacity		450.0	450.0
Less:			
Commercial paper outstanding		178.6	37.0
Available capacity under existing agreements		\$ 271.4	\$ 413.0

* This credit facility was terminated in June 2012.

Our revolving credit agreement contains financial and other covenants, including but not limited to, a requirement to maintain a debt to total capitalization ratio not to exceed 65%, excluding nonrecourse debt. Failure to comply with these covenants could result in an event of default, which could result in the acceleration of outstanding debt obligations. At December 31, 2012, we were in compliance with all covenants related to outstanding short-term debt.

NOTE 6—LONG-TERM DEBT

See our statements of capitalization for more information on our long-term debt.

In December 2012, we issued \$100.0 million of 3.98% Series YY First and Refunding Mortgage Bonds. These bonds are due in December 2042.

In May 2013, our 4.625% Series NN-2 First and Refunding Mortgage Bonds will mature. As a result, the \$75.0 million balance of these bonds was included in the current portion of long-term debt on our December 31, 2012 balance sheet.

In November 2013, our 7.00% Series SS First and Refunding Mortgage Bonds will mature. As a result, the \$45.0 million balance of these bonds was included in the current portion of long-term debt on our December 31, 2012 balance sheet.

Our First Mortgage Bonds are subject to the terms and conditions of our First Mortgage Indenture dated January 2, 1926, as supplemented. Under the terms of the Indenture, substantially all our property is pledged as collateral for these outstanding debt securities.

We have used certain First Mortgage Bonds to secure tax exempt interest rates. The Illinois Finance Authority and the City of Chicago have issued Tax Exempt Bonds, and the proceeds from the sale of these bonds were loaned to us. In return, we issued equal principal amounts of certain collateralized First Mortgage Bonds.

Our long-term debt obligations contain covenants related to payment of principal and interest when due and various financial reporting obligations. In addition, certain long-term debt obligations contain financial and other covenants, including but not limited to, a requirement to

maintain a debt to total capitalization ratio not to exceed 65%. Failure to comply with these covenants could result in an event of default, which could result in the acceleration of outstanding debt obligations. At December 31, 2012, we were in compliance with all covenants related to outstanding long-term debt.

A schedule of all principal debt payment amounts related to bond maturities is as follows:

<i>(Millions)</i>	Payments
2013	\$ 120.0
2014	—
2015	—
2016	50.0
2017	—
Later years	455.0
Total	\$ 625.0

NOTE 7—ASSET RETIREMENT OBLIGATIONS

We have asset retirement obligations primarily related to the removal of distribution mains and service pipes (including asbestos and PCBs), asbestos and PCBs in buildings, and removal of above ground storage tanks. We establish regulatory assets and liabilities to record the differences between ongoing expense recognition under the asset retirement obligation accounting rules, and the ratemaking practices for retirement costs authorized by the ICC.

The following table shows changes to our asset retirement obligations through December 31, 2012:

<i>(Millions)</i>	
Asset retirement obligations at December 31, 2009	\$ 154.4
Accretion	9.3
Additions and revisions to estimated cash flows	120.1 ⁽¹⁾
Settlements	(5.7)
Asset retirement obligations at December 31, 2010	278.1
Accretion	14.6
Additions and revisions to estimated cash flows	69.2 ⁽²⁾
Settlements	(5.4)
Asset retirement obligations at December 31, 2011	356.5
Accretion	18.0
Additions and revisions to estimated cash flows	2.8
Settlements	(4.5)
Asset retirement obligations at December 31, 2012	\$ 372.8

⁽¹⁾ Revisions were made to estimated cash flows related to asset retirement obligations for natural gas distribution pipes due to changes in the average remaining service life of distribution pipe based on an updated depreciation study, as well as an increase in estimated costs.

⁽²⁾ Revisions were made to estimated cash flows related to asset retirement obligations primarily due to an increase in the estimated weighted-average cost to retire a foot of natural gas distribution pipe.

NOTE 8—INCOME TAXES

Deferred Income Tax Assets and Liabilities

The principal components of deferred income tax assets and liabilities recognized on the balance sheets as of December 31 are included in the table below. Certain temporary differences are netted in the table when the offsetting amount is recorded as a regulatory asset or liability. This is consistent with regulatory treatment.

<i>(Millions)</i>	2012	2011
Total deferred income tax assets	\$ 27.7	\$ 22.7
Deferred income tax liabilities		
Plant-related	\$ 494.3	\$ 442.0
Employee benefits	35.0	13.7
Other	6.4	—
Total deferred income tax liabilities	\$ 535.7	\$ 455.7
Total net deferred income tax liabilities	\$ 508.0	\$ 433.0
Balance sheet presentation		
Current deferred income tax assets	\$ 23.1	\$ 16.3
Long-term deferred income tax liabilities	531.1	449.3
Net deferred income tax liabilities	\$ 508.0	\$ 433.0

Net deferred income tax liabilities increased \$75.0 million in 2012. The net increase was driven by an increase in capital expenditures primarily related to the AMRP project and 50% bonus tax depreciation available in 2012. An increase in tax deductions resulting from incremental contributions to our various employee benefit plans also contributed to the increase in net deferred income tax liabilities.

Deferred tax credit carryforwards at December 31, 2012, included \$0.5 million of alternative minimum tax credits, which can be carried forward indefinitely. Other deferred tax credit carryforwards included \$0.3 million of general business credits, which have a carryback period of 1 year and a carryforward period of 20 years. The majority of the general business credit carryforwards will expire in 2029. We also have \$1.8 million of deferred state tax credit carryforwards, which have a carryforward period of 5 years. The majority of the state tax credit carryforwards will expire in 2017.

At December 31, 2012, we had deferred income tax assets of \$5.6 million reflecting federal operating loss carryforwards, which have a carryback period of 2 years and a carryforward period of 20 years and will expire in 2032. We also had deferred income tax assets of \$0.2 million reflecting state operating loss carryforwards, which have a carryforward period of 12 years. The majority of the state operating loss carryforwards will expire between 2019 and 2024.

Valuation allowances have not been established for deferred income tax assets based on our projected ability to realize these benefits by offsetting future taxable income.

Regulated utilities record certain adjustments related to deferred income taxes to regulatory assets and liabilities. As the related temporary differences reverse, we prospectively refund taxes to or collect taxes from customers related to both deferred taxes recorded in prior years at rates potentially different than current rates and when there are other changes in tax laws. The net regulatory asset for these recoveries and other regulatory tax effects totaled \$20.9 million and \$23.9 million at December 31, 2012, and 2011, respectively. See Note 4, "Regulatory Assets and Liabilities," for more information.

Income Before Taxes

All income before taxes is domestic income for the years ended December 31, 2012, 2011, and 2010.

Provision for Income Taxes

The components of the provision for income taxes were as follows:

<i>(Millions)</i>	2012	2011	2010
Current provision (benefit)			
Federal	\$ (37.6)	\$ (8.1)	\$ 14.3
State	(2.7)	(3.0)	4.7
Total current provision (benefit)	(40.3)	(11.1)	19.0
Deferred provision			
Federal	71.0	38.8	17.3
State	6.7	7.6	1.3
Total deferred provision	77.7	46.4	18.6
Investment tax credits, net	0.7	(0.1)	(0.4)
Interest	(0.7)	(1.0)	0.2
Unrecognized tax benefits	—	(2.1)	(1.6)
Total provision for income taxes	\$ 37.4	\$ 32.1	\$ 35.8

Statutory Rate Reconciliation

The following table presents a reconciliation of the difference between the effective tax rate and the amount computed by applying the statutory federal tax rate to income before taxes.

<i>(Millions, except for percentages)</i>	2012		2011		2010	
	Rate	Amount	Rate	Amount	Rate	Amount
Statutory federal income tax	35.0%	\$ 32.1	35.0%	\$ 31.0	35.0%	\$ 27.3
State income taxes, net	6.2	5.7	6.8	6.0	5.8	4.5
Unrecognized tax benefits and interest	(0.8)	(0.7)	(1.1)	(1.0)	(1.8)	(1.4)
Benefits and compensation	(0.2)	(0.2)	(5.5)	(4.9)	5.6	4.4
Other differences, net	0.6	0.5	1.0	1.0	1.3	1.0
Effective income tax	40.8%	\$ 37.4	36.2%	\$ 32.1	45.9%	\$ 35.8

Unrecognized Tax Benefits

A reconciliation of the beginning and ending amount of unrecognized tax benefits is as follows:

<i>(Millions)</i>	2012	2011	2010
Balance at January 1	\$ —	\$ 2.8	\$ 4.2
Increase related to tax positions taken in prior years	—	—	0.8
Decrease related to tax positions taken in prior years	—	(0.1)	(2.2)
Decrease related to settlements	—	(2.7)	—
Balance at December 31	\$ —	\$ —	\$ 2.8

We had no accrued interest or accrued penalties related to unrecognized tax benefits at December 31, 2012 and 2011.

We do not expect any unrecognized tax benefits to affect our effective tax rate in periods after December 31, 2012.

We file income tax returns in the United States federal jurisdiction and in our major state operating jurisdiction on a stand-alone basis or as part of Integrys Energy Group filings.

With a few exceptions, we are no longer subject to federal income tax examinations by the IRS for years prior to 2009. In 2012, the IRS continued its examinations of 2009 and 2010, which began in 2011.

We file state tax returns based on income in Illinois, our major state operating jurisdiction. With a few exceptions, we are no longer subject to examinations for years prior to 2007. As of December 31, 2012, we were subject to examination by the Illinois taxing authority for the 2007 through 2011 tax years. During 2012, the Illinois taxing authority continued its examination of the 2007 tax year, which began in 2010.

In the next 12 months, we do not expect to significantly change the amount of unrecognized tax benefits.

NOTE 9—COMMITMENTS AND CONTINGENCIES

Unconditional Purchase Obligations and Purchase Order Commitments

We routinely enter into long-term purchase and sale commitments for various quantities and lengths of time. We have obligations to distribute and sell natural gas to our customers, which extend through 2021. We expect to recover costs related to these obligations in future customer rates. The following table shows our minimum future commitments related to these purchase obligations as of December 31, 2012.

(Millions)	Total Amounts Committed	Payments Due By Period					
		2013	2014	2015	2016	2017	Later Years
Natural gas supply and transportation	\$ 124.1	\$ 42.6	\$ 24.1	\$ 18.2	\$ 18.3	\$ 10.6	\$ 10.3

We also had commitments of \$136.6 million in the form of purchase orders issued to various vendors at December 31, 2012, that relate to normal business operations, including construction projects.

Manufactured Gas Plant Remediation

We, our predecessors, and certain former affiliates operated facilities in the past at multiple sites for the purpose of manufacturing and storing manufactured gas. In connection with these activities, waste materials were produced that may have resulted in soil and groundwater contamination at these sites. Under certain laws and regulations relating to the protection of the environment, we are required to undertake remedial action with respect to some of these materials. We are coordinating the investigation and cleanup of the sites subject to EPA jurisdiction under what is called a "multi-site" program. This program involves prioritizing the work to be done at the sites, preparation and approval of documents common to all of the sites, and use of a consistent approach in selecting remedies.

We are responsible for the environmental remediation of 28 sites, of which 11 have been transferred to the EPA Superfund Alternative Sites Program. Under the EPA's program, the remedy decisions at these sites will be made using risk-based criteria typically used at Superfund sites. As of December 31, 2012, we estimated and accrued for \$481.8 million of future undiscounted investigation and cleanup costs for all sites. We may adjust these estimates in the future due to remedial technology, regulatory requirements, remedy determinations, and any claims of natural resource damages. As of December 31, 2012, cash expenditures for environmental remediation not yet recovered in rates were \$22.7 million. We recorded a regulatory asset of \$504.5 million at December 31, 2012, which is net of insurance recoveries received of \$24.2 million, related to the expected recovery through rates of both cash expenditures and estimated future expenditures.

Management believes that any costs incurred for environmental activities relating to former manufactured gas plant operations that are not recoverable through contributions from other entities or from insurance carriers have been prudently incurred and are, therefore, recoverable through rates. Accordingly, we do not expect these costs to have a material impact on our financial statements. However, any changes in the approved rate mechanisms for recovery of these costs, or any adverse conclusions by the ICC with respect to the prudence of costs actually incurred, could materially affect recovery of such costs through rates.

NOTE 10—EMPLOYEE BENEFIT PLANS

Defined Benefit Plans

We participate in the Integrys Energy Group Retirement Plan, a noncontributory, qualified defined benefit pension plan, sponsored by IBS, as well as an unfunded, nonqualified retirement plan, sponsored by PELLC. We are responsible for our share of the plan assets and obligations of these plans, and our balance sheets reflect only the liabilities associated with our past and current employees and our share of the plan assets. The defined benefit pension plans are closed to new hires. In addition, we offer multiple other postretirement benefits to employees.

Integrys Energy Group also currently offers medical, dental, and life insurance benefits to our active employees and their dependents. We expense the costs of these benefits as incurred.

Retiring employees have the option of receiving retirement benefits in the form of an annuity or a lump sum payment. Effective with the 2010 rate order that changed how pension and other postretirement benefit costs are determined for rate purposes, we only recognize settlement costs if the cost is greater than or equal to the sum of the service and interest cost components of the net periodic benefit cost for the year.

The following tables provide a reconciliation of the changes in the plans' benefit obligations and fair value of assets during 2012 and 2011:

<i>(Millions)</i>	Pension Benefits		Other Benefits	
	2012	2011	2012	2011
Change in benefit obligation				
Obligation at January 1	\$ 455.1	\$ 421.9	\$ 173.2	\$ 170.7
Service cost	14.1	12.2	9.0	8.6
Interest cost	22.8	23.5	8.3	8.8
Plan amendments	—	—	—	(1.0)
Transfers to affiliates	(11.2)	(5.1)	(0.9)	(2.9)
Actuarial loss (gain), net	71.7	38.9	(2.6)	(5.4)
Participant contributions	—	—	6.7	7.5
Benefit payments	(30.1)	(36.3)	(14.3)	(14.3)
Federal subsidy on benefits paid	—	—	0.9	1.2
Obligation at December 31	\$ 522.4	\$ 455.1	\$ 180.3	\$ 173.2
Change in fair value of plan assets				
Fair value of plan assets at January 1	\$ 279.8	\$ 316.1	\$ 44.8	\$ 31.5
Actual return on plan assets	38.7	5.0	13.8	(0.3)
Employer contributions	0.1	0.1	86.3	23.1
Transfers to affiliates	(11.2)	(5.1)	(0.9)	(2.9)
Participant contributions	—	—	6.7	7.5
Benefit payments	(30.1)	(36.3)	(14.3)	(14.1) *
Fair value of plan assets at December 31	\$ 277.3	\$ 279.8	\$ 136.4	\$ 44.8
Funded status at December 31	\$ (245.1)	\$ (175.3)	\$ (43.9)	\$ (128.4)

* Amount is net of early retirement reinsurance program payments received in 2011.

The amounts recognized on our balance sheets at December 31 related to the funded status of the benefit plans were as follows:

<i>(Millions)</i>	Pension Benefits		Other Benefits	
	2012	2011	2012	2011
Current liabilities	\$ 0.4	\$ 0.4	\$ —	\$ —
Noncurrent liabilities	244.7	174.9	43.9	128.4
Total liabilities	\$ 245.1	\$ 175.3	\$ 43.9	\$ 128.4

The accumulated benefit obligation for all defined benefit pension plans was \$447.5 million and \$385.9 million at December 31, 2012, and 2011, respectively. Information for pension plans with an accumulated benefit obligation in excess of plan assets is presented in the following table:

<i>(Millions)</i>	December 31	
	2012	2011
Projected benefit obligation	\$ 522.4	\$ 455.1
Accumulated benefit obligation	447.5	385.9
Fair value of plan assets	277.3	279.8

The following table shows the amounts that had not yet been recognized in our net periodic benefit cost as of December 31:

<i>(Millions)</i>	Pension Benefits		Other Benefits	
	2012	2011	2012	2011
Net regulatory assets				
Net actuarial loss	\$ 299.9	\$ 251.7	\$ 11.1	\$ 18.4
Prior service credits	—	—	(0.7)	(0.8)
Total	\$ 299.9	\$ 251.7	\$ 10.4	\$ 17.6

The following table shows the estimated amounts that will be amortized into net periodic benefit cost during 2013:

<i>(Millions)</i>	Pension Benefits	Other Benefits
Net actuarial losses	\$ 15.4	\$ —
Prior service credits	—	(0.1)
Total 2013 – estimated amortization	\$ 15.4	\$ (0.1)

The following table shows the components of net periodic benefit cost (including amounts capitalized to our balance sheets) for our benefit plans:

<i>(Millions)</i>	Pension Benefits			Other Benefits		
	2012	2011	2010	2012	2011	2010
Net periodic benefit cost						
Service cost	\$ 14.1	\$ 12.2	\$ 11.1	\$ 9.0	\$ 8.6	\$ 7.6
Interest cost	22.8	23.5	23.5	8.3	8.8	8.3
Expected return on plan assets	(25.0)	(29.5)	(33.2)	(8.9)	(3.3)	(1.4)
Amortization of transition obligation	—	—	—	—	—	—
Amortization of prior service cost (credits)	—	—	—	(0.1)	(0.1)	—
Amortization of net actuarial loss	9.7	4.9	1.9	—	—	—
Net periodic benefit cost	\$ 21.6	\$ 11.1	\$ 3.3	\$ 8.3	\$ 14.0	\$ 14.5

Assumptions – Pension and Other Postretirement Benefit Plans

The weighted-average assumptions used at December 31 to determine benefit obligations for the plans were as follows:

	Pension Benefits		Other Benefits	
	2012	2011	2012	2011
Discount rate	4.10%	5.10%	3.90%	4.80%
Rate of compensation increase	4.16%	4.16%	N/A	N/A
Assumed medical cost trend rate (under age 65)	N/A	N/A	7.00%	7.00%
Ultimate trend rate	N/A	N/A	5.00%	5.00%
Year ultimate trend rate is reached	N/A	N/A	2019	2016
Assumed medical cost trend rate (over age 65)	N/A	N/A	7.00%	7.50%
Ultimate trend rate	N/A	N/A	5.00%	5.50%
Year ultimate trend rate is reached	N/A	N/A	2019	2016
Assumed dental cost trend rate	N/A	N/A	5.00%	5.00%

The weighted-average assumptions used to determine net periodic benefit cost for the plans were as follows:

	Pension Benefits		
	2012	2011	2010
Discount rate	5.10%	5.80%	6.15%
Expected return on assets	8.25%	8.25%	8.50%
Rate of compensation increase	4.16%	4.16%	4.16%

	Other Benefits		
	2012	2011	2010
Discount rate	4.80%	5.45%	5.80%
Expected return on assets	8.25%	8.25%	8.50%
Assumed medical cost trend rate (under age 65)	7.00%	7.50%	8.00%
Ultimate trend rate	5.00%	5.00%	5.00%
Year ultimate trend rate is reached	2016	2016	2013
Assumed medical cost trend rate (over age 65)	7.50%	8.00%	8.50%
Ultimate trend rate	5.50%	5.50%	5.50%
Year ultimate trend rate is reached	2016	2016	2013
Assumed dental cost trend rate	5.00%	5.00%	5.00%

We establish our expected return on assets assumption based on consideration of historical and projected asset class returns, as well as the target allocations of the benefit trust portfolios. Beginning in 2013, the expected return on assets assumption for the plans is 8.00%.

Assumed health care cost trend rates have a significant effect on the amounts reported by us for our health care plans. For the year ended December 31, 2012, a one-percentage-point change in assumed health care cost trend rates would have had the following effects:

<i>(Millions)</i>	One-Percentage-Point	
	Increase	Decrease
Effect on total of service and interest cost components of net periodic postretirement health care benefit cost	\$ 2.3	\$ (1.9)
Effect on the health care component of the accumulated postretirement benefit obligation	18.9	(16.3)

Pension and Other Postretirement Benefit Plan Assets

Integrus Energy Group's investment policy includes various guidelines and procedures designed to ensure assets are invested in an appropriate manner to meet expected future benefits to be earned by participants. The investment guidelines consider a broad range of economic conditions. The policy is established and administered in a manner that is compliant at all times with applicable regulations.

Central to the policy are target allocation ranges by major asset categories. The objectives of the target allocations are to maintain investment portfolios that diversify risk through prudent asset allocation parameters and to achieve asset returns that meet or exceed the plans' actuarial assumptions and that are competitive with like instruments employing similar investment strategies. The portfolio diversification provides protection against significant concentrations of risk in the plan assets. The target asset allocations for pension and other postretirement benefit plans that have significant assets are: 70% equity securities and 30% fixed income securities. Equity securities primarily include investments in large-cap and small-cap companies. Fixed income securities primarily include corporate bonds of companies from diversified industries, United States government securities, and mortgage-backed securities.

The Board of Directors of Integrus Energy Group established the Employee Benefits Administrator Committee (composed of members of Integrus Energy Group and its subsidiaries' management) to manage the operations and administration of all its and its subsidiaries' benefit plans and trusts. The committee periodically reviews the asset allocation, and the portfolio is rebalanced when necessary.

Pension and other postretirement benefit plan investments are recorded at fair value. Information regarding the fair value hierarchy and the classification of fair value measurements based on the types of inputs used are discussed in Note 1(p), "Summary of Significant Accounting Policies – Fair Value."

The following table provides the fair values of our investments by asset class:

(Millions)	December 31, 2012								
	Pension Plan Assets				Other Benefit Plan Assets				
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	
Asset Class									
Cash and cash equivalents	\$ 1.3	\$ 5.2	\$ —	\$ 6.5	\$ —	\$ 3.4	\$ —	\$ 3.4	
Equity securities:									
United States equity	34.7	83.4	—	118.1	—	51.5	—	51.5	
International equity	19.9	62.2	—	82.1	—	35.8	—	35.8	
Fixed income securities:									
United States government	—	20.8	—	20.8	36.7	—	—	36.7	
Foreign government	—	4.2	0.9	5.1	—	—	—	—	
Corporate debt	—	40.8	0.2	41.0	—	—	—	—	
Asset-backed securities	—	11.7	—	11.7	—	—	—	—	
Other	—	2.3	—	2.3	—	—	—	—	
	55.9	230.6	1.1	287.6	36.7	90.7	—	127.4	
401(h) other benefit plan assets invested as pension assets ⁽¹⁾	(1.8)	(7.4)	—	(9.2)	1.8	7.4	—	9.2	
Total⁽²⁾	\$ 54.1	\$ 223.2	\$ 1.1	\$ 278.4	\$ 38.5	\$ 98.1	\$ —	\$ 136.6	

⁽¹⁾ Pension trust assets are used to pay other postretirement benefits as allowed under Internal Revenue Code Section 401(h).

⁽²⁾ Investments do not include accruals or pending transactions that are included in the table reconciling the change in fair value of plan assets.

