

North Shore Gas Company

Class Cost of Service Study Results at North Shore Gas Company COS Model and IIEC COS Model (Dollar Amounts in Thousands)

<u>Line</u>	<u>Description</u>	<u>North Shore Gas Total</u> (1)	<u>SC1 Residential</u> (2)	<u>SC2 General Service</u> (3)	<u>SC4 Lg Volume Dmd Service</u> (4)
<u>North Shore Gas Cost of Service Results</u>					
1	Present Tariff Revenues	\$81,742	\$61,771	\$16,282	\$3,690
2	Cost of Service at Proposed Revenues	\$88,790	\$65,988	\$18,435	\$4,367
3	Revenue Deficiency	\$7,134	\$4,292	\$2,165	\$677
4	Revenue Deficiency %	8.74%	6.96%	13.31%	18.36%
<u>IIEC Cost of Service Results</u>					
<u>Coincident Demand Allocator</u>					
5	Present Tariff Revenues	\$81,742	\$61,771	\$16,282	\$3,690
6	Cost of Service at Proposed Revenues	\$88,790	\$66,685	\$18,776	\$3,330
7	Revenue Deficiency	\$7,134	\$4,988	\$2,506	(\$360)
8	Revenue Deficiency %	8.74%	8.09%	15.40%	-9.75%
<u>IIEC Cost of Service Results</u>					
<u>Coincident Demand Allocator & Small Mains Adjustment</u>					
9	Present Tariff Revenues	\$81,742	\$61,771	\$16,282	\$3,690
10	Cost of Service at Proposed Revenues	\$88,790	\$67,184	\$19,034	\$2,572
11	Revenue Deficiency	\$7,134	\$5,488	\$2,764	(\$1,117)
12	Revenue Deficiency %	8.74%	8.89%	16.99%	-30.29%

Source: North Shore Gas Company Embedded Class Cost of Service Study for
Future Test Year Ended December 31, 2015, NSG Schedule E-6;
IIEC Cost of Services Studies changing 1) AVGP factor to a CP factor, and
2) small mains adjustment

The Peoples Gas Light and Coke Company

Class Cost of Service Study Results at Peoples Gas Light and Coke Company COS Model and IIEC COS Model (Dollar Amounts in Thousands)

<u>Line</u>	<u>Description</u>	<u>PGL Total</u> (1)	<u>SC1 Residential</u> (2)	<u>SC2 General Service</u> (3)	<u>SC4 Lg Volume Dmd Service</u> (4)	<u>SC8 CNG Service</u> (5)
<u>PGL Cost of Service Results</u>						
1	Present Tariff Revenues	\$579,016	\$385,992	\$169,464	\$23,290	\$270
2	Cost of Service at Proposed Revenues	\$705,958	\$450,929	\$218,753	\$36,030	\$247
3	Revenue Deficiency	\$128,854	\$66,422	\$49,696	\$12,758	(\$22)
4	Revenue Deficiency %	22.33%	17.27%	29.40%	54.82%	-8.28%
<u>IIEC Cost of Service Results</u>						
<u>Coincident Demand Allocator</u>						
5	Present Tariff Revenues	\$579,016	\$385,992	\$169,464	\$23,290	\$270
6	Cost of Service at Proposed Revenues	\$705,958	\$453,288	\$219,176	\$33,271	\$223
7	Revenue Deficiency	\$128,854	\$68,781	\$50,119	\$10,000	(\$46)
8	Revenue Deficiency %	22.33%	17.89%	29.65%	42.97%	-17.15%
<u>IIEC Cost of Service Results</u>						
<u>Coincident Demand Allocator & Small Mains Adjustment</u>						
9	Present Tariff Revenues	\$579,016	\$385,992	\$169,464	\$23,290	\$270
10	Cost of Service at Proposed Revenues	\$705,958	\$455,284	\$221,021	\$29,428	\$226
11	Revenue Deficiency	\$128,854	\$70,777	\$51,964	\$6,157	(\$44)
12	Revenue Deficiency %	22.33%	18.41%	30.74%	26.46%	-16.31%

Source: Peoples Gas Light and Coke Company Embedded Class Cost of Service Study for Future Test Year Ended December 31, 2015, PGL Schedule E-6; IIEC Cost of Services Studies changing 1) AVGP factor to a CP factor, and 2) small mains adjustment