

The Peoples Gas Light and Coke Company

JURISDICTIONAL RATE BASE SUMMARY BY ICC ACCOUNT

Line No.	Supporting Schedule (A)	ICC Account (B)	Rate Base Component (C)	December 31, 2009 (D)	December 31, 2010 (1) (E)	Average Test Year 2010 (2) (F)	Adjustments from Schedule B-2 (G)	Adjusted Average Test Year 2010 (H)	Line No.
1	B-5	101,106,107,117	Gross Utility Plant	\$ 2,584,862,000	\$ 2,746,850,000	\$ 2,665,856,000	\$ -	\$ 2,665,856,000	1
2	B-6	108,111,254	Accumulated Provision for Deperciation and Amortization	1,043,597,000	1,088,804,000	1,066,201,000	3,903,000	1,070,104,000	2
3			Net Utility Plant (Line 1 minus Line 2)	<u>1,541,265,000</u>	<u>1,658,046,000</u>	<u>1,599,655,000</u>	<u>(3,903,000)</u>	<u>1,595,752,000</u>	3
4	B-8	131	Cash Working Capital	47,260,000	47,260,000	47,260,000	-	47,260,000	4
5	B-8.1	154,163	Materials and Supplies, Net of Account Payables (3)	9,677,000	10,064,000	9,871,000	-	9,871,000	5
6	B-1.1	164.1, 164.2, 165	Gas in Storage, Net of Accounts Payable (3)	54,166,000	61,693,000	57,930,000	-	57,930,000	6
7	B-1.2	129,182,228,242,254	Retirement Benefits, Net	66,853,000	43,538,000	55,196,000	1,058,000	56,254,000	7
8	B-14	142,242	Budget Plan Balances (3)	12,605,000	12,605,000	12,605,000		12,605,000	8
9			Subtotal (Lines 4 to 8)	<u>190,561,000</u>	<u>175,160,000</u>	<u>182,862,000</u>	<u>1,058,000</u>	<u>183,920,000</u>	9
10	B-9	190,282,283	Accumulated Deferred Income Taxes	(344,741,000)	(343,157,000)	(343,949,000)	1,122,000	(342,827,000)	10
11	B-13	235	Customer Deposits	(32,088,000)	(32,088,000)	(32,088,000)	-	(32,088,000)	11
12	B-1.3	252	Customer Advances for Construction	(392,000)	(392,000)	(392,000)	-	(392,000)	12
13	B-1.4	228.2	Reserve for Injuries and Damages	(8,007,000)	(8,607,000)	(8,307,000)	-	(8,307,000)	13
14			Subtotal (Lines 10 to 13)	<u>(385,228,000)</u>	<u>(384,244,000)</u>	<u>(384,736,000)</u>	<u>1,122,000</u>	<u>(383,614,000)</u>	14
15			Total Rate Base (Lines 3 + 9 +14)	<u>\$ 1,346,598,000</u>	<u>\$ 1,448,962,000</u>	<u>\$ 1,397,781,000</u>	<u>\$ (1,723,000)</u>	<u>\$ 1,396,058,000</u>	15

Notes: (1) Calendar year 2010 includes impact of implementation of the accelerated main replacement program.  
(2) The arithmetic averages of amounts at December 31, 2009 and at December 31, 2010 for Gross Utility Plant and Other Rate Base Items.  
(3) Arithmetic average of 13 month-end balances.