<i>(Millions)</i>	December 31, 2011							
	Pension Plan Assets				Other Benefit Plan Assets			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Asset Class								
Cash and cash equivalents	\$ 1.1	\$ 6.1	\$ —	\$ 7.2	\$ —	\$ 1.4	\$ —	\$ 1.4
Equity securities:								
United States equity	32.3	82.0	—	114.3	—	15.8	—	15.8
International equity	17.6	62.9	—	80.5	—	9.1	—	9.1
Fixed income securities:								
United States government	—	23.7	—	23.7	11.1	—	—	11.1
Foreign government	—	4.4	1.4	5.8	—	—	—	—
Corporate debt	—	39.9	0.5	40.4	—	—	—	—
Asset-backed securities	—	14.0	—	14.0	—	—	—	—
Other	—	2.1	—	2.1	—	—	—	—
	51.0	235.1	1.9	288.0	11.1	26.3	—	37.4
401(h) other benefit plan assets invested as pension assets ⁽¹⁾	(1.3)	(6.1)	—	(7.4)	1.3	6.1	—	7.4
Total ⁽²⁾	\$ 49.7	\$ 229.0	\$ 1.9	\$ 280.6	\$ 12.4	\$ 32.4	\$ —	\$ 44.8

⁽¹⁾ Pension trust assets are used to pay other postretirement benefits as allowed under Internal Revenue Code Section 401(h).

⁽²⁾ Investments do not include accruals or pending transactions that are included in the table reconciling the change in fair value of plan assets.

The following tables set forth a reconciliation of changes in the fair value of pension plan assets categorized as Level 3 in the fair value hierarchy:

<i>(Millions)</i>	Foreign Government Debt	Corporate Debt	Total
Beginning balance at December 31, 2011	\$ 1.4	\$ 0.5	\$ 1.9
Net realized and unrealized losses	(0.2)	—	(0.2)
Purchases	0.3	0.1	0.4
Sales	(0.4)	(0.1)	(0.5)
Transfers out of Level 3	(0.2)	(0.3)	(0.5)
Ending balance at December 31, 2012	\$ 0.9	\$ 0.2	\$ 1.1
Net unrealized gains related to assets still held at the end of the period	\$ 0.1	\$ —	\$ 0.1

<i>(Millions)</i>	Foreign Government Debt	Corporate Debt	Asset-Backed Securities	Real Estate Securities	Total
Beginning balance at December 31, 2010	\$ 2.3	\$ 0.6	\$ 0.1	\$ 8.8	\$ 11.8
Net realized and unrealized losses	(0.3)	(0.1)	—	(1.0)	(1.4)
Purchases	0.5	0.5	—	0.5	1.5
Sales	(1.1)	(0.5)	—	(8.3)	(9.9)
Transfers out of Level 3	—	—	(0.1)	—	(0.1)
Ending balance at December 31, 2011	\$ 1.4	\$ 0.5	\$ —	\$ —	\$ 1.9
Net unrealized losses related to assets still held at the end of the period	\$ (0.1)	\$ —	\$ —	\$ —	\$ (0.1)

Cash Flows Related to Pension and Other Postretirement Benefit Plans

Our funding policy is to contribute at least the minimum amounts that are required to be funded under the Employee Retirement Income Security Act, but not more than the maximum amounts that are currently deductible for income tax purposes. We expect to contribute \$0.4 million to pension plans and \$10.7 million to other postretirement benefit plans in 2013, dependent on various factors affecting us, including our liquidity position and tax law changes.

The following table shows the payments, reflecting expected future service, that we expect to make for pension and other postretirement benefits. These amounts do not include the participants' share of the cost. In addition, the table shows the expected federal subsidies, provided under the Medicare Prescription Drug, Improvement and Modernization Act of 2003, which will partially offset other postretirement benefits.

<i>(Millions)</i>	Pension Benefits	Other Benefits	Federal Subsidies
2013	\$ 55.1	\$ 9.5	\$ 1.0
2014	49.5	10.2	1.1
2015	47.0	11.2	1.1
2016	47.1	12.2	1.2
2017	50.4	13.2	1.3
2018-2022	269.2	81.7	7.6

Defined Contribution Plans

Integrus Energy Group maintains a 401(k) Savings Plan for substantially all of our full-time employees. A percentage of employee contributions are matched through an employee stock ownership plan or cash contribution up to certain limits. Employees who are no longer eligible to participate in the defined benefit pension plan participate in a defined contribution pension plan, in which certain amounts are contributed to an employee's account based on the employee's wages, age, and years of service. Our share of the total costs incurred under these plans was \$3.0 million, \$2.5 million, and \$2.7 million for 2012, 2011, and 2010, respectively.

NOTE 11—PREFERRED STOCK

We have 430,000 shares of preferred stock with a \$100 par value authorized for issuance, of which none were issued and outstanding at December 31, 2012.

NOTE 12—COMMON EQUITY

Various laws, regulations, and financial covenants impose restrictions on our ability to pay dividends to the sole holder of our common stock, PELLC.

Our short-term debt obligations contain financial and other covenants, including but not limited to, a requirement to maintain a debt to total capitalization ratio not to exceed 65%. Failure to comply with these covenants could result in an event of default which could result in the acceleration of outstanding debt obligations. As of December 31, 2012, these covenants resulted in total restricted net assets of \$432.5 million.

Except for the restrictions described above and subject to applicable law, we do not have any other significant dividend restrictions. During the twelve months ended December 31, 2012, we paid common stock dividends of \$55.0 million to PELLC.

Rates established in the 2012 ICC rate order reflect a common equity ratio of 49% in our regulatory capital structure. We may request ICC authorization to issue additional common stock to PELLC and may return capital in order to maintain utility common equity levels consistent with our current rate order.

NOTE 13—STOCK-BASED COMPENSATION

Our employees may be granted awards under Integrus Energy Group's stock-based compensation plans. At December 31, 2012, stock options, performance stock rights and restricted share units were outstanding under various plans. Compensation cost associated with these awards is allocated to us based on the percentages used for allocation of the award recipients' labor costs.

The following table reflects the stock-based compensation expense and the related deferred tax benefit recognized in income for the years ended December 31:

<i>(Millions)</i>	2012	2011	2010
Stock options	\$ 0.5	\$ 0.5	\$ 0.6
Performance stock rights	1.2	0.9	2.6
Restricted shares and restricted share units	1.6	1.4	1.9
Total stock-based compensation expense	\$ 3.3	\$ 2.8	\$ 5.1
Deferred income tax benefit	\$ 1.3	\$ 1.1	\$ 2.0

No stock-based compensation cost was capitalized during 2012, 2011, and 2010.

Stock Options

All stock options granted to our employees are for the option to purchase shares of Integrys Energy Group common stock. Stock options have a term not longer than ten years. The exercise price of each stock option is equal to the fair market value of the stock on the date the stock option is granted. Generally, one-fourth of the stock options granted vest and become exercisable each year on the anniversary of the grant date. Stock options granted to retirement-eligible employees vest for accounting purposes over a shorter period; however, there is no acceleration as [to when the options become exercisable](#). Under the provisions of the 2010 Integrys Energy Group Omnibus Incentive Compensation Plan, no single employee who is Integrys Energy Group's chief executive officer or one of the other three highest compensated officers of Integrys Energy Group (including officers of its subsidiaries) can be granted stock options for more than 1,000,000 shares during any calendar year.

The fair values of stock option awards granted were estimated using a binomial lattice model. The expected term of stock option awards is calculated based on historical exercise behavior and represents the period of time that options are expected to be outstanding. The risk-free interest rate is based on the United States Treasury yield curve. The expected dividend yield incorporates the current and historical dividend rate of Integrys Energy Group. The expected stock price volatility was estimated using its 10-year historical volatility. The following table shows the weighted-average fair values per stock option along with the assumptions incorporated into the valuation models:

	2012 Grant	2011 Grant	2010 Grant
Weighted-average fair value per stock option	\$6.30	\$6.57	\$5.30
Expected term	5 years	5 years	6 years
Risk-free interest rate	0.17% - 2.18%	0.27% - 3.90%	2.38%
Expected dividend yield	5.28%	5.34%	5.46%
Expected volatility	25%	25%	25%

A summary of stock option activity for 2012, and information related to outstanding and exercisable stock options at December 31, 2012, is presented below:

	Stock Options	Weighted-Average Exercise Price Per Share	Weighted-Average Remaining Contractual Life (in Years)	Aggregate Intrinsic Value (Millions)
Outstanding at December 31, 2011	24,306	\$ 47.29		
Granted	6,291	53.24		
Exercised	(10,759)	46.13		
Outstanding at December 31, 2012	19,838	\$ 49.81	7.42	\$ 0.1
Exercisable at December 31, 2012	3,269	\$ 58.65	4.38	\$ —

As of December 31, 2012, no future compensation cost was expected to be recognized for unvested and outstanding stock options, because all recipients were retirement eligible.

The aggregate intrinsic value for outstanding and exercisable options in the above table represents the total pre-tax intrinsic value that would have been received by the option holders had they all exercised their options at December 31, 2012. This is calculated as the difference between Integrys Energy Group's closing stock price on December 31, 2012, and the option exercise price, multiplied by the number of in-the-money stock options. The intrinsic value of options exercised during 2012, 2011, and 2010, was not significant.

Performance Stock Rights

Performance stock rights vest over a three-year performance period. For accounting purposes, awards granted to retirement-eligible employees vest over a shorter period; however, the distribution of these awards is not accelerated. No single employee who is Integrys Energy Group's chief executive officer or one of the other three highest compensated officers of Integrys Energy Group (including officers of its subsidiaries) can receive a payout in excess of 250,000 performance shares during any calendar year. Performance stock rights are paid out in shares of Integrys Energy Group common stock, or eligible employees can elect to defer the value of their awards into the deferred compensation plan and choose among various investment options, some of which are ultimately paid out in Integrys Energy Group common stock and some of which are ultimately paid out in cash. Beginning in 2011, eligible employees can only elect to defer up to 80% of the value of their awards. The number of shares paid out is calculated by multiplying a performance percentage by the number of outstanding stock rights at the completion of the performance period. The performance percentage is based on the total shareholder return of Integrys Energy Group's common stock relative to the total shareholder return of a peer group of companies. The payout may range from 0% to 200% of target.

Performance stock rights are accounted for as either an equity award or a liability award depending on their settlement features. Awards that can only be settled in shares of Integrys Energy Group common stock are accounted for as equity awards. Awards that an employee has elected to

defer or is still able to defer into the deferred compensation plan are accounted for as liability awards and are recorded at fair value each reporting period.

Six months prior to the end of the performance period, employees can no longer change their election to defer the value of their performance stock rights into the deferred compensation plan. As a result, any awards not elected for deferral at this point in the performance period will be settled in Integrys Energy Group's common stock. This changes the classification of these awards from a liability award to an equity award. The change in classification is accounted for as an award modification. The fair value on the modification date is used to measure these awards for the remaining six months of the performance period. No incremental compensation expense is recorded as a result of this award modification.

The fair values of performance stock rights were estimated using a Monte Carlo valuation model. The risk-free interest rate is based on the United States Treasury yield curve. The expected dividend yield incorporates the current and historical dividend rate for Integrys Energy Group. The expected volatility was estimated using one to three years of historical data. The table below reflects the assumptions used in the valuation of the outstanding grants at December 31:

	2012	2011	2010
Risk-free interest rate	0.17% - 1.27%	0.00% - 1.27%	0.21% - 0.56%
Expected dividend yield	5.18% - 5.34%	5.28% - 5.34%	5.34%
Expected volatility	14% - 36%	21% - 36%	20% - 34%

A summary of the 2012 activity related to performance stock rights accounted for as equity awards is presented below:

	Performance Stock Rights	Weighted-Average Fair Value *
Outstanding at December 31, 2011	2,539	\$ 46.47
Granted	425	52.70
Award Modifications	1,852	79.62
Distributed	(1,241)	42.86
Adjustment for final payout	(435)	42.86
Outstanding at December 31, 2012	3,140	\$ 68.79

* Reflects the weighted-average fair value used to measure equity awards. Equity awards are measured using the grant date fair value or the fair value on the modification date.

A summary of the 2012 activity related to performance stock rights accounted for as liability awards is presented below:

	Performance Stock Rights
Outstanding at December 31, 2011	3,444
Granted	1,696
Award modifications	(1,852)
Outstanding at December 31, 2012	3,288

The weighted-average fair value of all outstanding performance stock rights accounted for as liability awards as of December 31, 2012, was \$41.89 per performance stock right.

As of December 31, 2012, no future compensation cost was expected to be recognized for unvested and outstanding performance stock rights (equity and liability awards) because all recipients were retirement eligible.

The total intrinsic value of performance stock rights distributed was not significant for the years ended December 31, 2012, 2011, and 2010.

Restricted Shares and Restricted Share Units

Restricted shares and restricted share units generally have a four-year vesting period, with 25% of each award vesting on each anniversary of the grant date. For accounting purposes, awards granted to retirement-eligible employees vest over a shorter period; however, the releasing of these shares to these employees is not accelerated. During 2011, the last of the outstanding restricted shares vested. Only restricted share units remain outstanding at December 31, 2012. Restricted share unit recipients do not have voting rights, but they receive forfeitable Integrys Energy Group dividend equivalents in the form of additional restricted share units.

Restricted share units are accounted for as either an equity award or a liability award depending on their settlement features. Awards that can only be settled in shares of Integrys Energy Group common stock and cannot be deferred into the deferred compensation plan are accounted for as equity awards. Beginning in 2011, eligible employees can only elect to defer up to 80% of their awards into the deferred compensation plan. Equity

awards are measured based on the fair value on the grant date. Awards that an employee has elected to defer into the deferred compensation plan are accounted for as liability awards and are recorded at fair value each reporting period.

A summary of the activity related to all restricted share unit awards (equity and liability awards) for the year ended December 31, 2012, is presented below:

	Restricted Share Unit Awards	Weighted-Average Grant Date Fair Value
Outstanding at December 31, 2011	18,340	\$ 45.27
Granted	8,573	53.24
Dividend equivalents	1,003	48.76
Vested and released	(7,160)	45.09
Transfers	(150)	53.24
Outstanding at December 31, 2012	20,606	\$ 48.76

As of December 31, 2012, future compensation cost expected to be recognized for unvested and outstanding restricted stock units was not significant.

The total intrinsic value of restricted share and restricted share unit awards vested and released for the years ended December 31, 2012, 2011, and 2010, was not significant.

The weighted-average grant date fair value of restricted share units awarded during the years ended December 31, 2012, 2011, and 2010, was \$53.24, \$49.40 and \$41.58 per share, respectively.

NOTE 14—FAIR VALUE

Fair Value Measurements

The following tables show financial assets and liabilities that were accounted for at fair value on a recurring basis, categorized by level within the fair value hierarchy:

<i>(Millions)</i>	December 31, 2012			
	Level 1	Level 2	Level 3	Total
Risk management assets				
Natural gas contracts	\$ —	\$ 2.6	\$ —	\$ 2.6
Petroleum product contracts	0.1	—	—	0.1
Risk management liabilities				
Natural gas contracts	—	11.5	—	11.5

<i>(Millions)</i>	December 31, 2011			
	Level 1	Level 2	Level 3	Total
Risk management assets				
Natural gas contracts	\$ —	\$ 8.4	\$ —	\$ 8.4
Risk management liabilities				
Natural gas contracts	—	32.4	—	32.4

The risk management assets and liabilities listed in the tables above include swaps, options, and natural gas purchase contracts used to manage volatility in natural gas supply costs. We also use financial option contracts to manage volatility in the costs of gasoline and diesel fuel used by our utility vehicles. The fair value of these financial option contracts was not significant at December 31, 2011. NYMEX contracts are valued using the NYMEX end-of-day settlement price, which is a Level 1 input. Certain derivative instruments are valued using broker quotes or prices for similar contracts at the reporting date, which are Level 2 inputs. The valuation of certain contracts also includes an adjustment related to transportation, and our financial fixed price options are valued using the Black-76 model, incorporating mid-market prices obtained from the NYMEX. These contracts are also classified in Level 2. For more information on our derivative instruments, see Note 2, "Risk Management Activities." There were no transfers between the levels of the fair value hierarchy during 2012 and 2011.

Fair Value of Financial Instruments

The following table shows the financial instruments included on the balance sheets that are not recorded at fair value.

(Millions)	2012		2011	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Long-term debt	\$ 624.5	\$ 654.5	\$ 524.5	\$ 556.8

The fair value of long-term debt is estimated based on the quoted market price for the same or similar issues, or on the current rates offered to us for debt of the same remaining maturity. The fair values of long-term debt instruments are categorized within Level 2 of the fair value hierarchy.

Due to the short-term nature of cash and cash equivalents, accounts receivable, accounts payable, notes payable, and outstanding commercial paper, the carrying amount for each such item approximates fair value.

NOTE 15—REGULATORY ENVIRONMENT

2013 Rate Case

On July 31, 2012, we filed an application with the ICC to increase retail natural gas rates \$78.3 million, with rates expected to be effective in July 2013. Our request reflects a 10.75% return on common equity and a target common equity ratio of 50.00% in our regulatory capital structure.

In rebuttal testimony, the ICC Staff recommended a rate increase of \$14.9 million, a 9.06% return on common equity, and a common equity ratio of 50.43% in our regulatory capital structure. Also in rebuttal testimony, the Illinois Attorney General recommended a rate increase of \$15.4 million and assumed the existing approved return on common equity. In surrebuttal testimony, we revised our requested natural gas rate increase to \$97.8 million, including a reduced requested return on common equity of 10.00%. Our revised request is primarily driven by increased costs due to new permitting and restoration requirements, as well as modifications in natural gas main and service pipe installation procedures.

2012 Rates

On January 10, 2012, the ICC issued a final order authorizing a retail natural gas rate increase of \$57.8 million, effective January 21, 2012. The rates reflected a 9.45% return on common equity and a common equity ratio of 49.00% in our regulatory capital structure. The rate order also approved a permanent decoupling mechanism.

The Illinois Attorney General appealed the ICC's approval of decoupling and filed a motion to stay the implementation of the permanent decoupling mechanism or make collections subject to refund. In May 2012, the ICC issued a revised amendatory order granting the Illinois Attorney General's motion to make revenues collected under the permanent decoupling mechanism subject to refund. Refunds would be required if the Illinois Appellate Court (Court) finds that the ICC did not have the authority to approve decoupling and the Court orders a refund. As a result, the recovery of amounts related to decoupling is uncertain. Therefore, we reduced revenues by \$12.0 million in the second quarter of 2012 related to decoupling amounts accrued for regulatory recovery as of March 31, 2012. These amounts and decoupling amounts accrued thereafter have a reserve established against them equal to the amount accrued. As of December 31, 2012, a reserve of \$14.8 million was recorded. In November 2012, we filed briefs with the Court defending the authority of the ICC to approve the decoupling mechanism. Since the decoupling mechanism is still in place, we also intend to file with the ICC for rate recovery, beginning in April 2013, for amounts accrued related to decoupling.

Infrastructure Cost Recovery Rider (Rider ICR)

On January 21, 2010, the ICC approved Rider ICR, a mechanism that allowed us to earn a return on and recover the costs, above an annual baseline, of the AMRP through a special charge on customers' bills. However, the Illinois Appellate Court, First District, reversed the ICC's approval of Rider ICR, concluding it was improper single issue ratemaking. The ICC subsequently issued a remand order requiring us to refund \$2.3 million, over a nine-month period beginning in July 2012, in the form of a refund and reconciliation adjustment. A refund amount of \$1.1 million was included in our regulatory liabilities as of December 31, 2012.

NOTE 16—SEGMENTS OF BUSINESS

At December 31, 2012, we reported two segments. Our utility operations are reported in the natural gas utility segment. Our nonutility operations, including those of our wholly owned subsidiary, Peoples Gas Neighborhood Development Corporation, are reported in the other segment. All of our operations and assets are located within the United States.

The tables below present information related to our reportable segments:

2012 (Millions)	Natural Gas Utility	Other	Reconciling Eliminations	PGL Consolidated
Income Statement				
Natural gas operating revenues	\$ 882.5	\$ —	\$ —	\$ 882.5
Depreciation and amortization expense	88.2	0.1	—	88.3
Miscellaneous income	0.7	—	—	0.7
Interest expense	24.9	—	—	24.9
Provision for income taxes	37.3	0.1	—	37.4
Net income (loss)	54.5	(0.2)	—	54.3
Total assets	3,552.6	4.5	(4.2)	3,552.9
Cash expenditures for long-lived assets	287.4	—	—	287.4

2011 (Millions)	Natural Gas Utility	Other	Reconciling Eliminations	PGL Consolidated
Income Statement				
Natural gas operating revenues	\$ 1,029.5	\$ —	\$ —	\$ 1,029.5
Depreciation and amortization expense	83.8	0.1	—	83.9
Miscellaneous income	1.8	—	—	1.8
Interest expense	24.0	—	—	24.0
Provision (benefit) for income taxes	32.2	(0.1)	—	32.1
Net income (loss)	56.7	(0.1)	—	56.6
Total assets	3,198.9	4.5	(4.0)	3,199.4
Cash expenditures for long-lived assets	134.0	—	—	134.0

2010 (Millions)	Natural Gas Utility	Other	Reconciling Eliminations	PGL Consolidated
Income Statement				
Natural gas operating revenues	\$ 1,071.4	\$ —	\$ —	\$ 1,071.4
Depreciation and amortization expense	79.7	—	—	79.7
Miscellaneous income (expense)	0.9	(0.1)	—	0.8
Interest expense	25.3	—	—	25.3
Provision for income taxes	35.8	—	—	35.8
Net income (loss)	42.5	(0.3)	—	42.2
Total assets	2,986.7	4.7	(4.0)	2,987.4
Cash expenditures for long-lived assets	76.2	—	—	76.2

NOTE 17—RELATED PARTY TRANSACTIONS

We routinely enter into transactions with related parties, including Integrys Energy Group and its subsidiaries. The following agreements result in related party receivables and payables.

Under the ICC-approved Services and Transfers Agreement (STA), we can provide to and receive from NSG; our parent, PELLC; and other wholly owned subsidiaries of PELLC, certain facilities, services, and assets. Services between NSG and us are priced at fully distributed cost. Otherwise, if we provide facilities or services, we charge the receiving party an amount equal to or greater than the fully distributed cost. If we receive facilities or services, we are charged the prevailing market price but no more than fully distributed cost. Costs are based on direct charges or an allocation method. For asset transfers between NSG and us, the transferring party charges its current net book value. For transactions involving other parties, the charge is the fair market value. Asset transfers to a nonutility are charged at the prevailing market price. Asset transfers involving us may require prior ICC approval. The ICC must approve changes or amendments to the STA.

Under an ICC-approved affiliated interest agreement (Regulated Agreement), we can provide to and receive from Integrys Energy Group and its regulated utility subsidiaries, certain services. All services are provided at cost. The ICC must approve changes or amendments to the Regulated Agreement.

IBS provides 15 categories of services (including financial, human resources, and administrative services) to us pursuant to an affiliated interest agreement (IBS AIA), which has been approved, or from which we have been granted appropriate waivers, by the appropriate regulators. As required by FERC regulations for centralized service companies, IBS renders services at cost. The appropriate public utility commissions, including the ICC, must be notified prior to making changes to the services offered under and the allocation methods specified in the IBS AIA, and other changes would require prior ICC approval. Recovery of allocated costs is addressed in our rate cases.

In 2010, a new affiliated interest agreement (NonIBS AIA) that would govern the provision of intercompany services, other than IBS services, within Integrys Energy Group, was submitted to the appropriate regulators for approval. The NonIBS AIA was written primarily to limit the scope of services now provided by IBS that had been provided under the Regulated and the Nonregulated agreements. The NonIBS AIA would replace these current agreements, except the IBS AIA, after proper approvals. The pricing methodologies from the current agreements would carry forward to the NonIBS AIA. The ICC approved the NonIBS AIA on December 15, 2010, but it cannot take effect until it is approved in all jurisdictions and compliance filings are made.

The following table shows activity associated with related party transactions for the years ended December 31:

<i>(Millions)</i>	2012	2011	2010
Natural gas sales to Integrys Energy Services	\$ 0.1	\$ 0.3	\$ 0.4
Natural gas purchases from Integrys Energy Services	0.1	—	0.2
Interest expense to Integrys Energy Group	0.2	0.4	0.2

We manage our liquidity by maintaining adequate financing commitments with related parties. We have the ability to borrow up to \$150.0 million from Integrys Energy Group and to loan to or borrow from NSG up to \$50.0 million. At December 31, 2012 and 2011, our short-term notes receivable balance from NSG was \$20.8 million and \$8.9 million, respectively.

Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY		This Report Is: (1) X An Original (2) A Resubmission	Date of Report (Mo./Da./Yr.)	Year of Report Dec. 31, 2012
SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION				
Line No.	Item (a)	Total (b)	Electric (c)	
1	UTILITY PLANT			
2	In Service			
3	Plant In Service (Classified) (Includes ARO)	3,223,184,366		
4	Property Under Capital Leases	-		
5	Plant Purchased or Sold	-		
6	Completed Construction not Classified	-		
7	Experimental Plant Unclassified	-		
8	TOTAL (Enter total of lines 3 thru 7)	3,223,184,366		
9	Leased to Others	1,389,476		
10	Held for Future Use	-		
11	Construction Work in Progress	52,908,174		
12	Acquisition Adjustments	-		
13	TOTAL Utility Plant (Enter total of lines 8 thru 12)	3,277,482,016		
14	Accumulated Provision for Depreciation, Amortization & Depletion (1)	1,146,404,253		
15	Net Utility Plant (Enter total of line 13 less 14)	2,131,077,763		
16	DETAIL OF ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION			
17	In Service			
18	Depreciation	1,079,531,880		
19	Amortization and Depletion of Producing Natural Gas Land and Land Rights	-		
20	Amortization of Underground Storage Land and Land Rights	-		
21	Amortization of Other Utility Plant	65,611,706		
22	TOTAL In Service (Enter total of lines 18 thru 21)	1,145,143,586		
23	Leased to Others			
24	Depreciation	1,260,667		
25	Amortization & Depletion	-		
26	TOTAL Leased to Others (Enter total of lines 24 and 25)	1,260,667		
27	Held for Future Use			
28	Depreciation	-		
29	Amortization	-		
30	TOTAL Held for Future Use (Enter total of lines 28 thru 29)			
31	Abandonment of Leases (Natural Gas)	-		
32	Amort. Of Plant Acquisition Adjustment	-		
33	TOTAL Accumulated Provision (Should agree with line 14 above) (Enter total of lines 22, 26, 30, 31 and 32)	1,146,404,253		

Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report Is: (1) X An Original (2) A Resubmission	Date of Report (Mo./Da./Yr.)	Year of Report Dec. 31, 2012	
SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION (continued)				
Gas (d)	Other (Specify) (e)	Other (Specify) (f)	Common (h)	Line No.
				1
				2
3,223,184,366				3
				4
				5
				6
				7
3,223,184,366				8
1,389,476				9
				10
52,908,174				11
				12
3,277,482,016				13
1,146,404,253				14
2,131,077,763				15
				16
				17
1,079,531,880				18
				19
				20
65,611,706				21
1,145,143,586				22
				23
1,260,667				24
				25
1,260,667				26
				27
				28
				29
				30
				31
				32
1,146,404,253				33

Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report Is: (1) X An Original (2) A Resubmission	Date of Report (Mo./Da./Yr.)	Year of Report Dec. 31, 2012
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GAS PLANT IN SERVICE (Accounts 101, 102, 103 and 106)

1. Report below the original cost of gas plant in service according to prescribed accounts.
2. In addition to Account 101, Gas Plant in Service (Classified) this page and the next include Account 102 - Gas Plant Purchased or Sold; Account 103 - Experimental Gas Plant Unclassified; and Account 106-Completed Construction Not Classified - Gas.
3. Include in column (c) or (d), as appropriate, corrections of additions and retirements for the current or preceding year.
4. Enclose in parentheses credit adjustments of plant accounts to indicate the negative effect of such accounts.
5. Classify Account 106 according to prescribed accounts, on an estimated basis if necessary, and include the entries in column (c). Also to be included in column (c) are entries for reversals of tentative distributions of prior year reported in column (b). Likewise, if the respondent has a significant amount of plant retirements which have not been classified to primary accounts at the end of the year, include in column (d) a tentative distribution of such retirements, on an estimated basis with appropriate contra entry to the account for accumulated depreciation provision. Include also in column (d) reversals of tentative distributions or prior year of unclassified retirements. Attach supplemental statement showing the account distributions of these tentative classifications in columns (c) and (d), including the reversals of the prior years tentative account distributions of these amounts.

Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)
1	1. Intangible Plant		
2	301 Organization		
3	302 Franchises and Consents		
4	303 303 Miscellaneous Intangible Plant	76,544,795	595,322
5	TOTAL Intangible Plant	76,544,795	595,322
6	2. Production Plant		
7	Natural Gas Production and Gathering Plant		
8	321 Asset Retirement Costs for Manufactured Gas Production Plants		
9	325.1 Producing Lands		
10	325.2 Producing Leaseholds		
11	325.3 Gas Rights		
12	325.4 Rights-of-Way		
13	325.5 Other Land and Land Rights		
14	326 Gas Well Structures		
15	327 Field Compressor Station Structure		
16	328 Field Measure and Reg. Station Structure		
17	329 Other Structures		
18	330 Producing Gas Wells - Well Construction		
19	331 Producing Gas Wells - Well Equipment		
20	332 Field Lines		
21	333 Field Compressor Station Equipment		
22	334 Field Measure and Reg. Station Equipment		
23	335 Drilling and Cleaning Equipment		
24	336 Purification Equipment		
25	337 Other Equipment		
26	338 Unsuccessful Exploration & Development Costs		
27	339 Asset Retirement Costs for Natural Gas Production and Gathering Plant		
28	TOTAL Production and Gathering Plant	-	-
29	Products Extraction Plant		
30	340 Land and Land Rights		
31	341 Structures and Improvements		
32	342 Extraction and Refining Equipment		
33	343 Pipe Lines		
34	344 Extracted Products Storage Equipment		
35	345 Compressor Equipment		
36	346 Gas Measuring and Regulating Equipment		
37	347 Other Equipment		
38	348 Asset Retirement Costs for Products Extraction Plant		
39	TOTAL Products Extraction Plant	-	-
40	TOTAL Natural Gas Production Plant	-	-
41	Mfd Gas Production Plant (Submit Supplemental Statement)	7,391,452	782,230
42	TOTAL Production Plant	7,391,452	782,230

Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report Is: (1) X An Original (2) A Resubmission	Date of Report (Mo./Da./Yr.)	Year of Report Dec. 31, 2012
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GAS PLANT IN SERVICE (Accounts 101, 102, 103 and 106) (continued)

Careful observance of the above instructions and the texts of Accounts 101 and 106 will avoid serious omissions of the reported amount of respondent's plant actually in service at end of year.

6. Show in column (f) reclassification or transfers within utility plant accounts. Include also in column (f) the additions or reductions of primary account classifications arising from distribution of amounts initially recorded in Account 102. In showing the clearance of Account 102, include in column (e) the amounts with respect to accumulated provision for depreciation, acquisition adjustments, etc., and show in column (f) only the offset to the debits or credits distributed in column (f) to primary account classifications.

7. For Account 399, state the nature and use of plant included in this account and if substantial in amount submit a supplementary statement showing subaccount classification of such plant conforming to the requirements of these pages.

8. For each amount comprising the reported balance and changes in Account 102, state the property purchased or sold, name of vendor or purchaser, and date of transaction. If proposed journal entries have been filed with the commission as required by the Uniform System of Accounts, give also date of such filing.

Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)	Line No.
				1
			-	301 2
			-	302 3
(1,048,908)			76,091,209	303 4
(1,048,908)			76,091,209	5
				6
				7
			-	321 8
			-	325.1 9
			-	325.2 10
			-	325.3 11
			-	325.4 12
			-	325.5 13
			-	326 14
			-	327 15
			-	328 16
			-	329 17
			-	330 18
			-	331 19
			-	332 20
			-	333 21
			-	334 22
			-	335 23
			-	336 24
			-	337 25
			-	338 26
			-	339 27
-	-	-	-	28
				29
			-	30
			-	340 31
			-	341 32
			-	342 33
			-	343 34
			-	344 35
			-	345 36
			-	346 37
			-	347 38
-	-	-	-	348 39
-	-	-	-	40
			8,173,682	41
-	-	-	8,173,682	42

Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY		This Report Is: (1) X An Original (2) A Resubmission	Date of Report (Mo./Da./Yr.)	Year of Report Dec. 31, 2012
GAS PLANT IN SERVICE (Accounts 101, 102, 103 and 106) (continued)				
Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)	
43	3. Natural Gas Storage and Processing Plant			
44	Underground Storage Plant			
45	350.1 Land	385,529		-
46	350.2 Rights-of-Way	611,250		-
47	351 Structures and Improvements	8,037,852		1,906,227
48	352 Wells	68,070,171		9,544,065
49	352.1 Storage Leaseholds and Rights	3,473,837		-
50	352.2 Reservoirs	4,389,456		-
51	352.3 Non-recoverable Natural Gas	172,708,614		3,544,878
52	353 Lines	40,922,584		8,609,216
53	354 Compressor Station Equipment	13,689,756		17,854
54	355 Measuring and Regulating Equipment	3,592,413		-
55	356 Purification Equipment	11,035,410		158,118
56	357 Other Equipment			
57	358 Asset Retirement Costs for Underground Storage Plant	52,744		63,118
58	TOTAL Underground Storage Plant	326,969,616		23,843,476
59	Other Storage Plant			
60	360 Land and Land Rights			
61	361 Structures and Improvements	5,534,016		5,000
62	362 Gas Holders	5,159,377		-
63	363 Purification Equipment			
64	363.1 Liquefaction Equipment	6,200,189		(13,562)
65	363.2 Vaporizing Equipment	9,038,258		-
66	363.3 Compressor Equipment			
67	363.4 Measuring And Regulating Equipment			
68	363.5 Other Equipment			
69	363.6 Asset Retirement Costs for Other Storage Plant	706,434		2,747,844
70	TOTAL Other Storage Plant	26,638,274		2,739,282
71	Base Load Liquefied Natural Gas Terminating and Processing Plant			
72	364.1 Land and Land Rights			
73	364.2 Structures and Improvements			
74	364.3 LNG Processing Terminal Equipment			
75	364.4 LNG Transportation Equipment			
76	364.5 Measuring and Regulating Equipment			
77	364.6 Compressor Station Equipment			
78	364.7 Communications Equipment			
79	364.8 Other Equipment			
80	364.9 Asset Retirement Costs for Baseload Liquefied Natural Gas Terminating & Processing Plant			
81	TOTAL Base Load Liquefied Natural Gas	-		-
82				
83	TOTAL Natural Gas Storage And Processing Plant	353,607,890		26,582,758
84	4. Transmission Plant			
85	365.1 Land and Land Rights	586,969		21,654
86	365.2 Rights-of-Way	5,578,757		-
87	366 Structures and Improvements	1,069,467		-
88	367 Mains	87,800,911		865,144
89	368 Compressor Station Equipment			
90	369 Measuring and Regulating Station Equipment	27,477,989		2,229,288
91	370 Communications Equipment			
92	371 Other Equipment			
93	372 Asset Retirement Costs for Transmission Plant			
94	TOTAL Transmission Plant	122,514,093		3,116,086

Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report Is: (1) X An Original (2) A Resubmission	Date of Report (Mo./Da./Yr.)	Year of Report Dec. 31, 2012
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GAS PLANT IN SERVICE (Accounts 101, 102, 103 and 106) (continued)

Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)	Acct. no.	Line No.
					43
					44
			385,529	350.1	45
			611,250	350.2	46
		213,893	10,157,972	351	47
(292,174)		(333,387)	76,988,675	352	48
			3,473,837	352.1	49
			4,389,456	352.2	50
			176,253,492	352.3	51
(89,868)		117,698	49,559,630	353	52
(61,752)			13,645,858	354	53
			3,592,413	355	54
			11,193,528	356	55
				357	56
			115,862	358	57
(443,794)	-	(1,796)	350,367,502		58
					59
			-	360	60
			5,539,016	361	61
		1,796	5,161,173	362	62
			-	363	63
			6,186,627	363.1	64
			9,038,258	363.2	65
			-	363.3	66
			-	363.4	67
			-	363.5	68
			3,454,278	363.6	69
-	-	1,796	29,379,352		70
					71
			-	364.1	72
			-	364.2	73
			-	364.3	74
			-	364.4	75
			-	364.5	76
			-	364.6	77
			-	364.7	78
			-	364.8	79
			-	364.9	80
					81
					82
(443,794)	-	-	379,746,854		83
					84
			608,623	365.1	85
			5,578,757	365.2	86
			1,069,467	366	87
			88,666,055	367	88
			-	368	89
(133,211)			29,574,066	369	90
			-	370	91
			-	371	92
			-	372	93
(133,211)	-	-	125,496,968		94

Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY		This Report Is: (1) X An Original (2) A Resubmission	Date of Report (Mo./Da./Yr.)	Year of Report Dec. 31, 2012
GAS PLANT IN SERVICE (Accounts 101, 102, 103 and 106) (continued)				
Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)	
95	5. Distribution Plant			
96	374 Land and Land Rights	2,426,676	-	
97	375 Structures and Improvements	33,850,882	259,930	
98	376 Mains	881,846,374	143,067,439	
99	377 Compressor Station Equipment			
100	378 Meas. And Reg. Station Equipment - General	31,383,279	612,108	
101	379 Meas. And Reg. Station Equipment - City Gate	17,059,243	211,012	
102	380 Services	716,948,623	57,080,830	
103	381 Meters	265,911,820	11,438,174	
104	382 Meter Installations			
105	383 House Regulators	96,357,770	10,859,185	
106	384 House Regulator Installations			
107	385 Industrial Meas. And Reg. Station Equipment	2,027,935	181,912	
108	386 Other Property On Customers' Premises			
109	387 Other Equipment			
110	388 Asset Retirement Costs for Distribution Plant	317,888,456	(4,445)	
111	TOTAL Distribution Plant	2,365,701,058	223,706,145	
112	6. General Plant			
113	389 Land and Land Rights			
114	390 Structures and Improvements			
115	391 Office Furniture and Equipment	5,554,776	2,165,081	
116	392 Transportation	36,923,115	10,349,214	
117	393 Stores Equipment	176,781	(3,782)	
118	394 Tools, Shop and Garage Equipment	10,811,084	1,787,400	
119	395 Laboratory Equipment	556,141	101,899	
120	396 Power Operated Equipment	9,823,204	1,682,096	
121	397 Communication Equipment	739,195	-	
122	398 Miscellaneous Equipment	87,978	(1,358)	
123	Subtotal	64,672,274	16,080,550	
124	399 Other Tangible Property			
125	399.1 Asset Retirement Costs for General Plant			
126	TOTAL General Plant	64,672,274	16,080,550	
127	TOTAL (Accounts 101 and 106)	2,990,431,562	270,863,091	
128	Gas Plant Purchased (See Instruction 8)			
129	(Less) Gas Plant Sold (See Instruction 8)			
130	Experimental Gas Plant Unclassified			
131	TOTAL Gas Plant in Service	2,990,431,562	270,863,091	

Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY		This Report Is: (1) X An Original (2) A Resubmission	Date of Report (Mo./Da./Yr.)	Year of Report Dec. 31, 2012	
GAS PLANT IN SERVICE (Accounts 101, 102, 103 and 106) (continued)					
Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)	Acct. No.	Line No.
					95
			2,426,676	374	96
(395,403)			33,715,409	375	97
(10,906,338)			1,014,007,475	376	98
				377	99
(1,146,432)			30,848,955	378	100
			17,270,255	379	101
(12,862,659)			761,166,794	380	102
(5,333,915)		23,389	272,039,468	381	103
			-	382	104
(3,205,107)			104,011,848	383	105
				384	106
		(23,389)	2,186,458	385	107
				386	108
				387	109
			317,884,011	388	110
(33,849,854)	-	-	2,555,557,349		111
					112
				389	113
				390	114
			7,719,857	391	115
(1,240,546)		(13,422)	46,018,361	392	116
		(16,841)	156,158	393	117
(1,064,414)		33,636	11,567,706	394	118
			658,040	395	119
(329,560)		(3,373)	11,172,367	396	120
			739,195	397	121
			86,620	398	122
(2,634,520)			78,118,304		123
				399	124
				399.1	125
(2,634,520)	-	-	78,118,304		126
(38,110,287)	-	-	3,223,184,366		127
					128
					129
					130
(38,110,287)	-	-	3,223,184,366		131

Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report Is: (1) X An Original (2) A Resubmission	Date of Report (Mo./Da./Yr.)	Year of Report Dec. 31, 2012
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MANUFACTURED GAS PRODUCTION PLANT - SUPPLEMENTAL SCHEDULE

SEE PAGE 204, LINE 41

Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)	Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)
1	PRODUCTION PLANT						
2	Manufactured Gas Production Plant						
3	(304) Land and Land Rights	7,391,452	782,230	-	-	-	8,173,682
4	(305) Structures and Improvements						
5	(306) Boiler Plant Equipment						
6	(307) Other Power Equipment						
7	(308) Coke Ovens						
8	(309) Producer Gas Equipment						
9	(310) Water Gas Generating Equipment						
10	(311) Liquefied Petroleum Gas Equipment						
11	(312) Oil Gas Generating Equipment						
12	(313) Generating Equipment - Other Expenses						
13	(314) Coal, Coke and Ash Handling Equipment						
14	(315) Catalytic Cracking Equipment						
15	(316) Other Reforming Equipment						
16	(317) Purification Equipment						
17	(318) Residual Refining Equipment						
18	(319) Gas Mixing Equipment						
19	(320) Other Equipment						
20	TOTAL Manufactured Gas Production Plant	7,391,452	782,230	-	-	-	8,173,682

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Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report Is: (1) X An Original (2) A Resubmission	Date of Report (Mo./Da./Yr.)	Year of Report Dec. 31, 2012
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GAS PLANT LEASED TO OTHERS (Account 104)

Instructions:
1. Report below the information called for concerning gas plant leased to others.
2. In column (c) give the date of Commission authorization of the lease of gas plant to others

Line No.	Name of Lessee (Designate associated companies with an asterisk) (a)	Description of Property Leased (b)	Commission Authorization (c)	Expiration Date of Lease (d)	Balance at End of Year (e)
1	Natural Gas Pipeline Company of America LLC	Transmission Plant consisting of certain land and land rights, gas mains, gas regulating facilities, gas metering facilities and all appurtenances thereto.	Dkt. 55835 Suppl. Order dated 4-13-77	Present lease is on a year-to-year basis and requires a two-year notice to terminate.	1,389,476
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47	TOTAL				1,389,476

Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report Is: (1) X An Original (2) A Resubmission	Date of Report (Mo./Da./Yr.)	Year of Report Dec. 31, 2012
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GAS PLANT HELD FOR FUTURE USE

Instructions:

- Report separately each property held for future use at end of the year having an original cost of \$250,000 or more. Group other items of property held for future use.
- For property having an original cost of \$250,000 or more previously used in utility operations, now held for future use, give in column (a), in addition to other required information, the date that utility use of such property was discontinued, and the date the original cost was transferred to Account 105.

Line No.	Description and Location of Property (a)	Date Originally Included in the Account (b)	Date expected to be Used in Utility Service (c)	Balance at End of Year (d)
1	None			None
2				
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47	TOTAL			None

Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report (1) X An Original (2) A Resubmission	Date of Report (Mo./Da./Yr.) Dec. 31, 2012	Year of Report Dec. 31, 2012
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CONSTRUCTION WORK IN PROGRESS (Account 107)

Instructions:

1. Report below descriptions and balances at end of year of projects in process of construction (107).
2. Show items relating to "research, development, and demonstration" projects last, under a caption " Research, Development, and Demonstration" (see Account 107 of the Uniform System of Accounts).
3. Minor projects (less than \$500,000) may be grouped.

Line No.	Description of Project (a)	Construction Work in Progress - Gas (Acct. 107) (b)	Estimated Additional Cost of Project (c)
1	Cast Iron Main Repl - AMRP CWIP Accrual	6,954,105	-
2	PGL Contractor Accrual in CWIP	1,894,545	-
3	Cast Iron Main - Replace Main Goose Island	1,673,894	-
4	Cast Iron Main - Replace Main Little Village	1,666,064	-
5	Cast Iron Main - US41 Main Installation	1,353,324	-
6	Cast Iron Main - Replace Main Altgeld Gardens	1,113,370	-
7	Cast Iron Main - Replace Main Lawndale	1,071,280	-
8	Manlove Underground Storage - Replace Pre-Treatment Skid	957,775	2,032,225
9	Cast Iron Main - Replace Main on W 95th St from S Western Ave to S Leavitt Ave	927,017	-
10	Manlove Underground Storage - New Warehouse	903,103	210,357
11	Cast Iron Main - Replace Main on S Kildare Ave	898,874	-
12	Cast Iron Main - Replace Main Archer Heights	834,399	-
13	Cast Iron Main - Replace Main West Town	823,375	-
14	Cast Iron Main - Replace Main on Lasalle Dr & Burton	818,380	-
15	Cast Iron Main - Replace Main Bronzeville	753,479	-
16	Cast Iron Main - Replace Main on S Phillips Ave	713,236	-
17	Cast Iron Main - Replace Main on W Lawrence Ave from N Marmora Ave to N Central Ave	699,496	-
18	Cast Iron Main - Replace Main on Laramie Ave & Chicago Ave	633,995	-
19	Cast Iron Main - Replace Main Ashburn	616,077	-
20	PGL Monthly Capital Labor Accrual	606,783	-
21	Cast Iron Main - Replace Main on S Prairie Ave & Garfield Blvd	605,383	-
22	Cast Iron Main Repl Services - Replace Main on Winchester Ave and 65th	570,550	-
23	Replace Gas Main at O'Hare	564,364	-
24	Cast Iron Main - Replace Cullerton St Water Project	535,467	-
25	Cast Iron Main - Replace Main Brighton Park	525,973	-
26	Cast Iron Main - Replace Main Rogers Park	524,905	1,045,664
27	Relocate Main on W 79th St & S Hamilton Ave	524,515	-
28	Cast Iron Main - Replace Main Little Village	514,812	-
29	Cast Iron Main - Install Main South Loop	502,345	-
30			
31			
32			
33			
34	Projects with Balances Less Than \$500,000	22,127,289	Not Available
35			
36	TOTAL	52,908,174	Not Available

Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report Is: (1) X An Original (2) A Resubmission	Date of Report (Mo./Da./Yr.)	Year of Report Dec. 31, 2012
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ACCUMULATED PROVISION FOR DEPRECIATION OF GAS UTILITY PLANT (Account 108)

Instructions:

1. Explain in a footnote any important adjustments during year.
2. Explain in a footnote any difference between the amount for book cost of plant retired, line 13, column (c), and that reported for gas plant in service, pages 204-209, column (d), excluding retirements of non-depreciable property.
3. The provisions of Account 108 in the Uniform System of Accounts require that retirements of depreciable plant be recorded when such plant is removed from service. If the respondent has a significant amount of plant retired at year end which has not been recorded and/or classified to the various reserve functional classifications, make preliminary closing entries to tentatively functionalize the book cost of the plant retired. In addition, include all costs included in retirement work in progress at year end in the appropriate functional classifications.
4. Show separately interest credits under a sinking fund or similar method of depreciation accounting.