The Peoples Gas Light and Coke Company

GAS IN STORAGE

Item: Gas in Storage

Line No.	Date	Historical Year Ended December 31, 2007			Forecasted Year Ending December 31, 2008 (1)			Line No.
		Gas In Storage [B]	Associated Accounts Payable [C]	Net [D]	Gas In Storage [E]	Associated Accounts Payable [F]	Net [G]	
1	December 31	\$ 89,417,000		\$ 89,417,000	\$ 84,901,000	-	\$ 84,901,000	1
2	January 31	59,305,000		59,305,000	38,420,000		38,420,000	2
3	February 28	31,268,000		31,268,000	21,056,000		21,056,000	3
4	March 31	28,163,000		28,163,000	17,452,000		17,452,000	4
5	April 30	34,679,000	(6,516,000)	28,163,000	23,798,000	(6,346,000)	17,452,000	5
6	May 31	40,473,000	(5,794,000)	34,679,000	33,842,000	(10,044,000)	23,798,000	6
7	June 30	58,195,000	(17,722,000)	40,473,000	41,573,000	(7,731,000)	33,842,000	7
8	July 31	86,988,000	(28,793,000)	58,195,000	64,508,000	(22,935,000)	41,573,000	8
9	August 31	122,603,000	(35,615,000)	86,988,000	113,042,000	(48,534,000)	64,508,000	9
10	September 30	157,803,000	(35,200,000)	122,603,000	184,802,000	(71,760,000)	113,042,000	10
11	October 31	188,464,000	(30,661,000)	157,803,000	252,699,000	(67,897,000)	184,802,000	11
12	November 30	171,088,000		171,088,000	254,969,000	(2,270,000)	252,699,000	12
13	December 31	84,901,000		84,901,000	108,780,000		108,780,000	13
14	13 Month Total	<u>\$ 1,153,347,000</u>	<u>\$ (160,301,000)</u>	<u>\$ 993,046,000</u>	<u>\$ 1,239,842,000</u>	<u>\$ (237,517,000)</u>	<u>\$ 1,002,325,000</u>	14
15	13 Month Avg	<u>\$ 88,719,000</u>	<u>\$ (12,331,000)</u>	<u>\$ 76,388,000</u>	<u>\$ 95,372,000</u>	<u>\$ (18,271,000)</u>	<u>\$ 77,102,000</u>	15
		Forecasted Year Ending December 31, 2009 (2)			Test Year Ending December 31, 2010			
		Gas In Storage	Associated Accounts Payable	Net	Gas In Storage	Associated Accounts Payable	Net	
16	December 31	\$ 108,780,000		\$ 108,780,000	\$ 89,098,000	-	\$ 89,098,000	16
17	January 31	39,331,000		39,331,000	37,252,000		37,252,000	17
18	February 28	23,297,000		23,297,000	21,395,000		21,395,000	18
19	March 31	14,263,000		14,263,000	13,482,000		13,482,000	19
20	April 30	16,606,000	(2,343,000)	14,263,000	16,727,000	(3,245,000)	13,482,000	20
21	May 31	23,791,000	(7,185,000)	16,606,000	24,625,000	(7,898,000)	16,727,000	21
22	June 30	30,330,000	(6,539,000)	23,791,000	32,825,000	(8,200,000)	24,625,000	22
23	July 31	37,922,000	(7,592,000)	30,330,000	46,105,000	(13,280,000)	32,825,000	23
24	August 31	57,508,000	(19,586,000)	37,922,000	74,440,000	(28,335,000)	46,105,000	24
25	September 30	85,849,000	(28,341,000)	57,508,000	134,808,000	(60,368,000)	74,440,000	25
26	October 31	163,121,000	(77,272,000)	85,849,000	208,676,000	(73,868,000)	134,808,000	26
27	November 30	194,262,000		163,121,000	225,017,000		208,676,000	27
28	December 31	89,098,000		89,098,000	89,098,000		89,098,000	28
29	13 Month Total	<u>\$ 884,158,000</u>	<u>\$ (179,999,000)</u>	<u>\$ 704,159,000</u>	<u>\$ 1,013,548,000</u>	<u>\$ (211,535,000)</u>	<u>\$ 802,013,000</u>	29
30	13 Month Avg	<u>\$ 68,012,000</u>	<u>\$ (13,846,000)</u>	<u>\$ 54,166,000</u>	<u>\$ 77,965,000</u>	<u>\$ (16,272,000)</u>	<u>\$ 61,693,000</u>	30

Notes: (1) Includes six months of actual data and six months of forecasted data  
(2) Includes zero months of actual data and twelve months of forecasted data

Reason for Addition: In accordance with prior Illinois Commerce Commission treatment, Gas in Storage is an addition to rate base. The amount shown in rate base is a 13 month average net of associated accounts payable. The accounts payable is represented by the month's increase in inventory balance.