Line No.	Item (a)	Total (c + d + e) (b)	Gas Plant in Service (c)	Gas Plant Held for Future Use (d)	Gas Plant Leased to Others (e)
Section A. Balances and Changes During the Year					
1	Balance Beginning of Year	1,052,872,522	1,051,615,030		1,257,492
2	Depreciation Provisions for Year, Charged to				
3	(403) Depreciation Expense	82,592,151	82,592,151		
4	(413) Exp. Of Gas Plant Leased to Others	3,175			3,175
5	Transportation Expense - Clearing	4,006,040	4,006,040		
6	Other Clearing Accounts				
7	Other Accounts (Specify):				
8	182 ARC Depreciation Expense	12,055,890	12,055,890		
9	182 Contra Reg Asset ARO Depr Expense (included in 403 above)	(10,947,344)	(10,947,344)		
10	Capitalized Depreciation Transferred	-			
11	TOTAL Deprec. Prov. For Year (Enter total of lines 3 thru 10)	87,709,912	87,706,737		3,175
12	Net Charges for Plant Retired:				
13	Book Cost of Plant Retired	(37,061,379)	(37,061,379)		
14	Cost of Removal	(20,047,009)	(20,047,009)		
15	Salvage (Credit)	1,061,328	1,061,328		
16	TOTAL Net Charges for Plant Ret. (Enter total of lines 13 thru 15)	(56,047,060)	(56,047,060)		
17	Other Debit or Credit Items (Describe):				
18		(3,742,827)	(3,742,827)		
19	TOTAL Other Debit or Credit Items (Enter total if line 18) (1)	(3,742,827)	(3,742,827)		
20	Balance End of Year (Enter total of lines 1,11,16,& 19) (2)	1,080,792,547	1,079,531,880		1,260,667
Section B. Balances at End of Year According to Functional Classifications					
21	Production - Manufactured Gas				
22	Production and Gathering - Natural Gas				
23	Products Extraction - Natural Gas				
24	Underground Gas Storage	138,591,931	138,591,931		
25	Other Storage Plant	19,511,990	19,511,990		
26	Base Load LNG Term. And Processing Plant				
27	Transmission	61,593,422	61,593,422		
28	Distribution	822,936,310	821,675,643		1,260,667
29	General	38,158,894	38,158,894		
30	TOTAL (Enter total of lines 21 thru 29)	1,080,792,547	1,079,531,880		1,260,667

(1) Other Debit and Credits

Reclass of Cost of Removal collected through rates for legal AROs (Account 254485 to 182376)	(3,596,827)
Reserve for depreciation related to capitalized incentive compensation written-off	(146,000)
	<u>(3,742,827)</u>

(2) Cost of Removal was authorized in ICC Docket 09-0166/09-0167 (consolidated). The Ending Reserve Balance for Cost of Removal is reclassified from Account 254 to Account 108.

Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report Dec. 31, 2012
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GAS STORED (Accounts 117, 164.1, 164.2 and 164.3)

1. If during the year an adjustment was made to the stored gas inventory (such as to correct cumulative inaccuracies of gas measurements), furnish in a footnote an explanation of the reason for the adjustment, the Mcf and dollar amount of adjustment, and account charged or credited.
2. Give in a footnote a concise statement of the facts and the accounting performed with respect to any encroachment of withdrawals during the year, or restoration of previous encroachment, upon native gas constituting the "gas cushion" of any storage reservoir.
3. If the company uses a "base stock" in connection with its inventory accounting, give a concise statement of the basis of establishing such "base stock" and the inventory basis and the accounting performed with respect to any encroachment of withdrawals upon "base stock" or restoration of previous encroachment, including brief particulars of any such accounting during the year.
4. If the company has provided accumulated provision for stored gas which may not eventually be fully recovered from any storage project, furnish a statement showing: (a) date of Commission authorization of such accumulated provision, (b) explanation of circumstances requiring such provision, (c) basis of provision and factors of calculation, (d) estimated ultimate accumulated provision accumulation, and (e) a summary showing balance of accumulated provision and entries during year.
5. Report pressure base of gas volumes as 14.73 psia at 60°F.

Line No.	Description (a)	Noncurrent (Acct. 117) (b)	Current (Acct. 164.1) (c)	LNG (Acct. 164.2) (d)	LNG (Acct. 164.3) (e)	Total (f)
1	Balance at Beginning of Year	\$9,089,950	\$81,092,481	\$2,083,608	None	\$92,266,039
2	Gas Delivered to Storage (Contra Account)	186,572	164,689,741	5,219,198		\$170,095,511
3	Gas Withdrawn from Storage (Contra Account)		175,056,697	4,638,133		\$179,694,830
4	Other debits or Credits (Net)					
5	Balance at End of Year	\$9,276,522	\$70,725,525	\$2,664,673	None	\$82,666,720
6	Mcf @ 1,000 BTU	6,258,831	41,096,707	1,548,370		48,903,908
7	Amount Per Mcf	\$1.482	\$1.721	\$1.721		\$1.690
8	<p>State basis of segregation of inventory between current and noncurrent portions:</p> <p>Injections to maintain deliverability are classified as non-current. Other activity is classified as current.</p>					

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Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report Is: (1) X An Original (2) A Resubmission	Date of Report (Mo./Da./Yr.)	Year of Report Dec. 31, 2012
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INVESTMENTS IN SUBSIDIARY COMPANIES (Account 123.1)

1. Report below investments in Account 123.1 - Investments in Subsidiary Companies.
2. Provide a subheading for each company and list there under the information called for below. Sub-total by company and give a total in columns (e), (f), (g) and (h).
 - (a) Investment in Securities - List and describe each security owned. For bonds give also principal amount, date of issue, maturity and interest rate.
 - (b) Investment Advance - Report separately the amounts of loans or investment advances which are subject to repayment, but which are not subject to current settlement. With respect to each advance show whether the advance is a note or open account. List each note giving date of issuance, maturity date, and specifying whether note is a renewal.
3. Report separately the equity in undistributed subsidiary earnings since acquisition. The total in column (e) should equal the amount entered for Account 418.1.

Line No.	Description of Investment (a)	Date Acquired (b)	Date of Maturity (c)	Amount of Investment at Beginning of Year (d)
1	Account 123.12 - Investment in			
2	Subsidiary Companies -			
3	Neighborhood Development			
4	Corporation			
5				
6	Peoples Gas Neighborhood			4,691,042
7	Development Corporation (Ill. C. C.			
8	Dkt. 85-0279, Order dated 9-4-85;			
9	Dkt. 86-0351, Order dated 12-17-86;			
10	Dkt. 86-0540, Order dated 4-15-87;			
11	Dkt. 87-0408, Order dated 9-30-87;			
12	Dkt. 88-0202, Order dated 8-17-88;			
13	Dkt. 88-0315, Order dated 11-10-88;			
14	Dkt. 89-0273, Order dated 8-23-89;			
15	Dkt. 90-0439, Order dated 3-20-91;			
16	Dkt. 91-0288, Order dated 8-28-91;			
17	Dkt. 92-0262, Order dated 8-19-92;			
18	Dkt. 93-0315, Order dated 10-14-93;			
19	Dkt. 94-0242, Order dated 10-5-94;			
20	Dkt. 95-0351, Order dated 9-13-95;			
21	Dkt. 96-0375, Order dated 2-5-97;			
22	Dkt. 97-0413, Order dated 11-5-97;			
23	Dkt. 98-0872, Order dated 12-18-99;			
24	Dkt. 99-0556, Order dated 11-17-99)			
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42	Total			4,691,042

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INVESTMENTS IN SUBSIDIARY COMPANIES (Account 123.1) (continued)

4. For any securities, notes, or accounts that were pledged, designate such securities, notes or accounts in a footnote, and state the name of pledge and purpose of pledge.
5. If Commission approval was required for any advance made or security acquired, designate such fact in a footnote and give name of Commission, date of authorization, and case or docket number.
6. Report in column (f) interest and dividend revenues from investments, including such revenues from securities disposed of during the year.
7. In column (h) report for each investment disposed of during the year, the gain or loss represented by the difference between cost of the investment (or the other amount at which carried in the books of account if different from cost) and the selling price thereof, not including interest adjustment includible in Column (f).
8. Report on Line 42, column (a) the total cost of Account 123.1.

Equity in Subsidiary Earnings for Year (e)	Revenues for Year (f)	Amount of Investment at End of Year (g)	Gain or Loss from Investment Disposed Of (h)	Line No.
				1
				2
				3
				4
				5
14,099		4,705,141	None	6
				7
				8
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14,099		4,705,141		42

Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report Is: (1) X An Original (2) A Resubmission	Date of Report (Mo./Da./Yr.)	Year of Report Dec. 31, 2012
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PREPAYMENTS (Account 165)

Instructions:
1. Report below the particulars (details) on each prepayment.
2. Report all payments for undelivered gas on line 5.

Line No.	Nature of Prepayment (a)	Balance at End of Year (in dollars) (b)
1	Prepaid Insurance	3,295,670
2	Prepaid Taxes	11,429,771
3	Prepaid Company Use Gas	128,609
4	Prepaid Bond Insurance	3,125
5	Prepaid Interest on Commercial Paper	14,158
6		
7		
8		
9		
10	TOTAL	14,871,333

EXTRAORDINARY PROPERTY LOSSES (Account 182.1)

Line No.	Description of Extraordinary Loss (Include in the description the date of loss, the date of Commission authorization to use Account 182.1 and period of amortization (mo./yr. To mo./yr.)) (a)	Total Amount of Loss (b)	Losses Recognized During Year (c)	WRITTEN OFF DURING YEAR		Balance at End of Year (f)
				Account Charged (d)	Amount (e)	
1						
2						
3						
4						
5						
6						
7						
8						
9	TOTAL					None

UNRECOVERED PLANT AND REGULATORY STUDY COSTS (Account 182.2)

Line No.	Description of Unrecovered Plant and Regulatory Study Costs (Include in the description of costs the date of Commission authorization to use Account 182.2, and period of amortization (mo./ yr. To mo./yr.)) (a)	Total Amount of Charges (b)	Costs Recognized During Year (c)	WRITTEN OFF DURING YEAR		Balance at End of Year (f)
				Account Charged (d)	Amount (e)	
1						
2						
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4						
5						
6						
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11						
12						
13						
14						
15						
16						
17						
18						
19	Total					None

Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report Is: (1) X An Original (2) A Resubmission	Date of Report (Mo./Da./Yr.)	Year of Report Dec. 31, 2012
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OTHER REGULATORY ASSETS (Account 182.3)

Instructions:

- Report below the particulars (details) called for concerning other regulatory assets which are created through the ratemaking actions of regulatory agencies (and not includable in other amounts).
- For regulatory assets being amortized, show period of amortization in column (a).
- Minor items (5% of the Balance at End of Year for Account 182.3 or amounts less than \$50,000, whichever is less) may be grouped by classes.
- Report separately any "Deferred Regulatory Commission Expenses" that are also reported on pages 350-351, Regulatory Commission Expenses.
- Provide in a footnote, for each line item, the regulatory citation where authorization for the regulatory asset has been granted (e.g. Commission Order, court decisions)

Line No.	Description and Purpose of Other Regulatory Assets (a)	Balance at Beginning of Year (b)	Debits (c)	CREDITS			Balance at End of Year (g)
				Account Charged (d)	Amount Recovered (e)	Amount deemed Unrecoverable (f)	
1							
2	Estimated Liability for Costs Incurred Re:						
3	Manufactured Gas Residues - net	445,007,800	61,411,411	253	24,625,811		481,793,400
4							
5	Pensions & Retiree Welfare Costs	269,271,352	320,190,299	Various	279,150,818		310,310,833
6							
7	Pre-Merger Pension and Welfare Costs						
8	Amortization period Pension - January 2010 -						
9	February 2023 and Welfare - January 2010 -						
10	April 2019 (1)	79,153,149	69,136	926	8,461,489		70,760,796
11							
12	Merger Costs						
13	Amortization period February 2008 -						
14	January 2014 (1)	1,739,242	796,354	930	1,665,185		870,411
15							
16	Asset Retirement Obligation	44,337,268	34,536,882	Various	19,097,639		59,776,511
17							
18	Utility Gas Cost Hedging Program	36,215,221	102,148,192	421	125,328,066		13,035,347
19							
20	Other Derivatives Activity (2)	-	17,764,737	Various	15,342,508		2,422,229
21							
22	SFAS 109 Deferred Taxes	14,423,489	53,791,645	Various	56,554,746		11,660,388
23							
24	2010 Health Care Legislation (3)	9,486,880	21,511	Various	223,572		9,284,819
25							
26	Investigation and Removal of Manufactured						
27	Gas Residues (4)	3,575,569	113,543,673	Various	94,033,654		23,085,588
28							
29	Charges for Rate Case filed in 2012 - Compliance						
30	Amortization period Pending (5)	-	1,561,536				1,561,536
31							
32	2009 Rehearing / Appeal charges filed in 2012						
33	Amortization period pending (5)	-	290,741 (16)				290,741
34							
35	2011 Rehearing / Appeal charges filed in 2012						
36	Amortization period pending (5)	-	127,888 (16)				127,888
37							
38	Charges for Rate Case filed in 2011 - Compliance						
39	Amortization period February 2012 -						
40	January 2014 (6)	2,927,286	292,520	928	1,480,961		1,738,845
41							
42	Charges for Rate Case filed in 2009 - Compliance						
43	Amortization period February 2010 -						
44	January 2013 (7)	1,758,640	(373,765) (15) (16)	928	707,620		677,255
45							
46	Charges for Rate Case filed in 2007						
47	Amortization period February 2008-						
48	January 2013 (8)	664,300		928	591,244		73,056
49							
50	Rider EOA - Energy Efficiency and On-Bill Financing (9)	526,895	2,279,180	Various	2,806,075		-
51							
52	Deferred Rent	208,870	681,852	253	765,312		125,410
53							
54	Rider SSC - Storage Service Charge (10)	-	4,909,892	495	962,180		3,947,712
55							
56	Rider VBA - Volume Balancing Adjustment (11)	-	127,150				127,150
57	Rider VBA - Volume Balancing Adjustment (12)	-	14,852,346				14,852,346
58	Rider VBA - Volume Balancing Adjustment (13)	-		496	14,852,346		(14,852,346)
59							
60	Rider EEP - Enhanced Efficiency Program (14)	-	136,440				136,440
61							
62							
63	TOTAL	909,295,961	729,159,620		646,649,226		991,806,355

Note:

- Authorized by ICC Docket # 06-0540.
- Mark-to-Market activity related to embedded derivatives in liability for customer owned gas.
- Under provisions of the Patient Protection and Affordable Care Act and the Health Care and Education Reconciliation Act of 2010 (the "2010 Act") beginning in 2013, a portion of the Company's expenditures for retiree prescription drug coverage would not be tax deductible. While these future prescription drug expenditures had yet to be realized at the date of enactment, they had been accrued for in prior years. Therefore, a deferred tax benefit and asset had been provided for in periods prior to the date of enactment of the 2010 Act. On the date of enactment (during Q1, of 2010) a re-measurement of the deferred tax asset was triggered. The tax provision and associated tax effects in this filing reflect deferral of re-measurement of the deferred tax asset for future benefit costs. The deferral is reflected following the principles of full normalization and average rate assumption method required by the Order in ICC Docket 83-0309 that has been consistently used by the Company to account for re-measurement of deferred taxes in similar cases.
- Authorized by ICC Docket # 91-0586.
- Pending in ICC Docket # 12-0511/12-0512 (consolidated).
- Authorized by ICC Docket # 11-0280/11-0281 (consolidated).
- Authorized by ICC Docket # 09-0166/09-0167 (consolidated).
- Authorized by ICC Docket # 07-0241/07-0242 (consolidated).
- Authorized by ICC Docket # 10-0090 and # 10-0564.
- Authorized by ICC Docket # 11-0280/11-0281 (consolidated). The Company will file the first reconciliation adjustment by July 31, 2013.
- Authorized by ICC Docket # 07-0241/07-0242 (consolidated) as a pilot program. This represents a year-end reclass from FERC 174. It is the under-recovered balance of the 2011 Rider VBA reconciliation adjustment amount.
- Authorized by ICC Docket # 11-0280/11-0281 (consolidated) as a permanent program.
- Provision per the Commission's amendatory order issued for ICC Docket # 11-0280/11-0281 (consolidated) on May 16, 2012 to identify the Rider VBA amounts accrued for recovery or refund through Rider VBA after April 1, 2013.
- Authorized by ICC Docket # 11-0663/11-0664 (consolidated). This represents a year-end reclass from FERC 174.
- Portion of amount deemed non-recoverable based on ICC Docket # 11-0280-11-0281 (consolidated).
- Transfer of Rehearing/Appeal costs submitted for recovery in ICC Docket # 12-0151/12-0512 (consolidated).

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MISCELLANEOUS DEFERRED DEBITS (Account 186)

Instructions:

1. Report below the particulars (details) called for concerning miscellaneous deferred debits.
2. For any deferred debit being amortized, show period of amortization in column (a).
3. Minor items (less than \$100,000) may be grouped by classes.

Line No.	Description of Miscellaneous Deferred Debits (a)	Balance at Beginning of Year (b)	Debits (c)	CREDITS		Balance at End of Year (f)
				Account Charged (d)	Amount (e)	
1	Unamortized Line of Credit					
2	- May 2011 to April 2012	8,333		Various	8,333	-
3	- June 2012 to June 2013		25,000	Various	14,584	10,416
4	- June 2012 to June 2017 (1)	715,773	1,003,490	Various	397,646	1,321,617
5						
6	Work Orders to be Billed	42,548	462,751	Various	454,982	50,317
7						
8	Workers Comp/ Injuries & Damages LT					
9	Insurance Recoveries	-	5,529,029			5,529,029
10						
11	Miscellaneous	-	924,474	Various	831,134	93,340
12						
13						
14						
15						
16						
17						
18						
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47	TOTAL	766,654	7,944,744		1,706,679	7,004,719

(1) Represents amount paid in 2010 which were carried forward to the June 2012 to June 2017 Credit Line Fees.

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ACCUMULATED DEFERRED INCOME TAXES (Account 190)

- Report the information called for below concerning the respondent's accounting for deferred income taxes.
- At Other (Specify), include deferrals relating to other income and deductions.

Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR	
			Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 410.1/411.1 (d)
1	Electric			
2				
3				
4				
5				
6				
7	Other			
8	TOTAL Electric (Enter Total of lines 2 thru 7)			
9	Gas			
10	Plant/Other Than Plant	3,466,119	65,782,486	54,181,693
11	SFAS 109	10,242,651		
12				
13				
14				
15	Other			
16	TOTAL Gas (Enter total of lines 10 thru 15)	13,708,770	65,782,486	54,181,693
17	Other (Specify)	15,055		
18	TOTAL (Acct. 190) (Total of lines 8, 16 and 17)	13,723,825	65,782,486	54,181,693
19	Classification of TOTAL			
20	Federal Income Taxes	10,963,372	58,316,916	48,296,331
21	State Income Taxes	2,760,453	7,465,570	5,885,362
22	Local Income Taxes			

NOTES

Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report Is: (1) X An Original (2) A Resubmission	Date of Report (Mo./Da./Yr.)	Year of Report Dec. 31, 2012
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ACCUMULATED DEFERRED INCOME TAXES (Account 190) (Continued)

3. If more space is needed, use separate pages as required.
4. In the space provided below, identify by amount and classification, significant items for which deferred taxes are being provided. Indicate insignificant amounts listed under Other.

CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year (k)	Line No.
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	DEBITS		CREDITS			
		Account Credited (g)	Amount (h)	Account Debited (i)	Amount (j)		
							1
							2
							3
							4
							5
							6
							7
							8
							9
		282/283/254	8,629,578			494,904	10
				282/283/254	224,170	10,018,481	11
							12
							13
							14
							15
		282/283/254	8,629,578	282/283/254	224,170	10,513,385	16
113,780	127,726					29,001	17
113,780	127,726		8,629,578		224,170	10,542,386	18
							19
96,723	108,987		5,652,188		262,494	6,344,745	20
17,057	18,739		2,977,390		(38,324)	4,197,641	21
							22

NOTES (Continued)

Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report Is: (1) X An Original (2) A Resubmission	Date of Report (Mo./Da./Yr.)	Year of Report Dec. 31, 2012
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CAPITAL STOCK (Accounts 201 and 204)

For utilities with gas and electric operations who file this page in FERC Form 1, this page is optional. Please note on page, 'See FERC Form 1.'

- Report below the particulars (details) called for concerning common and preferred stock at end of year, distinguishing separate series of any general class. Show separate totals for common and preferred stock. If information to meet the stock exchange reporting requirement outlined in column (a) is available from the SEC 10-K Report Form filing, a specific reference to the report form (i.e. year and company title) may be reported in column (a) provided the fiscal years for both the 10-K report and this report are compatible.
- Entries in column (b) should represent the number of shares authorized by the articles of incorporation as amended to end of year.

Line No.	Class and Series of Stock, and Name of Stock Exchange (a)	Number of Shares Authorized by Charter (b)	Par or Stated Value Per Share (c)	Call Price at End of Year (d)
1	Account 201			
2	Common Stock	40,000,000	No Par Value	N/A
3	Stock-based Compensation			
4				
5				
6	Account 204			
7	Preferred Stock	430,000	100.00	N/A
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Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report Is: (1) An Original (2) A Resubmission	Date of Report (Mo./Da./Yr.)	Year of Report Dec. 31, 2012
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CAPITAL STOCK (Accounts 201 and 204) (Continued)

3. Give particulars (details) concerning shares of any class and series of stock authorized to be issued by a regulatory commission which have not yet been issued.
4. The identification of each class of preferred stock should show the dividend rate and whether the dividends are cumulative or non-cumulative.
5. State in a footnote if any capital stock which has been nominally issued is nominally outstanding at end of year. Give particulars (details) in column (a) of any nominally issued capital stock, reacquired stock, or stock in sinking and other funds which is pledged, stating name of pledgee and purpose of pledge.

OUTSTANDING PER BALANCE SHEET (Total amount outstanding without reduction for amounts held by respondent)		HELD BY RESPONDENT				Line No.
		AS REACQUIRED STOCK (Account 217)		IN SINKING AND OTHER FUNDS		
Shares (e)	Amount (f)	Shares (g)	Cost (h)	Shares (i)	Amount (j)	
						1
25,357,566	219,307,044					2
N/A	1,152,630					3
						4
						5
						6
	None					7
						8
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Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report Is: (1) X An Original (2) A Resubmission	Date of Report (Mo./Da./Yr.)	Year of Report Dec. 31, 2012
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OTHER PAID-IN-CAPITAL (Accounts 208 - 211, incl.)

Report below the balance at the end of the year and the information specified below for the respective other paid-in capital accounts. Provide a subheading for each account and show a total for the account, as well as total of all accounts for reconciliation with balance sheet, page 112. Add more columns for any account if deemed necessary. Explain changes made in any account during the year and give the accounting entries effecting such change.

- (a) Donations Received from Stockholders (Account 208) - State amount and give brief explanation of the origin and purpose of each donation.
- (b) Reduction in Par or Stated Value of Capital Stock (Account 209) - State amount and give brief explanation of the capital changes which gave rise to amounts reported under this caption including identification with the class and series of stock, to which related.
- (c) Gain on Resale or Cancellation of Reacquired Capital Stock (Account 210) - Report balance at beginning of year, credits, debits, and balance at end of year with a designation of the nature of each credit and debit identified by the class and series of stock to which related.
- (d) Miscellaneous Paid-In Capital (Account 211) - Classify amounts included in this account according to captions which, together with brief explanations, disclose the general nature of the transactions which gave rise to the reported amounts.

Line No.	Name (a)	Amount (b)
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40	TOTAL	None

Name of Respondent	This Report Is:	Date of Report (Mo./Da./Yr.)	Year of Report
The Peoples Gas Light and Coke Company	(1) X An Original (2) A Resubmission		Dec. 31, 2012
RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES			
<p>1. Report the reconciliation of reported net income for the year with taxable income used in computing Federal income tax accruals and show computation of such tax accruals. Include in the reconciliation, as far as practicable, the same detail as furnished on Schedule M-1 of the tax return for the year. Submit reconciliation even though there is no taxable income for the year. Indicate clearly the nature of each reconciling amount.</p> <p>2. If the utility is a member of a group which files consolidated Federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating, however, intercompany amounts to be eliminated in such a consolidated return. State names of group members, tax assigned to each group member, and basis of allocation, assignment, or sharing of the consolidated tax among the group members.</p>			
Line No.	Particulars (Details) (a)	Amount (b)	
1	Net Income for the year (Page 117)	54,508,159	
2	Reconciling Items for the Year		
3	Federal and State Income Taxes	38,209,642	
4	Schedule M-1 Adjustments	(190,664,337)	
5	Peoples Gas Neighborhood Development Equity Earnings	(14,099)	
6	Federal Taxable Income	(97,960,635)	
7			
8	Show Computation of Tax:		
9	Federal Tax Rate	35%	
10	Federal Tax Liability	(34,286,222)	
11	Tax Effect of Deferred Items	71,637,862	
12	Deferred Tax Credits	44,640	
13	Current Year Additional Current Adj	10,028	
14	Prior Year Current	(3,371,156)	
15	Investment Tax Credit	(524,311)	
16	Federal Tax Per Books	33,510,841	
17	Deduct:		
18	Federal Income Tax - Other Income & Deductions - Account 409.2	76,953	
19	Tax Effect of Deferred Items	71,637,862	
20	Deferred Tax Credits	44,640	
21	Add:		
22	Investment Tax Credit	524,311	
23			
24	Total Federal Income Tax - Account 409.1	(37,724,303)	
25			
26			
27			
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TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR

1. Give particulars (details) of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the taxed material was charged. If the actual or estimated amounts of such taxes are known, show the amounts in a footnote and designate whether estimated or actual amounts.
2. Include on this page, taxes paid during the year and charged directly to final accounts, (not charged to prepaid or accrued taxes). Enter the amounts in both columns (d) and (e). The balancing of this page is not affected by the inclusion of these taxes.
3. Include in column (d) taxes charged during the year, taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b) amounts credited to proportions of prepaid taxes chargeable to current year, and (c) taxes paid and charged directly to operations or accounts other than accrued and prepaid tax accounts.
4. List the aggregate of each kind of tax in such manner. (more on next page)

Line No.	Kind of Tax (See Instruction 5) (a)	BALANCE AT BEGINNING OF YEAR	
		Taxes Accrued (Account 236) (b)	Prepaid Taxes (Incl. In Account 165) (c)
1	Federal Income Tax		2,277,367
2	State Income Tax Current Year		
3	State Income Tax Prior Year	6,636,988	
4	Old Age Benefit	296,326	
5	Federal Unemployment	11,986	
6	Federal Excise		25,591
7	State Unemployment	34,096	
8	State Franchise		113
9	Supplemental Low Income/Renewable Energy	2,271,428	
10	State Public Utility	2,831,328	
11	Gross Revenue	(656,202)	(64)
12	Illinois Use		
13	Invested Capital	30,000	
14	Illinois Gas Use		
15	Real Estate	1,709,792	
16	Personal Property		
17	Municipal Utility	19,883,985	
18	Chicago Employers Tax		
19	Chicago Sales & Use Tax		
20	Unauthorized Insurance		101,864
21	Other Miscellaneous Taxes		
22	Total	33,049,727	2,404,871

DISTRIBUTION OF TAXES CHARGED (Show utility department where applicable and account charged)

Line No.	Electric (Account 408.1, 409.1) (i)	Gas (Account 408.1, 409.1) (j)	Other Utility Departments (Account 408.1, 409.1) (k)	Other Income and Deductions (Account 408.2, 409.2) (l)
1		(37,724,303)		76,953
2		(2,871,680)		14,269
3		195,683		7,235
4		8,471,407		
5		18,576		
6		37,193		
7		203,561		
8		219,000		
9				
10				
11				
12				
13		9,638,600		
14		179,965		
15		1,044,288		33,965
16				
17		4,419		
18		43,162		
19				
20		134,903		
21		322		
22	Total	(20,404,904)		132,422

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TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (continued)

5. If any tax (exclude Federal and state income taxes) covers more than one year, show the required information separately for each tax year, identifying the year in column (a).
6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment in a footnote. Designate debit adjustments by parentheses.
7. Do not include on this page entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.
8. Show in columns (i) thru (p) how the tax accounts were distributed. Show both the utility department and number of account charged. For taxes charged to utility plant, show the number of the appropriated balance sheet plant accounts or sub account.
9. For any tax apportioned to more than one utility department or account, state in a footnote the basis (necessity) of apportioning such tax.
10. Items under \$50,000 for utilities with operating revenues of \$25,000,000 or less and under \$250,000 for utilities with operating revenues of more than \$25,000,000 may be grouped.
11. Report in column (g) the applicable effective state income tax rate.

Taxes Charged During Year (d)	Taxes Paid During Year (e)	Adjustments (f)	BALANCE AT END OF YEAR		Line No.
			Taxes Accrued (Account 236) (g)	Prepaid Taxes (Incl. In Account 165) (h)	
(37,647,350)	(29,382,429)	471,014		11,013,302	1
(2,857,411)	(2,097,000)			760,411	2
202,918	5,931,369	443,162		(465,375)	3
8,471,407	8,433,410		334,323		4
18,576	18,495		12,067		5
27,183	19,100			17,508	6
203,561	204,410		33,247		7
219,000	219,022			135	8
9,885,522	9,858,971		2,297,979		9
29,709,535	27,828,069		4,712,794		10
857,338	229,800		(28,664)		11
					12
9,638,600	9,631,200		37,400		13
179,965	179,965				14
1,357,257	1,426,099		1,640,950		15
					16
69,460,054	68,838,823		20,505,280		17
43,162	43,162				18
					19
132,181	134,107			103,790	20
322	322				21
89,901,820	101,516,895	914,176	29,545,376	11,429,771	22

DISTRIBUTION OF TAXES CHARGED (Show utility department where applicable and account charged)

Extraordinary Items (Acct. 409.3) (m)	Other Utility Operating Income (Acct. 408.1, 409.1) (n)	Adjustments to Ret. Earnings (Acct. 439) (o)	Other (p)	State/Local Income Tax Rate (q)	Line No.
					1
					2
					3
					4
					5
			(10,010)		6
					7
					8
			9,885,522		9
			29,709,535		10
			857,338		11
					12
					13
					14
			279,004		15
					16
			69,455,635		17
					18
					19
				(2,722)	20
					21
			110,174,302		22

Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report Is: (1) X An Original (2) A Resubmission	Date of Report (Mo./Da./Yr.)	Year of Report Dec. 31, 2012
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OTHER DEFERRED CREDITS (Account 253)

Instructions:
1. Report below the particulars (details) called for concerning other deferred credits
2. For any deferred credit being amortized, show period of amortization
3. Minor items (less than \$100,000) may be grouped by classes
4. For any undelivered gas obligations to customers under take-or-pay clauses of sale agreements, show the total amount on this page. Show also on this page, but as a separate item, any advance billings or receipts for gas sales or service classified in Account 253 but not related to take-or-pay arrangements.

Line No.	Description of Other Deferred Credits (a)	Balance at Beginning of Year (b)	DEBITS		Credits (e)	Balance at End of Year (f)
			Contra Account (c)	Amount (d)		
1	Estimated Liability for Costs					
2	Incurred Re: Manufactured					
3	Gas Residues	445,007,800	182.3	24,625,811	61,411,411	481,793,400
4						
5	Outstanding Checks Pending Escheatment	1,203,511	various	788,452	142,447	557,506
6						
7	Post-Employment Benefits (SFAS 112)	808,036	926.3	274,035	-	534,001
8						
9	Deferred Compensation Plan	389,529	234.0	227,223	246,332	408,638
10						
11	Deferred Rent Credits	208,870	182.5	83,982	522	125,410
12						
13	Restricted Stock/Performance Share Grants	205,534	various	419,478	351,687	137,743
14						
15	Miscellaneous	7,340	various	7,368	138	110
16						
17						
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41						
42						
43						
44						
45						
46						
47						
48						
49						
50	TOTAL	447,830,620		26,426,349	62,152,537	483,556,808

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Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report Is: (1) X An Original (2) A Resubmission	Date of Report (Mo./Da./Yr.)	Year of Report Dec. 31, 2012
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ACCUMULATED DEFERRED INCOME TAXES - OTHER PROPERTY (Account 282)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to property not subject to accelerated amortization.
2. For Other (Specify), include deferrals relating to other income and deductions.
3. Use separate pages as required.

Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR	
			Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)
1	Account 282			
2	Electric			
3	Gas	429,983,607	113,665,317	55,993,428
4	SFAS 109	24,666,139		
5	TOTAL (total of lines 2 thru 4)	454,649,746	113,665,317	55,993,428
6	Other (Specify)			
7				
8				
9	TOTAL Account 282 (Enter total of lines 5 thru 8)	454,649,746	113,665,317	55,993,428
10	Classification of TOTAL			
11	Federal Income Tax	402,283,632	94,131,414	41,393,813
12	State Income Tax	52,366,114	19,533,903	14,599,615
13	Local Income Tax			

NOTES:

Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report Is: (1) X An Original (2) A Resubmission	Date of Report (Mo./Da./Yr.)	Year of Report Dec. 31, 2012
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ACCUMULATED DEFERRED INCOME TAXES - OTHER PROPERTY (Account 282) (continued)

CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year (k)	Line No.
		DEBITS		CREDITS			
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	Account Credited (g)	Amount (h)	Account Debited (i)	Amount (j)		
							1
							2
						487,655,496	3
				254 / 282	6,297,548	30,963,687	4
			-		6,297,548	518,619,183	5
							6
							7
							8
			-		6,297,548	518,619,183	9
							10
					6,336,806	461,358,039	11
					(39,258)	57,261,144	12
							13

NOTES (Continued):

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ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283)

- Report the information called for below concerning the respondent's accounting for deferred income taxes relating to amounts recorded in Account 283.
- For Other (Specify), include deferrals relating to other income and deductions.

Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR	
			Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)
1	Account 283			
2	Electric			
3				
4				
5				
6				
7				
8	Other			
9	TOTAL Electric (Total of lines 3 thru 8)			
10	Gas			
11	Plant/Other Than Plant	(7,604,370)	16,309,945	7,731,614
12				
13				
14				
15				
16				
17	Other			
18	TOTAL Gas (Total of lines 11 thru 17)	(7,604,370)	16,309,945	7,731,614
19	Other (Specify)			
20	TOTAL (Acct 283) (Total of lines 9, 18 and 19)	(7,604,370)	16,309,945	7,731,614
21	Classification of TOTAL			
22	Federal Income Tax	(6,552,069)	14,087,288	6,597,129
23	State Income Tax	(1,052,301)	2,222,657	1,134,485
24	Local Income Tax			

NOTES

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ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283) (continued)

3. Provide in the space below explanations for pages 276 and 277. Include amounts relating to insignificant items listed under Other.
4. Use separate pages as required.

CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year (k)	Line No.
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	DEBITS		CREDITS			
		Account Credited (g)	Amount (h)	Account Debited (i)	Amount (j)		
							1
							2
							3
							4
							5
							6
							7
							8
							9
							10
		254 / 282	491,854			482,107	11
							12
							13
							14
							15
							16
							17
			491,854		-	482,107	18
							19
			491,854		-	482,107	20
							21
			491,854			446,236	22
						35,871	23
							24

NOTES (continued)

Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report Is: (1) X An Original (2) A Resubmission	Date of Report (Mo./Da./Yr.)	Year of Report Dec. 31, 2012
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OTHER REGULATORY LIABILITIES (Account 254)

- Report below the particulars (details) called for concerning other regulatory liabilities that are created through the ratemaking actions of regulatory agencies (and not includable in other amounts).
- For regulatory liabilities being amortized, show period of amortization in column (a).
- Minor items (5% of the Balance at End of Year for Account 254 or amounts less than \$250,000, whichever is less) may be grouped by classes.
- Provide in a footnote, for each item, the regulatory citation where the respondent was directed to refund the regulatory liability (e.g. Commission Order, court decision)

Line No.	Description and Purpose of Other Regulatory Liabilities (a)	Balance at Beginning Of Year (b)	DEBITS			Credits (f)	Balance at End of Year (g)
			Account Charged (c)	Amount Refunded (d)	Amount deemed non-refundable (e)		
1							
2							
3							
4	Rider UEA – Uncollectible Expense Adjustment (1)						
5	For 2010 - Amortize June 2011 - May 2012	2,663,441	905	2,809,519		146,078	-
6	For 2011 - Amortize June 2012 - May 2013	7,450,663	905	4,256,055		(146,199)	3,048,409
7	For 2012 - Amortize June 2013 - May 2014					5,628,031	5,628,031
8							
9							
10	Utility Gas Cost Hedging Program	-		3,933,490		4,733,944	800,454
11							
12							
13	Other Derivatives Activity	7,211,777		20,911,809		13,700,032	-
14							
15							
16	Rider EOA – Energy Efficiency and						
17	On-Bill Financing (2)	2,228,136	930		3,381,610	5,079,912	3,926,438
18	For Program Year 2011-2012						
19	Amortize September 2012 - May 2013						
20							
21							
22	Rider EEP Annual Reconciliation (3)	140,000	930		140,000		-
23							
24							
25	Rider ICR Remand Refund (4)						
26	Amortize July 2012 - June 2013	-	495	1,290,422		2,344,466	1,054,044
27							
28							
29							
30							
31							
32							
33							
34							
35							
36							
37							
38							
39							
40							
41							
42	TOTAL	19,694,017		33,201,295	3,521,610	31,486,264	14,457,376

(1) Authorized by ICC Docket # 09-0419/09-0420 (consolidated).

(2) Authorized by ICC Docket # 10-0090 and # 10-0564. Amount shown in column (e) is not refundable to the customers. Instead, this represents amount paid to the Department of Commerce and Economic Opportunity ("DCEO") per program rule to fund its energy efficiency programs.

(3) Authorized by ICC Docket # 07-0241/07-0242 (consolidated). Company refunded \$2,772,845 which was amortized in account 242 during 2012. Excess refund of \$364,986 was transferred to a regulatory asset account for Rider EEP in account 182.

(4) Authorized by ICC Docket # 09-0166/09-0167 (consolidated) On Remand. On September 30, 2011, the Illinois Appellate Court reversed the Commission's approval of Rider ICR. On June 27, 2012, the Commission authorized a refund of \$2,344,466 in ICC Docket # 09-0166/09-0167 (consolidated) On Remand.

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GAS OPERATING REVENUES (Account 400)

Instructions:

- Report below natural gas operating revenues for each prescribed account, and manufactured gas revenues in total.
- Natural gas means either natural gas unmixed or any mixture of natural and manufactured gas.
- Report number of customers, columns (f) and (g), on the basis of meters, in addition to the number of flat rate accounts; except that where separate meter readings are added for billing purposes, one customer should be counted for each group of meters added. The average number of customers means then average of twelve figures at the close of each month.
- Report quantities of natural gas sold in Therms (14.73 psia at 60° F). If billings are on a therm basis, give the Btu contents of the gas sold and the sales converted to Therms.
- If increases or decreases from previous year (column (c), (e) and (g)), are not derived from previously reported figures, explain inconsistencies in a footnote.

Line No.	Title of Account (a)		OPERATING REVENUES	
			Amount for Year (b)	Amount for Previous Year (c)
1	GAS SERVICE REVENUES			
2	480	Residential Sales	645,167,150	758,738,625
3	481	Commercial & Industrial Sales		
4		Small (or Comm.) (See Instruction 6)	94,493,123	114,814,888
5		Large (or Ind.) (See Instruction 6)	12,013,555	13,649,036
6	482	Other Sales to Public Authorities		
7	484	Interdepartmental Sales		
8		TOTAL Sales to Ultimate Consumers	751,673,828	887,202,549
9	483	Sales for Resale		
10		TOTAL Nat. Gas Service Revenues	751,673,828	887,202,549
11		Revenues from Manufactured Gas		
12		TOTAL Gas Service Revenues	751,673,828	887,202,549
13	OTHER OPERATING REVENUES			
14	485	Intracompany Transfers		
15	487	Forfeited Discounts	6,440,281	7,162,771
16	488	Misc. Service Revenues	3,327,065	3,084,479
17	489.1	Rev. from Trans. Of Gas of others through gathering facilities		
18	489.2	Rev. from Trans. Of Gas of others through transmission facilities		
19	489.3	Rev. from Trans. Of Gas of others through distribution facilities	120,359,582	117,186,744
20	489.4	Rev. from storing gas of others		
21	490	Sales of Prod. Ext. from Natural Gas		
22	491	Rev. from Natural Gas Proc. By Others		
23	492	Incidental Gasoline and Oil Sales		
24	493	Rent from Gas Property	43,565	39,096
25	494	Interdepartmental Rents		
26	495	Other Gas Revenues	13,741,031	16,650,328
27		TOTAL Other Operating Revenues	143,911,524	144,123,418
28		TOTAL Gas Operating Revenues	895,585,352	1,031,325,967
29	(Less) 496	Provision for Rate Refunds	13,069,900	1,782,446
30		TOTAL Gas Operating Revenues Net of Provision for Refunds	882,515,452	1,029,543,521
31		Dist. Type Sales by States (Incl. Main Line Sales to Resid. And Comm. Customers)	751,673,828	887,202,549
32		Main Line Industrial Sales (Incl. Main Line Sales to Pub. Authorities)		
33		Sales for Resale		
34		Other Sales to Pub. Auth. (Local Dist. Only)		
35		Interdepartmental Sales		
36		TOTAL (Same as Line 10, columns (b) and (d))	751,673,828	887,202,549

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GAS OPERATING REVENUES (Account 400) (continued)

6. Commercial and Industrial Sales, Account 481, may be classified according to the basis of classification (Small or Commercial, and Large or Industrial) regularly used by the respondent if such basis of classification is not generally greater than 200,000 Mcf. Per year or approximately 800 Mcf per day of normal requirements. (See Account 481 of the Uniform System of Accounts. Explain basis of classification in a footnote.)
7. See pages 108-109, Important Changes During Year, for important new territory added and important rate increases or decreases.

THERMS OF NATURAL GAS SOLD		AVERAGE NO. OF NAT. GAS CUSTOMERS PER MO.		Line No.
Quantity for Year (d)	Quantity for Previous Year (e)	Number for Year (f)	Number for Previous Year (g)	
				1
723,620,894	842,038,868	740,250	733,014	2
				3
129,736,282	148,364,126	38,731	38,531	4
18,114,214	19,532,450	1,423	1,400	5
				6
				7
871,471,390	1,009,935,444	780,404	772,945	8
				9
871,471,390	1,009,935,444	780,404	772,945	10

Note: Quantities of natural gas sold in columns (d) and (e) are reported in therms in 14.65 at 60 ° F. Therms must be multiplied by 0.994568907 (14.65/14.73) to convert to therms in 14.73 at 60 ° F.
Monthly BTU factors used to convert metered volume to therms during the years are as shown:

	<u>BTU Factors for Year</u>	<u>BTU Factors for Previous Year</u>
JAN	1.010	1.008
FEB	1.010	1.008
MAR	1.010	1.008
APR	1.010	1.008
MAY	1.010	1.008
JUN	1.010	1.008
JUL	1.010	1.009
AUG	1.011	1.009
SEP	1.011	1.009
OCT	1.011	1.010
NOV	1.011	1.010
DEC	1.011	1.010

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RESIDENTIAL AND COMMERCIAL SPACE HEATING CUSTOMERS

Instructions: A residential space heating customer is a customer whose major fuel for heating is gas.

Line No.	Item (a)	Residential (b)	Commercial (c)
1	Average Number of Space Heating Customers for the Year (Estimate if not known. Designate with an asterisk if estimated.)	632,873	36,497
2	For Space Heating Only, Estimated Average Mcf (14.73 psia at 60° F). Per Customer for the Year	110	334
3	Number of Space Heating Customers Added During the Year	7,454	212
4	Number of Unfilled Applications for Space Heating at End of Year	None	None

INTERRUPTIBLE, OFF PEAK AND FIRM SALES TO DISTRIBUTION SYSTEM INDUSTRIAL CUSTOMERS

1. Report below the average number of interruptible, off peak, and firm industrial customers on local distribution systems of the respondent, and the Mcf of gas sales to these customers for the year.
2. Interruptible customers are those to whom service may be interrupted under terms of the customer's gas contract, or to whom service is required to be interrupted, regardless of contractual arrangements in emergency periods, by law, ordinance, directive or other requirement of government authority. State in a footnote the basis on which interruptible customers are reported.
3. Off peak sales are seasonal and other sales which do not occur during wintertime demands.
4. Report pressure base of gas volumes at 14.73 psia at 60° F.

Line No.	Item (a)	Number/Amount (b)
1	Interruptible Customers	
2	Average Number of Customers for the Year	
3	Mcf of Gas Sales for the Year	
4	Off Peak Customers	
5	Average Number of Customers for the Year	
6	Mcf of Gas Sales for the Year	
7	Firm Customers	
8	Average Number of Customers for the Year	1,423
9	Mcf of Gas Sales for the Year	1,783,746
10	TOTAL Industrial Customers	
11	Average Number of Customers for the Year	1,423
12	Mcf of Gas Sales for the Year	1,783,746

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Other Gas Revenues (Account 495)				
Instructions: Report below transactions included in Account 495, Other Gas Revenues.				
Line No.	Description of Transaction (a)	Amount (b)		
1	Commissions on Sale or Distribution of Gas of Others			
2	Compensation for Minor or Incidental Services Provided for Others			
3	Profit or Loss on Sale of Material and Supplies not Ordinarily Purchased for Resale			
4	Sales of Steam, Water, or Electricity, including Sales or Transfers to Other Departments			
5	Miscellaneous Royalties			
6	Revenues from Dehydration and Other Processing of Gas of Others except as provided for in the Instructions to Acct 495			
7	Revenues for Right and/or Benefits Received from Others Realized through Research, Development, & Demonstration Ventures			
8	Gains on Settlements of Imbalance Receivables and Payables			
9	Revenues from Penalties Earned Pursuant to Tariff Provisions, including Penalties Associated with Cash-out Settlements			
10	Revenues from Shipper Supplied Gas			
11	Volume Balancing Adjustments - Reconciliation Adjustments and Amortization	7,084,973		
12	Municipal Utility Tax and Gas Use Tax Service Fee	2,972,007		
13	Illinois Gas Use Tax Service Fee	135,085		
14	PEGASys Usage	113,488		
15	Rider ICR Remand Refund - Reconciliation Adjustments and Amortization	(1,046,121)		
16	Rider Storage Service Charge - Reconciliation Adjustments	3,947,712		
17	Miscellaneous Contract Services	533,887		
18				
19				
20				
21				
22				
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
35				
36				
37				
38				
39				
40				
41				
42				
43	TOTAL	13,741,031		

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SALES FOR RESALE NATURAL GAS (Account 483)

Instructions:

- Report particulars (details) concerning sales of natural gas during the year to other gas utilities and to pipeline companies for resale. Sales to each customer should be subdivided by service classifications, identified in column (c) where applicable, by rate schedule designation contained in the company's tariff.
- Natural gas means either natural gas unmixed, or any mixture of natural and manufactured gas.
- In either column (a) or (b), provide separate subheadings and total for each State in addition to a grand total for all sales to other gas utilities.
- Enter in column (b), point of delivery, the name of city or town and State, and such other designation necessary to enable identification on maps of respondent's pipeline system.
- Designate with an asterisk and footnote any sales which are other than firm sales, i.e., sales for storage, etc.
- Monthly billing demands, as used in column (g) are the number of Mcf in the respective months actually used in computing the demand portion of the customer's bills; such quantity of Mcf is multiplied by the demand portion of the tariff rate. Report in column (g) the sum of the monthly billing demands for the number of months the customer received service or was subject to demand charges.
- Where consolidated bills for more than one point of delivery are rendered under a rate shedule, indicate the several points of delivery in column (b) and report the remainder of the columns on a consolidated basis corresponding to the billing. Where, however, consolidated bills for more than one point of delivery are not rendered under FERC rate schedule, the required information (columns) shall be furnished for each point of delivery

Line No.	Name of Other Gas Utility (Designate associated companies with an asterisk) (a)	Point of Delivery (City or Town, and State) (b)	Tariff Rate Schedule Designation (c)	Mcf of Gas Sold (Approx. Btu per cu. Ft.) (d)	Revenue for Year (See Instr. 5) (e)
1	None				
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
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28					
29					
30					

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SALES FOR RESALE NATURAL GAS (Account 483) (continued)

Instructions (continued):

8. Designate in a footnote if Btu per cubic foot of gas is different for any delivery point from that shown in the heading of column (d).