The Peoples Gas Light & Coke Company

Retirement Benefits, Net

Item: Retirement Benefits, Net

Line No.	Description (A)	Balance at December 31,2009 (B)	Balance at December 31,2010 (C)	Average (D)	Line No.
1	Pension Asset/(Liability)				1
2	129525 Pension Plans - both	\$ 23,295,000	\$ 8,833,000	\$ 16,064,000	2
3	228333 Sup Ret Plan	1,549,000	3,866,000	2,708,000	3
4	242591 Current SERP	<u>(2,356,000)</u>	<u>(2,356,000)</u>	<u>(2,356,000)</u>	4
5	Net Pension Funded Status	<u>22,488,000</u>	<u>10,343,000</u>	<u>16,416,000</u>	5
6	Pension Reg Asset/(Liability)				6
7	182321 Pension - Retirement Plan - FAS 158	130,289,000	120,950,000	125,619,000	7
8	182322 Pension - Serv Annuity Plan - FAS 158	0	0	0	8
9	254115 SERP - FAS 158	<u>(904,000)</u>	<u>(904,000)</u>	<u>(904,000)</u>	9
10	Net Pens Reg Asset/(Liability)	<u>129,385,000</u>	<u>120,046,000</u>	<u>124,715,000</u>	10
11	Total Pension	<u>151,873,000</u>	<u>130,389,000</u>	<u>141,131,000</u>	11
12	Welfare Asset/(Liability)				12
13	228334 Welfare Liability	<u>(111,137,000)</u>	<u>(111,268,000)</u>	<u>(111,202,000)</u>	13
14	Welfare Reg Asset/(Liability)				14
15	182323 Welfare Reg Asset/(Liability) - FAS 158	<u>26,117,000</u>	<u>24,417,000</u>	<u>25,267,000</u>	15
16	Total Welfare	<u>(85,020,000)</u>	<u>(86,851,000)</u>	<u>(85,935,000)</u>	16
17	Retirement Benefits, Net	<u>\$ 66,853,000</u>	<u>\$ 43,538,000</u>	<u>\$ 55,196,000</u>	17

Reason for Addition: See the direct testimony of J. Hengtgen.

The Peoples Gas Light and Coke Company

CUSTOMER ADVANCES FOR CONSTRUCTION

Item: Customer Advances for Construction

Line No.	Account	Balances at December 31,		Average Test Year 2010	Line No.
		Year 2009	Year 2010		
1	252	\$ (392,000)	\$ (392,000)	\$ (392,000)	1

Reason for Deduction: In accordance with prior Illinois Commerce Commission treatment, this amount is deducted from rate base.

The Peoples Gas Light and Coke Company

RESERVE FOR INJURIES AND DAMAGES

Item: Reserve for Injuries and Damages

<u>Line No.</u>	<u>Account</u>	<u>Balances at December 31,</u>		<u>Average Test Year 2010</u>	<u>Line No.</u>
		<u>Year 2009</u>	<u>Year 2010</u>		
1	228.2	\$ (8,007,000)	\$ (8,607,000)	\$ (8,307,000)	1

Reason for Deduction: In accordance with prior Illinois Commerce Commission treatment, this amount is deducted from rate base.