9. For each firm sale of \$25,000 or more for the year at each point of delivery, shown in column (i) peak day volume of gas, at pressure base indicated in column (d), and in column (h) show the date of such peak delivery. If an estimate is used for any peak day delivery, state the basis for such estimate. If deliveries are made to one customer at more than one delivery point, show the peak day delivery, and date thereof for each delivery point if billing is on a non-conjunctive basis, and show the total for each such customer if billing is on a conjunctive basis.

10. Summarize total sales as follows: A. Field sales subdivided by deliveries to (i) interstate pipeline companies and (ii) other; B. Transmission system sales divided by deliveries to (i) interstate pipeline companies, (ii) intrastate pipeline companies and gas utilities for resale under FERC rate schedules, and (iii) others. "Field sales" means sales made from wells from points along gathering lines in gas field or production areas or from points along transmission lines within fields or production areas. "Transmission sales" means sales made from points along transmission lines within gas fields or production areas.

11. Enter Mcf at 14.73 psia at 60 degrees F.

Average Revenue per Mcf (in cents) (f)	Sum of Monthly Billing Demands Mcf (g)	Peak Day Delivery to Customers			Line No.
		Date (h)	Mcf		
			Noncoincidental (i)	Coincidental (j)	
					1
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Discounted Rate Services and Negotiated Rate Services

1. In column b, report the revenues from discounted rate services.
2. In column c, report the volumes of discounted rate services.
3. In column d, report the revenues from negotiated rate services.
4. In column e, report the volumes of negotiated rate services.

Line No.	Account (a)	Discounted Rate Services		Negotiated Rate Services	
		Revenue (b)	Volumes (c)	Revenue (d)	Volumes (e)
1	Account 489.1, Revenues from transportation of gas of others through gathering facilities.	None	None	None	None
2	Account 489.2, Revenues from transportation of gas of others through transmission facilities.	None	None	None	None
3	Account 489.4, Revenues from storing gas of others.	None	None	None	None
4	Account 495, Other gas revenues.	None	None	None	None
5					
6					
7					
8					
9					
10					
11					
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15					
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29					
30					
31					
Total					

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GAS OPERATION AND MAINTENANCE EXPENSE

Instructions: If amount for previous year is not derived from previously reported figures, explain in footnote.			
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
1	1. PRODUCTION EXPENSES		
2	A. Manufactured Gas Production		
3	Manufactured Gas Production (Submit Supplemental Statement)		
4	B. Natural Gas Production		
5	B1. Natural Gas Production and Gathering		
6	Operation		
7	750 Operation Supervision and Engineering		
8	751 Production Maps and Records		
9	752 Gas Wells Expenses		
10	753 Field Lines Expenses		
11	754 Field Compressor Station Expenses		
12	755 Field Compressor Station Fuel and Power		
13	756 Field Measuring and Regulating Station Expenses		
14	757 Purification Expenses		
15	758 Gas Well Royalties		
16	759 Other Expenses		
17	760 Rent		
18	TOTAL Operation (Enter total of lines 7 thru 17)		
19	Maintenance		
20	761 Maintenance Supervision and Engineering		
21	762 Maintenance of Structures and Improvements		
22	763 Maintenance of Producing Gas Wells		
23	764 Maintenance of Field Lines		
24	765 Maintenance of Field Compressor Station Equipment		
25	766 Maintenance of Field Meas. And Reg. Sta.		
26	767 Maintenance of Purification Equipment		
27	768 Maintenance of Drilling and Cleaning Equipment		
28	769 Maintenance of Other Equipment		
29	TOTAL Maintenance (Enter total of lines 20 thru 28)		
30	TOTAL Natural Gas Production and Gathering (Total of lines 18 and 29)		
31	B2. Products Extraction		
32	Operation		
33	770 Operation Supervision and Engineering		
34	771 Operation Labor		
35	772 Gas Shrinkage		
36	773 Fuel		
37	774 Power		
38	775 Materials		
39	776 Operation Supplies and Expenses		
40	777 Gas Processed by Others		
41	778 Royalties on Products Extracted		
42	779 Marketing Expenses		
43	780 Products Purchased for Resale		
44	781 Variation in Products Inventory		
45	(Less) 782 Extracted Products Used by the Utility - Credit		
46	783 Rents		
47	TOTAL Operation (Enter total of lines 33 thru 46)		

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PRODUCTION EXPENSES SUPPLEMENTAL STATEMENT FOR A. MANUFACTURED GAS PRODUCTION EXPENSES			
		<u>Amount for Current Year</u>	<u>Amount for Previous Year</u>
1			
2			
3			
4			
5			
6			
7	A1. STEAM PRODUCTION		
8	Operation		
9	700 Operation Supervision and Engineering		
10	701 Operation Labor		
11	702 Boiler Fuel		
12	703 Miscellaneous Steam Expenses		
13	704 Steam Transferred - Credit		
14	Total Operation		
15	Maintenance		
16	705 Maintenance Supervision and Engineering		
17	706 Maintenance of Structures and Improvements		
18	707 Maintenance of Boiler Plant Equipment		
19	708 Maintenance of Other Steam Production Plant		
20	Total Maintenance		
21	Total Steam Production		
22			
23	A2. MANUFACTURED GAS PRODUCTION		
24	Operation		
25	710 Operation Supervision and Engineering		
26	Production Labor and Expenses		
27	711 Steam Expenses		
28	712 Other Power Expenses		
29	713 Coke Oven Expenses		
30	714 Producer Gas Expenses		
31	715 Water Gas Generating Expenses		
32	716 Oil Gas Generating Expenses		
33	717 Liquefied Petroleum Gas Expenses		
34	718 Other Process Production Expenses		
35	Gas Fuels		
36	719 Fuel Under Coke Ovens		
37	720 Producer Gas Fuel		
38	721 Water Gas Generator Fuel		
39	722 Fuel For Gas Oil		
40	723 Fuel For Liquefied Petroleum Gas Process		
41	724 Other Gas Fuels		
42	Gas Raw Materials		
43	725 Coal Carbonized in Coke Ovens		
44	726 Oil For Water Gas		
45	727 Oil For Oil Gas		
46	728 Liquefied Petroleum Gas		
47	729 Raw Materials For Other Gas Processes		
48	730 Residuals Expenses		
49	731 Residuals Produced - Credit		
50	732 Purification Expenses		
51	733 Gas Mixing Expenses		
52	734 Duplicate Charges - Credit		
53	735 Miscellaneous Production Expenses		
54	736 Rents		
55	Total Operation		
56	Maintenance		
57	740 Maintenance Supervision and Engineering		
58	741 Maintenance of Structures and Improvements		
59	742 Maintenance of Production Equipment		
60	Total Maintenance		
61	Total Manufactured Gas Production		
62			

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GAS OPERATION AND MAINTENANCE EXPENSE (continued)				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
B2. Products Extraction (continued)				
48	Maintenance			
49	784 Maintenance Supervision and Engineering			
50	785 Maintenance of Structures and Improvements			
51	786 Maintenance of Extraction and Refining Equipment			
52	787 Maintenance of Pipe Lines			
53	788 Maintenance of Extracted Products Storage Equipment			
54	789 Maintenance of Compressor Equipment			
55	790 Maintenance of Gas Measuring and Reg. Equipment			
56	791 Maintenance of Other Equipment			
57	TOTAL Maintenance (Enter total of lines 49 thru 56)			
58	TOTAL Products Extraction (Enter total of lines 47 and 57)			
59	C. Exploration and Development			
60	Operation			
61	795 Delay Rentals			
62	796 Nonproductive Well Drilling			
63	797 Abandoned Leases			
64	798 Other Exploration			
65	TOTAL Exploration and Development (Enter total of lines 61 thru 64)			
66	Operation			
67	800 Natural Gas Well Head Purchases			
68	800.1 Natural Gas Well Head Purchases, Intracompany Transfers			
69	801 Natural Gas Field Line Purchases			
70	802 Natural Gas Gasoline Plant Outlet Purchases			
71	803 Natural Gas Transmission Line Purchases			
72	804 Natural Gas City Gate Purchases	327,569,027	521,714,675	
73	804.1 Liquefied Natural Gas Purchases			
74	805 Other Gas Purchases			
75	(Less) 805.1 Purchased Gas Cost Adjustments			
76				
77	TOTAL Purchased Gas (Enter total of lines 67 to 76)	327,569,027	521,714,675	
78	806 Exchange Gas			
79	Purchased Gas Expenses			
80	807.1 Well Expenses - Purchased Gas			
81	807.2 Operation of Purchased Gas Measuring Stations			
82	807.3 Maintenance of Purchased Gas Measuring Stations			
83	807.4 Purchased Gas Calculations Expense			
84	807.5 Other Purchased Gas Expenses			
85	TOTAL Purchased Gas Expenses (Enter total of lines 80 thru 84)			
86	808.1 Gas Withdrawn for Storage - Debit	179,694,830	244,306,863	
87	(Less) 808.2 Deliveries of Natural Gas for Processing - Credit	(173,640,390)	(255,780,537)	
88	809.1 Withdrawals of Liquefied Natural Gas for Processing - Debit			
89	(Less) 809.2 Deliveries of Natural Gas for Processing			
90	Gas Used in Utility Operations - Credit			
91	810 Gas Used for Compressor Station Fuel - Credit	(1,162,244)	(1,865,756)	
92	811 Gas Used for Products Extraction - Credit			
93	812 Gas Used for Other Utility Operations - Credit			
94	TOTAL Gas Used in Utility Operations - Credit (Total of lines 91 thru 93)	(1,162,244)	(1,865,756)	
95	813 Other Gas Supply Expenses	1,191,745		
96	TOTAL Other Gas Supply Exp. (total of lines 77,78,85,86 thru 89,94,95)	333,652,968	508,375,245	
97	TOTAL Production Expenses (Enter total of lines 3,30,58,65 and 96)	333,652,968	508,375,245	

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GAS OPERATION AND MAINTENANCE EXPENSE (continued)				
Line No.	Account (a)		Amount for Current Year (b)	Amount for Previous Year (c)
98	2. NATURAL GAS STORAGE, TERMINALING AND PROCESSING EXPENSES			
99	A. Underground Storage Expenses			
100	Operation			
101	814	Operation Supervision and Engineering	523,339	476,262
102	815	Maps and Records	17,504	5,995
103	816	Wells Expenses	361,416	285,460
104	817	Lines Expenses	174	1,417
105	818	Compressor Station Expenses	563,577	695,341
106	819	Compressor Station Fuel and Power	2,315,258	3,085,705
107	820	Measuring and Regulating Station Expenses	246,900	221,835
108	821	Purification Expenses	895,430	890,994
109	822	Exploration and Development		
110	823	Gas Losses	83,516	
111	824	Other Expenses	639,692	616,357
112	825	Storage Well Royalties	31,170	36,146
113	826	Rents		
114	TOTAL Operation (Enter total of lines 101 thru 113)		5,677,976	6,315,512
115	Maintenance			
116	830	Maintenance Supervision and Engineering	203,379	202,171
117	831	Maintenance of Structures and Improvements	259,691	211,740
118	832	Maintenance of Reservoirs and Wells	933,816	556,961
119	833	Maintenance of Lines	247,516	529,621
120	834	Maintenance of Compressor Station Equipment	513,747	802,531
121	835	Maintenance of Measuring and Regulating Station Equipment	124,589	104,958
122	836	Maintenance of Purification Equipment	217,409	882,869
123	837	Maintenance of Other Equipment	758,620	848,334
124	TOTAL Maintenance (Enter total of lines 116 thru 123)		3,258,767	4,139,185
125	TOTAL Underground Storage Expenses (Total of lines 114 and 124)		8,936,743	10,454,697
126	B. Other Storage Expenses			
127	Operation			
128	840	Operation Supervision and Engineering	47,973	82,471
129	841	Operation Labor and Expenses	271,075	248,877
130	842	Rents		
131	842.1	Fuel	470,853	492,806
132	842.2	Power		
133	842.3	Gas Losses		
134	TOTAL Operation (Enter total of lines 128 thru 133)		789,901	824,154
135	Maintenance			
136	843.1	Maintenance Supervision and Engineering	27,968	29,393
137	843.2	Maintenance of Structures and Improvements		
138	843.3	Maintenance of Gas Holders	18,607	4,358
139	843.4	Maintenance of Purification Equipment		
140	843.5	Maintenance of Liquefaction Equipment	10,793	24,063
141	843.6	Maintenance of Vaporizing Equipment	16,145	97,615
142	843.7	Maintenance of Compressor Equipment	180,854	56,758
143	843.8	Maintenance of Measuring and Regulating Equipment	56,509	66,546
144	843.9	Maintenance of Other Equipment	201,521	176,951
145	TOTAL Maintenance (Enter total of lines 136 thru 144)		512,397	455,684
146	TOTAL Other Storage Expenses (Enter total of lines 134 and 145)		1,302,298	1,279,838

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GAS OPERATION AND MAINTENANCE EXPENSE (continued)				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
147	C. Liquefied Natural Gas Terminaling and Processing Expenses			
148	Operation			
149	844.1 Operation Supervision and Engineering			
150	844.2 LNG Processing Terminal Labor and Expenses			
151	844.3 Liquefaction Processing Labor and Expenses			
152	844.4 Liquefaction Transportation Labor and Expenses			
153	844.5 Measuring and Regulating Labor and Expenses			
154	844.6 Compressor Station Labor and Expenses			
155	844.7 Communication System Expenses			
156	844.8 System Control and Load Dispatching			
157	845.1 Fuel			
158	845.2 Power			
159	845.3 Rents			
160	845.4 Demurrage Charges			
161	(Less) 845.5 Wharfage Receipts - Credit			
162	845.6 Processing Liquefied or Vaporized Gas by Others			
163	846.1 Gas Losses			
164	846.2 Other Expenses			
165	TOTAL Operation (Enter total of lines 149 thru 164)			
166	Maintenance			
167	847.1 Maintenance Supervision and Engineering			
168	847.2 Maintenance of Structures and Improvements			
169	847.3 Maintenance of LNG Processing Terminal Equipment			
170	847.4 Maintenance of LNG Transportation Equipment			
171	847.5 Maintenance of Measuring and Regulating Equipment			
172	847.6 Maintenance of Compressor Station Equipment			
173	847.7 Maintenance of Communication Equipment			
174	847.8 Maintenance of Other Equipment			
175	TOTAL Maintenance (Enter total of lines 167 thru 174)			
176	TOTAL Liquefied Nat. Gas Terminaling and Processing Exp. (Lines 165 & 175)			
177	TOTAL Natural Gas Storage (Enter total of lines 125, 146 and 176)	10,239,041	11,734,535	
178	3. TRANSMISSION EXPENSES			
179	Operation			
180	850 Operation Supervision and Engineering			
181	851 System Control and Load Dispatching			
182	852 Communication System Expenses			
183	853 Compressor Station Labor and Expenses			
184	854 Gas for Compressor Station Fuel			
185	855 Other Fuel and Power for Compressor Station			
186	856 Mains Expenses	104,583	41,808	
187	857 Measuring and Regulating Station Expenses	649,867	625,134	
188	858 Transmission and Compression of Gas by Others			
189	859 Other Expenses	53,581	144,780	
190	860 Rents	120,414	127,932	
191	TOTAL Operation (Enter total of lines 180 thru 190)	928,445	939,654	

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GAS OPERATION AND MAINTENANCE EXPENSE (continued)				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
3. TRANSMISSION EXPENSES (Continued)				
192	Maintenance			
193	861 Maintenance Supervision and Engineering			
194	862 Maintenance of Structures and Improvements			
195	863 Maintenance of Mains	1,296,369		403,056
196	864 Maintenance of Compressor Station Equipment			
197	865 Maintenance of Measuring and Reg. Station Equipment	618,242		580,572
198	866 Maintenance of Communication Equipment			
199	867 Maintenance of Other Equipment			1,362
200	TOTAL Maintenance (Enter total of lines 193 thru 199)	1,914,611		984,990
201	TOTAL Transmission Expense (Enter total of lines 191 and 200)	2,843,056		1,913,435
202	4. DISTRIBUTION EXPENSES			
203	Operation			
204	870 Operation Supervision and Engineering	2,070,595		1,714,278
205	871 Distribution Load Dispatching	2,054,703		1,443,676
206	872 Compressor Station Labor and Expenses			
207	873 Compressor Station Fuel and Power			
208	874 Mains and Services Expenses	7,915,272		4,527,445
209	875 Measuring and Regulating Station Expenses - General	47,215		231,220
210	876 Measuring and Regulating Station Expenses - Industrial			
211	877 Measuring and Regulating Station Expenses - City Gate Check Stn	473,941		381,572
212	878 Meter and House Regulator Expenses	13,025,549		14,273,584
213	879 Customer Installations Expenses	8,002,813		6,932,342
214	880 Other Expenses	34,354,165		30,159,355
215	881 Rents	121,919		103,845
216	TOTAL Operation (Enter total of lines 204 thru 215)	68,066,172		59,767,317
217	Maintenance			
218	885 Maintenance Supervision and Engineering	1,828,778		1,671,223
219	886 Maintenance of Structures and Improvements	773,820		315,873
220	887 Maintenance of Mains	43,731,290		34,909,302
221	888 Maintenance of Compressor Station Equipment			
222	889 Maintenance of Meas. And Reg. Sta. Equip - General	1,174		(357,874)
223	890 Maintenance of Meas. And Reg. Sta. Equip - Industrial			
224	891 Maintenance of Meas. And Reg. Sta. Equip - City Gate Check Stn			
225	892 Maintenance of Services	15,990,072		12,901,667
226	893 Maintenance of Meters and House Regulators	644,671		614,035
227	894 Maintenance of Other Equipment	440		(92)
228	TOTAL Maintenance (Enter total of lines 218 thru 227)	62,970,245		50,054,134
229	TOTAL Distribution Expenses (Enter total of lines 216 and 228)	131,036,417		109,821,451
230	5. CUSTOMER ACCOUNTS EXPENSE			
231	Operation			
232	901 Supervision	2,475,444		2,573,444
233	902 Meter Reading Expenses	197,503		265,984
234	903 Customer Records and Collection Expenses	19,014,896		18,485,319
235	904 Uncollectible Accounts	17,970,168		22,465,458
236	(1) 905 Miscellaneous Customer Accounts Expense	4,477,285		8,775,620
237	TOTAL Customer Accounts Expense (Enter total of lines 232 thru 236)	44,135,296		52,565,825

(1) Account 905 includes a \$5.6 million current year and \$7.5 million prior year credit adjustment pursuant to section 19-145 of the Public Utilities Act. Also included in account 905 is (\$7.1) million current year and (\$5.2) million prior year of amortization related to net refunds/recoveries from prior periods.

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GAS OPERATION AND MAINTENANCE EXPENSE (continued)				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
238	6. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES			
239	Operation			
240	907 Supervision	335,322	468,615	
241	908 Customer Assistance Expenses	1,289,962	1,136,402	
242	909 Informational and Instructional Expenses	806,520	12,856	
243	910 Miscellaneous Customer Service and Informational Expenses	17,427	-	
244	TOTAL Customer Service and Informational Expenses (Lines 240 thru 243)	2,449,231	1,617,873	
245	7. SALES EXPENSES			
246	Operation			
247	911 Supervision			
248	912 Demonstrating and Selling Expenses			
249	913 Advertising Expenses			
250	(Less) 914 Revenues from merchandising, jobbing and contract work			
251	915 Cost and Expenses of merchandising, jobbing and contract work			
252	916 Miscellaneous Sales Expenses			
253	TOTAL Sales Expenses (Enter total of lines 247 thru 252)			
254	8. ADMINISTRATIVE AND GENERAL EXPENSES			
255	Operation			
256	920 Administrative and General Salaries	24,583,511	25,765,975	
257	921 Office Supplies and Expenses	8,517,588	7,260,011	
258	(Less) 922 Administrative Expenses Transferred - Credit			
259	923 Outside Services Employed	5,457,421	5,597,091	
260	924 Property Insurance	208,224	197,856	
261	925 Injuries and Damages	10,001,590	13,316,355	
262	926 Employee Pensions and Benefits	43,046,789	45,191,132	
263	927 Franchise Requirements			
264	928 Regulatory Commission Expenses	2,779,825	2,171,873	
265	(Less) 929 Duplicate Charges - Credit	13,889	13,889	
266	930.1 General Advertising Expenses	13,968	59,999	
267	930.2 Miscellaneous General Expenses	33,230,096	22,664,448	
268	931 Rents	4,937,663	5,308,134	
269	TOTAL Operation (Enter total of lines 256 thru 268)	132,762,786	127,518,985	
270	Maintenance			
271	932 Maintenance of General Plant			
272	TOTAL Administrative and General Exp (Total of lines 269 and 271)	132,762,786	127,518,985	
273	TOTAL Gas O. and M. Exp (Lines 97,177,201,229,237,244,253 and 272)	657,118,795	813,558,558	
Note: Report below the amount of donations for charitable, social or community welfare purposes included in above Account 930.2-Miscellaneous General Expenses. \$291,345 and \$307,768 for 2012 and 2011, respectively.				

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MISCELLANEOUS GENERAL EXPENSES (Account 930.2) (Gas)				
1	Industry Association Dues			627,832
2	Experimental and general research expenses			
3	Publishing and distributing information and reports to stockholders, trustee, registrar and transfer agent fees and expenses, and other expenses of servicing outstanding securities of the respondent.			680,723
4	Other expenses (items of \$50,000 or more for utilities with operating revenue of \$25,000,000 or less and items of \$250,000 or more for utilities with operating revenue of \$25,000,000 or more must be listed separately in this column showing the (1) purpose, (2) recipient and (3) amount of such items. Amounts of less than \$50,000 for utilities with operating revenues of \$25,000,000 or less and amounts less than \$250,000 for utilities with operating revenues of more than \$25,000,000 may be grouped by Classes if the number of items so grouped is shown)			
5	Other expenses:			
6				
7	Rider EOA - Energy Efficiency and On-Bill Financing Adjustment			14,776,911
8				
9	Amortization of Incremental Costs of Investigation and Removal of Manufactured Gas Residues			10,203,738
10				
11	Intercompany Billing from Integrys Business Support, LLC			7,335,970
12				
13	Security Costs			1,717,966
14				
15	Asset Impairment (1)			994,000
16				
17	Telecommunication Costs			951,814
18				
19	Amortization of Merger Costs			868,831
20				
21	Institutional Events			291,345
22				
23	Rider EEP - Enhanced Efficiency Program			(2,620,123)
24				
25	Manlove Storage Charges Billed - Credit			(1,512,192)
26				
27	Corporate System Costs Billed - Credit			(1,355,058)
28				
29	Other			268,339
30				
31				
32				
33				
34				
35				
36				
37				
38				
39				
40				
41				
42				
43				
44				
45				
46				
47				
48				
49			Total	33,230,096

(1) Write-off of previously capitalized incentive pay disallowed by ICC Docket # 07-0241/0242 (consolidated), # 09-0166/0167 (consolidated) and # 11-0280/0281 (consolidated).

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**DEPRECIATION, DEPLETION AND AMORTIZATION OF GAS PLANT (Accounts 403, 403.1, 404.1, 404.2, 404.3, and 405)
(Except Amortization of Acquisition Adjustments)**

Instructions:

- Report in Section A the amounts of depreciation expense, depletion and amortization for the accounts indicated and classified according to the plant functional groups shown.
- Report all available information called for in Section B for the current year.
Report in column (b) all depreciable plant balances to which rates are applied and show a composite total. (If more desirable, report by plant account, subaccount or functional classifications other than those pre-printed in column (a). Indicate at the bottom of Section B the manner in which column (b) balances are obtained. If average balances, state the method of averaging used.

Section A. Summary of Depreciation, Depletion and Amortization Charges

Line No.	Functional Classification (a)	Depreciation Expense (Account 403) (b)	Depreciation Expense for Asset Retirement Costs (Account 403.1) (c)	Amortization and Depletion of Producing Natural Gas Land and Land Rights (Account 404.1) (d)	Amortization of Underground Storage and Land Rights (Account 404.2) (e)
1	Intangible Plant and Leasehold Improvements				
2	Production Plant, Manufactured Gas				
3	Production and Gathering Plant, Natural Gas				
4	Products Extraction Plant				
5	Underground Gas Storage Plant	4,737,037			
6	Other Storage Plant	886,563			
7	Base Load LNG Terminaling and Processing Plant				
8	Transmission Plant	1,634,098			
9	Distribution Plant	72,771,668			
10	General Plant	2,562,785			
11	Common Plant-Gas				
12					
13					
14					
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22					
23					
24					
25	TOTAL	82,592,151			

Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report Is: (1) X An Original (2) A Resubmission	Date of Report (Mo./Da./Yr.)	Year of Report Dec. 31, 2012
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**DEPRECIATION, DEPLETION AND AMORTIZATION OF GAS PLANT (Accounts 403, 403.1, 404.1, 404.2, 404.3, and 405)
(Except Amortization of Acquisition Adjustments)**

Instructions:
For column (d), report available information for each plant functional classification listed in column (a). If composite depreciation accounting is used, report available information called for in columns (b) and (d) on this basis. Where the unit-of-production method is used to determine depreciation charges, show at the bottom of Section B any revisions made to estimated gas reserves.
3. If provisions for depreciation were made during the year in addition to depreciation provided by application of reported rates, state at the bottom of Section B the amounts and nature of the provisions and the plant items to which related.

Section A. Summary of Depreciation, Depletion and Amortization Charges

Amortization of Other Limited-term Gas Plant (Account 404.3) (f)	Amortization of Other Gas Plant (Account 405) (g)	Total (b to g) (h)	Functional Classification (a)	Line No.
5,701,172		5,701,172	Intangible Plant and Leasehold Improvements	1
			Production Plant, Manufactured Gas	2
			Production and Gathering Plant, Natural Gas	3
			Products Extraction Plant	4
		4,737,037	Underground Gas Storage Plant	5
		886,563	Other Storage Plant	6
			Base Load LNG Terminaling and Processing Plant	7
		1,634,098	Transmission Plant	8
		72,771,668	Distribution Plant	9
		2,562,785	General Plant	10
			Common Plant-Gas	11
				12
				13
				14
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				24
5,701,172		88,293,323	TOTAL	25

Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report Is: (1) X An Original (2) A Resubmission	Date of Report (Mo./Da./Yr.)	Year of Report Dec. 31, 2012
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DEPRECIATION, DEPLETION AND AMORTIZATION OF GAS PLANT (Continued)
Section B. Factors Used in Estimating Depreciation Charges

Line No.	Functional Classification (a)	Depreciation Plant Base (Thousands) (b)	Applied Depr. Rate(s) (Percent) (c)
1	Intangible Plant and Leasehold Improvements	79,792	7.15
2	Production Plant, Manufactured Gas		
3	Production and Gathering Plant, Natural Gas		
4	Products Extraction Plant		
5	Underground Gas Storage Plant	334,725	1.42
6	Other Storage Plant	25,928	3.42
7	Base Load LNG Terminaling and Processing Plant		
8	Transmission Plant	123,408	1.32
9	Distribution Plant	2,140,681	3.40
10	General Plant	19,427	13.19
		2,723,961	

Notes to Depreciation, Depletion and Amortization of Gas Plant

The Company calculates its monthly provision for depreciation using accrual rates calculated on the average monthly plant balance of each depreciation group, excluding Intangible Plant. Intangible Plant assets are individually amortized following the Company's software capitalization policy. The Functional Class totals consist of calculations from multiple depreciation groups. The composite rates (column c) were calculated using the Provision for Depreciation over the Average Plant Balance (column b). For simplicity, the composite rates shown on this schedule use mid-year plant balances.

Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report Is: (1) X An Original (2) A Resubmission	Date of Report (Mo./Da./Yr.)	Year of Report Dec. 31, 2012
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PARTICULARS CONCERNING CERTAIN INCOME DEDUCTIONS AND INTEREST CHARGES ACCOUNTS

Report the information specified below, in the order given, for the respective income deduction and interest charges accounts. Provide a subheading for each account and a total for the account. Additional columns may be added if deemed appropriate with respect to any account.

- (a) Miscellaneous Amortization (Account 425) - Describe the nature of items included in this account, the contra account charged, the total of amortization charges for the year, and the period of amortization.
- (b) Miscellaneous Income Deductions - Report the nature, payee, and amount of other income deductions for the year as required by Accounts 426.1-Donations, 426.2-Life Insurance, 426.3-Penalties, 426.4-Expenditures for Certain Civic, Political and Related Activities and 426.5-Other Deductions of the Uniform System of Accounts. Amounts of less than \$50,000 for utilities with operating revenues of \$25,000,000 or less and amounts of less than \$250,000 for utilities with operating revenues of \$25,000,000 or more may be grouped by classes within the above accounts.
- (c) Interest on Debt to Associated Companies (Account 430) - For each associated company to which interest on debt was incurred during the year, indicate the amount and interest rate respectively for (a) advances on notes, (b) advances on open accounts, (c) notes payable, (d) accounts payable, and (e) other debt, and total interest. Explain the nature of other debt on which interest was incurred during the year.
- (d) Other Interest Expense (Account 431) - Report particulars (details) including the amount and interest rate for other interest charges incurred during the year.

Line No.	Item (a)	Amount (b)
1	Account 425 - Miscellaneous Amortization	None
2		
3	Account 426.1 - Donations	1,025,321
4		
5	Account 426.2 - Life Insurance	None
6		
7	Account 426.3 - Penalties	315,009
8		
9	Account 426.4 - Expenditures for Certain Civic, Political and Related Activities	219,581
10		
11		
12	Account 426.5 - Other Deductions	
13	Share the Warmth	100,000
14	Unrealized Loss on Fleet Fuel Hedge	47,105
15	Total	147,105
16		
17	Account 430 - Interest on Debt to Associated Companies	
18	Integrus Energy Group, Inc. - (Amortization of Credit Facility Fee)	241,406
19	North Shore Gas Company (Up to \$6,275,000 Notes Payable @ 0.34% - 0.47%)	4,044
20	Total	245,450
21		
22		
23		
24	Account 431 - Other Interest Expenses	
25	Line of Credit Commitment Fees (various)	318,117
26	Interest Accrued on Gas Bill Credit Deposits (0.0%)	5,648
27	Interest Accrued on Deferred Compensation	6,162
28	Interest Accrued on Customers' Budget Accounts (0.0%)	8,438
29	Imputed Interest on Gas Charge Refunds (0.0%)	7,926
30	Other Interest Expense	345,077
31	FIN48 Adjustment	(701,870)
32	Total	(10,502)
33		
34		
35		
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39		
40		

Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY		This Report Is: (1) X An Original (2) A Resubmission	Date of Report (Mo./Da./Yr.)	Year of Report Dec. 31, 2012	
REGULATORY COMMISSION EXPENSES					
Instructions:					
1. Report particulars (details) of regulatory commission expenses incurred during the current year (or incurred in previous years, if being amortized) relating to formal cases before a regulatory body, or cases in which such a body was a party.					
2. In column (b) and (c), indicate whether the expenses were assessed by a regulatory body or were otherwise incurred by the utility.					
Line No.	Description (Furnish name of regulatory commission or body, the docket or case number, and a description of the case.) (a)	Assessed by Regulatory Commission (b)	Expenses of Utility (c)	Total Expenses to Date (d)	Deferred in Account 182.3 or 186 at Beginning of Year (e)
1	Rate Case (Docket #07-0241/07-0242 (consolidated))		2,733,654	2,733,654	664,300
2					
3	Rate Case (Docket #09-0166/09-0167 (consolidated)) - Compliance (1)		4,318,921	4,318,921	1,758,640
4					
5	Rate Case (Docket #11-0208/11-0281 (consolidated)) - Compliance (1)		3,220,396	3,220,396	2,927,286
6					
7	Rate Case (Docket #12-0511/12-0512 (consolidated)) - Compliance		1,561,536	1,561,536	-
8					
9	Rate Case (Docket #12-0511/12-0512 (consolidated)) - 2009				
10	Rehearing/Appeal (1)		290,741	290,741	-
11					
12	Rate Case (Docket #12-0511/12-0512 (consolidated)) - 2011				
13	Rehearing/Appeal (1)		127,888	127,888	-
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
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35					
36					
37					
38					
39					
40					
39					
40	Total		12,253,136	12,253,136	5,350,226

- 1) Recoverable costs capped in Final Order Docket # 11-0280/11-0281 (consolidated), Rehearing/Appeal costs submitted for recovery in ICC Docket #12-01511/12-0512 (consolidated).
- 2) Amount deemed non-recoverable based on ICC Docket # 11-0280-11-0281 (consolidated).
- 3) Transfer of Rehearing/Appeal costs submitted for recovery in ICC Docket # 12-01511/12-0512 (consolidated) - 2009 Rehearing/Appeal.

Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report Is: (1) X An Original (2) A Resubmission	Date of Report (Mo./Da./Yr.)	Year of Report Dec. 31, 2012
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REGULATORY COMMISSION EXPENSES (continued)

Instructions:

3. Show in column (d) any expenses incurred in prior years that are being amortized. List in column (a) the period of amortization.
4. List in column (f), (g) and (h) expenses incurred during year which were charged currently to income, plant or other accounts.
5. Minor items (less than \$25,000) may be grouped.

EXPENSES INCURRED DURING YEAR				AMORTIZED DURING YEAR			Line		
CHARGED CURRENTLY TO			Deferred to Acct 182.3 or 186 (i)	Contra	Amount	Deferred in Account			
Department (f)	Account No. (g)	Amount (h)		(j)		(k)	182.3 or 186 End of Year (l)		
			-	928	591,244	73,056	1		
							2		
	921, 923	90,984	(2)	(282,781)	(3)	928	707,620	677,255	3
				292,520		928	1,480,961	1,738,845	4
								5	
				1,561,536			-	1,561,536	6
								7	
								8	
				290,741			-	290,741	9
								10	
				127,888			-	127,888	11
								12	
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								15	
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								39	
		90,984		1,989,904			2,779,825	4,469,321	40

Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report Is: (1) X An Original (2) A Resubmission	Date of Report (Mo./Da./Yr.)	Year of Report Dec. 31, 2012
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Employee Pensions and Benefits (Account 926)

Instructions:
Report below the items contained in Account 926, Employee Pensions and Benefits.

Line No.	Description of Transaction (a)	Amount (b)
1	Pensions - Defined Benefit Plans	26,311,142
2	Pensions - Defined Contribution Plans	3,031,333
3	Postretirement benefits other than pensions (PBOP)	11,991,405
4	Post-employment benefit plans	205,672
5	Other - Welfare benefits for active employees	9,918,386
6	Other - Capitalized benefits	(18,925,992)
7	Other - IBS billed benefit costs	10,304,460
8	Other - Miscellaneous	210,383
9		
10		
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Total		43,046,789

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Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report Is: (1) X An Original (2) A Resubmission	Date of Report (Mo./Da./Yr.)	Year of Report Dec. 31, 2012
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DISTRIBUTION OF SALARIES AND WAGES

Instructions:

- Report below the distribution of total salaries and wages for the year. Segregate amounts originally charged to clearing accounts to Utility Departments, Construction, Plant Removals, and Other Accounts, and enter such amounts in the appropriate lines and columns provided. In determining this segregation of salaries and wages originally charged to clearing accounts, a method of approximation giving substantially correct results may be used.

Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll Charged for Clearing Accounts (c)	Total (d)
1	Electric			
2	Operation			
3	Production			
4	Transmission			
5	Distribution			
6	Customer Accounts			
7	Customer Service and Information			
8	Sales			
9	Administrative and General			
10	TOTAL Operation (Total of lines 3 thru 9)			
11	Maintenance			
12	Production			
13	Transmission			
14	Distribution			
15	Administrative and General			
16	TOTAL Operation and Maintenance			
17	Total Operation and Maintenance			
18	Production (Total of lines 3 and 12)			
19	Transmission (Total of lines 4 and 13)			
20	Distribution (Total of lines 5 and 14)			
21	Customer Accounts (Line 6)			
22	Customer Service and Information (Line 7)			
23	Sales (Line 8)			
24	Administrative and General (Total of lines 9 and 15)			
25	TOTAL Oper. and Maint. (Total of lines 18 thru 24)			
26	Gas			
27	Operation			
28	Production - Manufactured Gas			
29	Production - Natural Gas (Including Expl. And Dev.)			
30	Other Gas Supply			
31	Storage, LNG Terminaling and Processing	684	31,374	32,058
32	Transmission	6,948	178	7,126
33	Distribution	38,391,281	2,455,600	40,846,881
34	Customer Accounts	1,234,277	80,458	1,314,735
35	Customer Service and Information	540,485		540,485
36	Sales			
37	Administrative and General	(265,380)	534	(264,846)
38	TOTAL Operation (Total of lines 28 thru 37)	39,908,295	2,568,144	42,476,439
39	Maintenance			
40	Production - Manufactured Gas			
41	Production - Natural Gas			
42	Other Gas Supply			
43	Storage, LNG Terminaling and Processing	2,472	27,463	29,935
44	Transmission	140,267	13,805	154,072
45	Distribution	21,645,646	1,942,593	23,588,239
46	Administrative and General			
47	TOTAL Maint. (Total of lines 40 thru 46)	21,788,385	1,983,861	23,772,246

Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY		This Report Is: (1) X An Original (2) A Resubmission	Date of Report (Mo./Da./Yr.)	Year of Report Dec. 31, 2012
DISTRIBUTION OF SALARIES AND WAGES (continued)				
Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll Charged for Clearing Accounts (c)	Total (d)
	Gas (continued)			
48	Total Operation and Maintenance			
49	Production - Manufactured Gas (Lines 28 and 40)			
50	Production - Natural Gas (Including Expl & Dev.)(Lines 29 and 41)			
51	Other Gas Supply (Lines 30 and 42)			
52	Storage, LNG Terminaling and Processing (Lines 31 and 43)	3,156	58,837	61,993
53	Transmission (Lines 32 and 44)	147,215	13,983	161,198
54	Distribution (Lines 33 and 45)	60,036,927	4,398,193	64,435,120
55	Customer Accounts (Line 34)	1,234,277	80,458	1,314,735
56	Customer Service and Information (Line 35)	540,485		
57	Sales (Line 36)			
58	Administrative and General (Lines 37 and 46)	(265,380)	534	(264,846)
59	TOTAL Operation and Maintenance (Total of lines 49 thru 58)	61,696,680	4,552,005	66,248,685
60	Other Utility Department			
61	Operation and Maintenance			
62	TOTAL All Utility Dept. (Total of lines 25, 59 and 61)	61,696,680	4,552,005	66,248,685
63	Utility Plant			
64	Construction (By Utility Departments)			
65	Electric Plant			
66	Gas Plant	27,496,856	6,640,666	34,137,522
67	Other			
68	TOTAL Construction (Total of lines 65 thru 67)	27,496,856	6,640,666	34,137,522
69	Plant Removal (By Utility Departments)			
70	Electric Plant			
71	Gas Plant			
72	Other			
73	TOTAL Plant Removal (Total of lines 70 thru 72)			
74	Other Accounts (Specify)			
75	Account 146 Accounts Receivable from Associated Companies			
76	Cross Charged to Wisconsin Public Service Corporation	20,078		20,078
77	Cross Charged to Minnesota Energy Resources Corporation	64,179		64,179
78	Cross Charged to Michigan Gas Utilities Corporation	1		1
79	Cross Charged to North Shore Gas Company	317,178		317,178
80	Cross Charged to Integrys Business Support	95,080		95,080
81	Total	496,516	-	496,516
82				
83	Account 154 Plant Materials and Operating Supplies			
84	Materials and Supplies	119,569	2,667	122,236
85	Account 186 Miscellaneous Deferred Debits			
86	Deferred Labor Accrual	137,208	(1,506)	135,702
87	Account 228.2 Accumulated Provision for Injuries and Damages			
88	Injuries and Damages Reserve	22,483		22,483
89	Account 242 Miscellaneous Current and Accrued Liabilities			
90	Vacation Accrual	(24,386)		(24,386)
91	Account 400 Operating Revenues			
92	Other Gas Revenues		2,934	2,934
93				
94				
95				
96				
97				
98				
98				
99				
100				
101				
102				
103				
104				
105	TOTAL Other Accounts	751,390	4,095	755,485
106				
107	TOTAL SALARIES AND WAGES	89,944,926	11,196,766	101,141,692

Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report Dec. 31, 2012
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AUXILIARY PEAKING FACILITIES

1. Report below auxiliary facilities of the respondent for meeting seasonal peak demands on the respondent's system, such as underground storage projects, liquefied petroleum gas installations, gas liquefaction plants, oil gas sets, etc.
2. For col.(c), for underground storage projects, report the delivery capacity on February 1 of the heating season overlapping the year-end for which this report is submitted. For other facilities, report the rated maximum daily delivery capacities.
3. For col. (d) include or exclude (as appropriate) the cost of any plant used jointly with another facility on the basis of predominant use, unless the auxiliary peaking facility is a separate plant as contemplated by general instruction 12 of the Uniform System of Accounts.

Line No.	Location of Facility (a)	Type of Facility (b)	Maximum Daily Delivery Capacity of Facility, Mcf at 14.73 psia at 60°F (1) (c)	Cost of Facility (d)	Was Facility Operated on Day of Highest Transmission Peak Delivery?	
					Yes (e)	No (f)
1	Manlove Storage Field	Liquefied Natural Gas	300,000	25,925,074		X
2						
3						
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MAINS IN ILLINOIS

1. Report below information called for with respect to mains.

Line No.	Size (inches) (a)	Kind of Pipe (b)	Feet In Use Beginning of Year (c)	Net Change Increase or (Decrease) (d)	Feet In Use End of Year (e)
1	<u>DISTRIBUTION MAINS</u>				
2	Less than 3"		4,584,397	583,714	5,168,111
3	3"		41,063	(3,184)	37,879
4	4"		2,394,533	165,111	2,559,644
5	6"		9,866,570	(309,068)	9,557,502
6	8"		848,832	25,874	874,706
7	10"		3,554	-	3,554
8	12"		1,491,756	(9,453)	1,482,303
9	14"				
10	16"		1,055,278	(26,556)	1,028,722
11	18"		26,073	29,650	55,723
12	20"		494,260	(20,275)	473,985
13	24"		497,017	(961)	496,056
14	26"		842	-	842
15	30"		127,337	7	127,344
16	36"		441,617	54	441,671
17	42"		77,129	-	77,129
18	48"		120,167	170	120,337
19	TOTAL FEET		22,070,425	435,082	22,505,507
20	MILES		4,180	82	4,262
21					
22	<u>TRANSMISSION MAINS</u>				
23	<u>Mahomet-Chicago Pipelines</u>				
24	12"		72	-	72
25	16"		52	-	52
26	20"		3,075	-	3,075
27	24"				
28	30"		1,021,205	-	1,021,205
29	36"				
30	42"		291,709	-	291,709
31	TOTAL FEET		1,316,113	-	1,316,113
32	MILES		249	-	249
33					
34	<u>Elwood Facility</u>				
35	<u>Discharge Pipeline</u>				
36	24"		30,628	-	30,628
37	TOTAL FEET		30,628	-	30,628
38	MILES		6	-	6
39					
40	<u>Leased to Natural Gas Pipeline Company of America</u>				
41	8"				
42	10"		65	-	65
43	14"		1,750	-	1,750
44	16"		8	-	8
45	20"		4,996	-	4,996
46	24"		22,830	-	22,830
47	30"				
48	36"		3,935	-	3,935
49	42"		4,012	-	4,012
50	TOTAL FEET		37,596	-	37,596
51	MILES		7	-	7
52					
53		TOTAL (FEET)	23,454,762	435,082	23,889,844
54		TOTAL (MILES)	4,442	82	4,525

Name of Respondent PEOPLES GAS LIGHT AND COKE COMPANY	This Report is: (1) X An Original (2) A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report Dec. 31, 2012
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METERS IN ILLINOIS - GAS

1. Report below the information called for in each of the columns (a) to (d) inclusive.
2. All meters representing more than 1% of the total, except rotary displacement and orifice meters, shall be listed by size and kind in column (a). For rotary displacement and orifice meters, show only the total of all sizes and kinds.
3. Sizes and kinds by types of construction representing 1% or less of the total may be grouped.
4. Fill out separate sheets for meters owned and meters leased. (1)

Line No.	Size and Kind (a)	Number at Beginning of Year (b)	Net Change Increase or (Decrease) (c)	Number at End of Year (d)
1	Tinned Steel Case			
2	150 - 399 CFH	-	-	-
3	TOTAL	-	-	-
4				
5	Aluminum Case			
6	150 - 399 CFH	908,062	(9,785)	898,277
7	400 - 699 CFH	32,587	(578)	32,009
8	700 - 5999 CFH	8,727	(843)	7,884
9	TOTAL	949,376	(11,206)	938,170
10				
11	In-Line Rotary	24,472	(155)	24,317
12				
13	Rotary Displacement	1,584	(19)	1,565
14				
15	Orifice	-	-	-
16				
17				
18				
19				
20	TOTAL	975,432	(11,380)	964,052

Notes:

- (1) All meters are owned by Respondent.

Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report is: (1) X An Original (2) A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report Dec. 31, 2012
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SERVICES IN ILLINOIS

1. Report below the information called for with respect to services in Illinois

Line No.	Item (a)	Total (b)
1	Total beginning of year	508,731
2	Installed during year	14,713
3	Purchased during year	
4	Total	523,444
5	Retired during year	9,608
6	Sold during year	
7	Total Retired or Sold	9,608
8	Adjustment	
9	Total End of Year (line 4 - line 7)	513,836
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		

Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report is: (1) X An Original (2) A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report Dec. 31, 2012
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SYSTEM LOAD STATISTICS IN ILLINOIS

1. Report below the information called for in this schedule.

Line No.	(a)	Total therms (b)																																
1	Maximum system send-out in any one day:																																	
2	(a) Pipeline flow (1)	6,210,410																																
3	(b) Underground storage (2)	6,901,150																																
4	(c) Local storage																																	
5	(d) Liquefied petroleum																																	
6	(e) Other (specify) - Linepack	(11,380)																																
7																																		
8	TOTAL	13,100,180																																
9	Interruptible send-out on maximum day																																	
10	Date of such maximum 01/19/2012																																	
11	Maximum send-out in any consecutive 3 days	35,956,450																																
12	Date of such maximum 01/18/2012 through 01/20/2012																																	
13																																		
14	Maximum daily production deliverability capacity:																																	
15	Liquefied petroleum gas																																	
16	Other manufactured gas (specify kind)																																	
17																																		
18																																		
19																																		
20	Total manufactured gas production capacity																																	
21	Natural gas																																	
22	Maximum daily purchase capacity	2,826,110																																
23	Total maximum daily production deliverability and purchase capacity	2,826,110																																
24	Maximum daily available send-out capacity from storage																																	
25	Underground storage (includes liquefied natural gas)	15,407,810																																
26																																		
27																																		
28	Local storage																																	
29	Total maximum daily storage withdrawal quantity	15,407,810																																
30	Total daily available send-out deliverability	18,233,920																																
31	<table border="1"> <thead> <tr> <th>Monthly send-out</th> <th>Therms</th> <th>Monthly send-out</th> <th>Therms</th> </tr> </thead> <tbody> <tr> <td>January</td> <td>274,768,860</td> <td>July</td> <td>49,386,070</td> </tr> <tr> <td>February</td> <td>237,505,930</td> <td>August</td> <td>46,805,790</td> </tr> <tr> <td>March</td> <td>129,416,340</td> <td>September</td> <td>50,942,190</td> </tr> <tr> <td>April</td> <td>117,696,150</td> <td>October</td> <td>110,922,260</td> </tr> <tr> <td>May</td> <td>64,991,400</td> <td>November</td> <td>178,484,160</td> </tr> <tr> <td>June</td> <td>49,861,390</td> <td>December</td> <td>225,141,310</td> </tr> <tr> <td colspan="2">Total Send-Out Twelve Months</td> <td colspan="2">1,535,921,850</td> </tr> </tbody> </table>	Monthly send-out	Therms	Monthly send-out	Therms	January	274,768,860	July	49,386,070	February	237,505,930	August	46,805,790	March	129,416,340	September	50,942,190	April	117,696,150	October	110,922,260	May	64,991,400	November	178,484,160	June	49,861,390	December	225,141,310	Total Send-Out Twelve Months		1,535,921,850		
Monthly send-out	Therms	Monthly send-out	Therms																															
January	274,768,860	July	49,386,070																															
February	237,505,930	August	46,805,790																															
March	129,416,340	September	50,942,190																															
April	117,696,150	October	110,922,260																															
May	64,991,400	November	178,484,160																															
June	49,861,390	December	225,141,310																															
Total Send-Out Twelve Months		1,535,921,850																																
32																																		
33																																		
34																																		
35																																		
36																																		
37																																		
38																																		

Notes: (1) Includes customer-owned gas delivered to the company.
(2) Excludes line pack.

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Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report is: (1) X An Original (2) A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report Dec. 31, 2012
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UNDERGROUND GAS STORAGE

1. Report below the specified information called for in this schedule
2. Indicate unit of measure where applicable. (1)

Line No.	Item (a)	Total (b)	(2)	(3)	(4)	Project Location (f)	Project Location (g)	Project Location (h)
			Project	Project	Project			
			Mahomet, IL Location (c)	NGPL Location (d)	ANR Location (e)			
1	Storage Plant Account							
2	Land and land rights (350)	996,779	996,779					
3	Structures and improvements (351)	10,157,972	10,157,972					
4	Wells (352)	84,851,968	84,851,968					
5	Lines (353)	49,559,630	49,559,630					
6	Other storage equipments (354-7)	28,431,799	28,431,799					
7	Nonrecoverable Natural Gas (352.3)	176,253,492	176,253,492					
8	Total	\$350,251,640	\$350,251,640					
9	Storage Expenses							
10	Operation	5,677,976	5,677,976					
11	Maintenance	3,258,767	3,258,767					
12								
13	Total	\$8,936,743	\$8,936,743					
14	Inventory gas end of year	426,450,770	237,665,890	147,135,080	41,649,800			
15	Estimated noncurrent gas in storage reservoir	1,251,765,850	1,251,765,850					
16	Total gas in reservoir (14 plus 15)	1,678,216,620	1,489,431,740	147,135,080	41,649,800			
17	Authorized storage capacity (excluding noncurrent gas)							
18	Reservoir pressure at which storage capacity computed							
19	Number of storage wells in project							
20	Number of acres of storage area							
21	Maximum authorized daily withdrawal quantity	15,407,810	10,373,630 (5)	3,634,180	1,400,000			
22	Maximum day's withdrawal from storage	6,901,150	3,872,170	2,032,410	996,750			
23	Date of maximum day's withdrawal	01/19/12						
24	Maximum daily quantity of any leakage recycled or withdrawn							
25								
26								
27								

- Notes
- (1) Volume in therms.
 - (2) Storage facilities owned by Respondent.
 - (3) Storage facilities owned by Natural Gas Pipeline Company of America.
 - (4) Storage facilities owned by ANR Pipeline Company.
 - (5) Includes liquefied natural gas.

Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report is: (1) X An Original (2) A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report Dec. 31, 2012
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UNDERGROUND GAS STORAGE (Continued)

Line No.	Item (a)	Total (b)	Project	Project	Project	Project	Project	Project
			Mahomet, IL (1)	NGPL (2)	ANR (3)	Location	Location	Location
			Location (c)	Location (d)	Location (e)	Location (f)	Location (g)	Location (h)
28	Storage Operations	Therms	Therms	Therms	Therms	Therms	Therms	Therms
29	Gas delivered to storage (inventory):							
30	January	7,064,090	1,040	3,029,020	4,034,030			
31	February	3,550,570		1,976,610	1,573,960			
32	March	26,021,350	21,854,900	3,021,780	1,144,670			
33	April	48,669,540	40,272,280	5,203,220	3,194,040			
34	May	65,444,040	39,314,040	18,849,430	7,280,570			
35	June	64,622,910	30,968,020	22,429,090	11,225,800			
36	July	78,527,310	37,182,940	30,464,540	10,879,830			
37	August	77,717,120	34,881,030	35,202,610	7,633,480			
38	September	48,040,840	23,690,400	22,464,760	1,885,680			
39	October	42,500,100	27,015,970	9,593,610	5,890,520			
40	November	37,479,570	33,519,820	2,580,600	1,379,150			
41	December	6,043,930	3,352,720	1,210,970	1,480,240			
42	Total	505,681,370	292,053,160	156,026,240	57,601,970			
43	Gas withdrawn from storage (inventory):							
44	January	146,965,470	106,315,780	30,326,240	10,323,450			
45	February	123,798,880	89,689,710	22,233,710	11,875,460			
46	March	51,492,830	11,807,360	23,582,500	16,102,970			
47	April	16,344,490	200,690	14,390,180	1,753,620			
48	May	4,671,840	273,850	3,704,920	693,070			
49	June	606,120	320,900	285,220				
50	July	326,120	326,120					
51	August	326,120	326,120					
52	September	1,842,100	310,440	364,750	1,166,910			
53	October	4,824,850	194,410	4,250,100	380,340			
54	November	48,862,300	125,430	33,755,410	14,981,460			
55	December	126,775,460	80,863,940	31,685,830	14,225,690			
56	Total	526,836,580	290,754,750	164,578,860	71,502,970			

Notes: (1) Storage facilities owned by Respondent.
(2) Storage facilities owned by Natural Gas Pipeline Company of America.
(3) Storage facilities owned by American Natural Resources Pipeline Company.

Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report is: (1) X An Original (2) A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report Dec. 31, 2012
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SUMMARY OF GAS ACCOUNT

1. Report below the specified information called for in this schedule.

Line No.	Item (a)	Total Company Therms	
		(b)	(c)
1	Gas on hand, produced and purchased:		
2	On hand at beginning of year:		
3	Local storage		
4	Underground storage - inventory (1) (2)	447,605,980	
5	Total on hand beginning of year		447,605,980
6	Production (gross):		
7	Natural gas		
8	Liquefied petroleum gas		
9	Other gas (specify kind)		
10			
11	Total production		
12	Purchases:		
13	Natural	887,493,340	
14	Manufactured		
15	Mixed, manufactured and natural gas		
16	Total purchases	887,493,340	
17	Less: Compressor Fuel	15,193,760	
18	Purchased gas stored underground-noncurrent	10,974,790	
19	Total purchases (net)		861,324,790
20	Customer owned gas received		653,441,850
21	Total gas available for distribution		1,962,372,620
22	Distribution of total gas available for distribution:		
23	Customer owned gas delivered		635,695,150
23a	Gas delivered to off-system customers		
24	Sales - line 7, page 301		871,471,390
25	Gas used by respondent:		
26	Gas utility		
27	Electric utility		
28	Water utility		
29	Heating utility		
30	Other utility departments		
31	Common (offices, shops, etc., serving two or more depts.)		
32	Total gas used by respondent		
33	Gas supplied without charge		
34	Gas unaccounted for (approx 1.47% of total gas per line 21 above)		28,755,310
35			
36	Total gas disposition		1,535,921,850
37	On hand at end of year:		
38	Local storage		
39	Underground storage - inventory (1) (3)	426,450,770	
40	Total on hand end of year		426,450,770
41	Total gas disposition and on hand at end of year		1,962,372,620

NOTES: (1) Includes prepaid gas stored by others. See page 704.
(2) Includes 11,212,780 therms of liquefied natural gas.
(3) Includes 15,483,700 therms of liquefied natural gas.

Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report Is: (1) X An Original (2) A Resubmission	Date of Report (Mo./Da./Yr.)	Year of Report Dec. 31, 2012
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SUMMARY OF REVENUES, THERMS AND CUSTOMERS BY GAS RATES

Instructions:

Line No.	RATE			Revenue (d)	Therm (e)	Customer (Average) (f)
	I.C.C. No. (a)	Sheet No. (b)	Rate No (c)			
1	28	Sixth Revised Sheet No. 5	1	550,898,484	586,985,121	714,069
2						
3						
4						
5	28	Sixth Revised Sheet No. 7	2	198,123,687	279,802,717	66,329
6						
7						
8						
9	28	Sixth Revised Sheet No. 9	4	2,232,981	3,852,580	3
10						
11						
12						
13						
14	28	First Revised Sheet No. 12	5			
15						
16						
17						
18						
19	28	First Revised Sheet No. 15	7			
20						
21						
22						
23	28	Sixth Revised Sheet No.16	8	418,676	830,972	3
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40	TOTALS			751,673,828	871,471,390	780,404

Name of Respondent: THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report is: (1) X An Original (2) A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report Dec. 31, 2012
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PURCHASED GAS (Accounts 800, 801, 802, 803, 804 and 805)

- Report below the information called for concerning gas purchased during the year.
- The quantities reported should be those shown by the type of purchase, i.e. spot supplier or firm supplier.
- Report the information called for separately for each contract in the event that gas is purchased from any vendor under two or more contracts. Special or supplemental arrangements applicable to gas to be resold on an interruptible supply basis or for other special purposes should be treated as separate contracts.

Line No.	Name of Vendor FERC Rate Description (Show Each Rate Designation on Separate Line) (a)	Assoc. Utilities (b)	Assoc Non - Utilities (c)	Non- Assoc. Utilities (d)	Other Non Utilities (e)	Non- Inter- ruptible (f)	Inter- ruptible (g)	Daily Contract Demand Quantity At Dec. 31 (In Thousands MCF) (h)	Other than Natural Gas (i)	Seasonal (j)	Average BTU per cu. ft. (k) (1)	Therms (In Thousands) (l)
1	Natural Gas Pipeline Company			X								
2	of America											
3												
4												
5												
6	FERC Schedule DSS AND NSS											
7	Storage Charges											
8	Add: Compressor Fuel											
9	Total											
10												
11	ANR Pipeline Company			X								
12	FERC Schedule FSS											
13	Storage Charges											
14	Add: Compressor Fuel											
15	Total											
16												
17	Transportation Cash Out											
18												
19	Various Producer/Broker											
20	Purchases including											
21	Transportation			X	X	X	X				1.010	887.493
22												
23												
24												
25												
26	Gas Costs Recoverable or											
27	Refundable - Gas Charge											
28	Reconciliation Balance											
29												
30	Gas Costs Recoverable or											
31	Refundable - Transition											
32	Reconciliation Balance											
33												
34	Gas Costs Recoverable or											
35	Refundable - Hub											
36	Reconciliation Balance											
37												
38	Liability for Redelivery of											
39	Customer Owned Gas											
40												
41	Hub Revenue											
42												
43												
44												
45												
46												
47												
48	Total											887.493

Note: (1) At 14.65 pounds of pressure 60 ° F dry gas.

Name of Respondent: THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report is: (1) X An Original (2) A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report Dec. 31, 2012
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PURCHASED GAS (Accounts 800, 801, 802, 803, 804 and 805) (Continued)

4. Furnish the nature and the amount of items reported in column (q).
5. It is intended that the information reported as to purchases from sellers under the jurisdiction of the Illinois Commerce Commission should agree with information reported by such sellers as to their sales of gas to the respondent.
6. In column (n) report the Commission docket number or numbers wherein authorization, in any, was obtained for the purchase of gas from each seller.

Point of Receipt (m)	Commission Authorization (n)	COST OF GAS PURCHASED				Cents Cost per therm (s)	Line No.
		Demand Charges (o)	Commodity Charges (p)	Other Charges (q)	Total (r)		
Chicago, Illinois				29,083,005	29,083,005		1
		48,264	805,250		853,514		2
		48,264	805,250	29,083,005	29,936,519		3
							4
							5
							6
							7
							8
Joliet, Illinois				10,617,549	10,617,549		9
		17,458	291,272		308,730		10
		17,458	291,272	10,617,549	10,926,279		11
Chicago, Illinois Joliet, Illinois and Mahomet, Illinois				836,987	836,987		12
							13
		16,908,580	283,933,156	(1)	300,841,736		14
							15
							16
							17
							18
							19
							20
							21
							22
		(4,480,830)	1,594,384		(2,886,446)		23
							24
							25
							26
							27
							28
							29
							30
							31
							32
							33
							34
							35
							36
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							39
							40
							41
							42
							43
							44
							45
							46
							47
							48
							49
Total		12,493,472	286,624,062	28,451,493	327,569,027		50

Note: (1) Includes Variable Transportation Charges.

Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report Is: (1) X An Original (2) A Resubmission	Date of Report (Mo./Da./Yr.)	Year of Report Dec. 31, 2012
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GAS PLANT ACQUISITION ADJUSTMENTS AND ACCUMULATED PROVISION FOR AMORTIZATION OF GAS PLANT ACQUISITION ADJUSTMENTS (Accounts 114, 115)

Instructions:

- Report the balances at beginning and end of year and changes during the year for Account 114, Gas Plant Acquisition Adjustments, and Account 115, Accumulated Provision for Amortization of Gas Plant Acquisition Adjustments.
- Explain each debit and credit during the year, give reference to any Commission orders or other authorizations concerning such amounts, and show contra account debited or credited.
- For acquisition adjustments arising during the year state the name of the company from which the property was acquired, date of transaction, and date journal entries clearing Account 102, Gas Plant Purchased or Sold, were accepted for filing by the Commission.
- Credits to Account 114 and debits to Account 115 should be enclosed in parentheses.
- In the blank space at the bottom of the schedule, explain the plan of disposition of acquisition adjustments. Give, also, date the Commission authorized use of Account 115, Accumulated Provision for Amortization of Gas Plant Acquisition Adjustments.

Line No.	Item (a)	Contra Account (b)	Acquisition Adjustments (Account 114) (c)	Accumulated Provision for Amortization (Account 115) (d)
1	Balance beginning of year		None	None
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25	Balance end of year		None	None

Name of Respondent		This Report Is:	Date of Report (02./02./2012.)	Year of Report	
THE PEOPLES GAS LIGHT AND COKE COMPANY		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Dec. 31, 2012	
FRANCHISE REQUIREMENTS (Account 927) (Gas)					
Instructions:					
1. Report below cash payments of \$2,500 or more to municipal or other governmental authorities, and the cost of gas, materials, supplies, and other items furnished such authorities during the year without reimbursement in compliance with franchise, ordinance, or similar requirements. For amounts less than \$2,500 the payments may be grouped provided the number of payments so grouped is shown.					
2. Give the basis of amounts entered in column (c) for gas supplied without charge.					
	Name of Municipal or Other Governmental Authority	Cash Outlays	Gas Supplied Without Charge	Other Items Furnished Without Charge	Total
Line No	(a)	(b)	(c)	(d)	(e)
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					
41					
42					
43	Total				None

Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report Is: (1) X An Original (2) A Resubmission	Date of Report (Mo./Da./Yr.)	Year of Report Dec. 31, 2012
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TERRITORY SERVED

Instructions:
1. List below the names of cities, towns and villages in which respondent is furnishing gas service.
2. All communities for which respondent has gas rates on file with this Commission should be listed.

Line No.	City or Village	Line No.	City or Village	Line No.	City or Village
1	Chicago	51		101	
2		52		102	
3		53		103	
4		54		104	
5		55		105	
6		56		106	
7		57		107	
8		58		108	
9		59		109	
10		60		110	
11		61		111	
12		62		112	
13		63		113	
14		64		114	
15		65		115	
16		66		116	
17		67		117	
18		68		118	
19		69		119	
20		70		120	
21		71		121	
22		72		122	
23		73		123	
24		74		124	
25		75		125	
26		76		126	
27		77		127	
28		78		128	
29		79		129	
30		80		130	
31		81		131	
32		82		132	
33		83		133	
34		84		134	
35		85		135	
36		86		136	
37		87		137	
38		88		138	
39		89		139	
40		90		140	
41		91		141	
42		92		142	
43		93		143	
44		94		144	
45		95		145	
46		96		146	
47		97		147	
48		98		148	
49		99		149	
50		100		150	

Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report Is: (1) X An Original (2) A Resubmission	Date of Report (Mo./Da./Yr.)	Year of Report Dec. 31, 2012
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TERRITORY SERVED (continued)

Instructions:
1. List below the names of cities, towns and villages in which respondent is furnishing gas service.
2. All communities for which respondent has gas rates on file with this Commission should be listed.

Line No.	City or Village	Line No.	City or Village	Line No.	City or Village
151		201		251	
152		202		252	
153		203		253	
154		204		254	
155		205		255	
156		206		256	
157		207		257	
158		208		258	
159		209		259	
160		210		260	
161		211		261	
162		212		262	
163		213		263	
164		214		264	
165		215		265	
166		216		266	
167		217		267	
168		218		268	
169		219		269	
170		220		270	
171		221		271	
172		222		272	
173		223		273	
174		224		274	
175		225		275	
176		226		276	
177		227		277	
178		228		278	
179		229		279	
180		230		280	
181		231		281	
182		232		282	
183		233		283	
184		234		284	
185		235		285	
186		236		286	
187		237		287	
188		238		288	
189		239		289	
190		240		290	
191		241		291	
192		242		292	
193		243		293	
194		244		294	
195		245		295	
196		246		296	
197		247		297	
198		248		298	
199		249		299	
200		250		300	

Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report Is: (1) X An Original (2) A Resubmission	Date of Report (Mo./Da./Yr.)	Year of Report Dec. 31, 2012
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CONSTRUCTION OVERHEADS-GAS

1. List in column (a) the kinds of overheads according to the titles used by the respondent. Charges for outside professional services for engineering fees and management or supervision fees capitalized should be shown as separate items.
2. On page 44 furnish information concerning construction overheads.
3. A respondent should not report "none" to this page. If no overhead apportionments are made, but rather should explain on page 44 the accounting procedures employed and the amounts of engineering, supervision and administrative costs, etc. which are directly charged to construction.
4. Enter on this page engineering, supervision, administrative and allowance for funds used during construction, etc. which are first assigned to a blanket work order and then prorated to construction jobs.

Line No.	Description of Overhead (a)	Total Amount Charged for the Year (b)	Total Cost of Construction to which Overheads were Charged (Exclusive of Overhead Charges) (c)
1	Internal Design, Engineering and Supervision	6,064,012	
2	External Design, Engineering and Supervision	891,619	
3	Accelerated Main Replacement Program Design, Engineering and Supervision	13,129,418	
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43	Total	20,085,049	283,510,353

Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report Is: (1) X An Original (2) A Resubmission	Date of Report (Mo./Da./Yr.)	Year of Report Dec. 31, 2012
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UNCOLLECTIBLES ACCOUNTS EXPENSE

1. In Column (b), provide the total amount charged to Account 904 for gas utility operations.
2. In Column (c), provide the amount charged to Account 904 that is incurred in providing utility services in Illinois.
3. In the comments section, provide an explanation or calculation of how the Illinois amount is derived.

Line No.	Description (a)	Total Gas Amount Charged for the Year (b)	Illinois Gas Amount Charged for the Year (c)
1	Account 904 Uncollectible Accounts	17,970,168	17,970,168
2			
3			
4			
5			

Explanation of how Illinois amount is derived:
The company only operates in Illinois. The amount is calculated based on a percentage of sales revenues.

Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report Is: (1) X An Original (2) A Resubmission	Date of Report (Mo./Da./Yr.)	Year of Report Dec. 31, 2012
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Enterprise Zone Revenues

In Column (b), provide the total amount of enterprise zone revenues as defined in Section 9-222.1 of the Public Utilities Act.

Line No.	Description (a)	ICC Account Number (b)	Amount Charged for the Year (c)
1	Enterprise Zone Revenues - Residential Sales	480	19,914
2	Enterprise Zone Revenues - Commercial and Industrial Sales	481	589,553
3	Enterprise Zone Revenues - Transportation	489.3	2,314,896
4			
5	Total		2,924,363

Note: Reflects revenues recorded in the accounts shown in column (b). The Company does not record in the above ICC account numbers the amounts charged for revenue taxes, gas use taxes, Low Income Energy Assistance Fund charge ("LIEAF"), and Renewable Energy Resources and Coal Technology Fund ("RERC") charge. In addition, the Enterprise Zone revenues reflected on this page do not match the Enterprise Zone revenues shown on Page 14 due to the following two reasons: 1) difference in the way LIEAF and RERC are treated (they are reflected in the Page 14 numbers), and 2) the amounts shown on this page represent calendar year revenues, which include unbilled revenue estimates, whereas the amounts shown on page 14 represent the amounts actually billed to the customers.

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