The Peoples Gas Light and Coke Company

SUMMARY OF UTILITY ADJUSTMENTS TO RATE BASE

TEST YEAR ENDING DECEMBER 31, 2010

Line No.	ICC Account [A]	Rate Base Component [B]	Supporting Schedule		Total of Adjustments [E]
			B-2.1	B-2.2	
			Net Dismantling(1) [C]	Regulatory Asset - Retirement Benefits(1) [D]	
1	101,106,107,117	Gross Utility Plant	\$ -	\$ -	\$ -
2	108,111,254	Accumulated Provision for Deperciation and Amortization	3,903,000	-	3,903,000
3		Net Utility Plant (Line 1 minus Line 2)	<u>(3,903,000)</u>	<u>-</u>	<u>(3,903,000)</u>
4	131	Cash Working Capital	-	-	-
5	154,163	Materials and Supplies, Net of Accounts Payable (2)	-	-	-
6	164.1, 164.2, 165	Gas in Storage, Net of Accounts Payable(2)	-	-	-
7	129,182,228,242,254	Retirement Benefits, Net	-	1,058,000	1,058,000
8	142,242	Budget Plan Balances (2)	-	-	-
9		Subtotal (Lines 4 to 8)	<u>-</u>	<u>1,058,000</u>	<u>1,058,000</u>
10	190,282,283	Accumulated Deferred Income Taxes	1,551,000	(429,000)	1,122,000
11	235	Customer Deposits	-	-	-
12	252	Customer Advances for Construction	-	-	-
13	228.2	Reserve for Injuries and Damages	-	-	-
14		Subtotal (Lines 10 to 13)	<u>1,551,000</u>	<u>(429,000)</u>	<u>1,122,000</u>
15		Total Rate Base (Lines 3 + 9 +14)	<u>\$ (2,352,000)</u>	<u>\$ 629,000</u>	<u>\$ (1,723,000)</u>

Note: (1) The arithmetic averages of amounts at December 31, 2009 and at December 31, 2010 for Gross Utility Plant and Other Rate Base items.

(2) Arithmetic average of 13 month-end balances

The Peoples Gas Light and Coke Company

DETAILED ADJUSTMENTS TO RATE BASE

Line  
No.

- 1 Adjustment B-2.1
- 2 Title of Adjustment: Net Dismantling
- 3 Description of Adjustment: This is related to the change to the accrual method of accounting for net dismantling costs.
- 4 Summary Calculation to Support Adjustment:

5		<u>Balance at December 31, 2009</u>	<u>Balance at December 31, 2010</u>	<u>Average Test Year 2010</u>
6	Account 254	\$ -	\$ (10,120,000)	\$ (5,060,000)
7	Account 108	-	2,315,000	1,157,000
8	Sub-Total	-	(7,805,000)	(3,903,000)
9	Account 282	-	3,102,000	1,551,000
10	Total	<u>\$ -</u>	<u>\$ (4,703,000)</u>	<u>\$ (2,352,000)</u>

B-2, Col. C

The Peoples Gas Light and Coke Company

DETAILED ADJUSTMENTS TO RATE BASE

<u>Line No.</u>		<u>Balance at December 31, 2009</u>	<u>Balance at December 31, 2010</u>	<u>Average Test Year 2010</u>
1	Adjustment B-2.2			
2	Title of Adjustment: Regulatory Asset for Purchase Accounting related to Retirement Benefits, net			
3	Description of Adjustment: This is related for a reclassification of a Regulatory Asset for impacts related to Purchase Accounting for Retirement Benefits, net.			
4	Summary Calculation to Support Adjustment:			
5	<b>Pension Reg Asset/(Liability)</b>			
6	182321 Pension - Retirement Plan - FAS 158	\$ -	\$ (65,572,000)	\$ (32,786,000)
7	182322 Pension - Serv Annuity Plan - FAS 158	-	-	-
8	254115 SERP - FAS 158	-	1,033,000	517,000
9	182351 Reg Asset - Pension - Purchase Accy	-	68,756,000	34,378,000
10	<b>Net Pens Reg Asset/(Liability)</b>	<u>-</u>	<u>4,217,000</u>	<u>2,109,000</u>
11	<b>Welfare Reg Asset/(Liability)</b>			
12	182323 Welfare Reg Asset/(Liability) - FAS 158	-	(33,661,000)	(16,831,000)
13	182351 Reg Asset - Welfare - Purchase Accy	-	31,559,000	15,780,000
14	<b>Net Welfare Reg Asset/(Liability)</b>	<u>-</u>	<u>(2,102,000)</u>	<u>(1,051,000)</u>
15	<b>Retirement Benefits, net</b>	<u>\$ -</u>	<u>\$ 2,115,000</u>	<u>\$ 1,058,000</u>
16	<b>Accumulated Deferred Income Taxes</b>			
17	190 Amounts charged to Account 410	<u>\$ -</u>	<u>\$ (857,000)</u>	<u>\$ (429,000)</u>
18	<b>Total</b>	<u>\$ -</u>	<u>\$ 1,258,000</u>	<u>\$ 629,000</u>

B-2, Col. D

The Peoples Gas Light and Coke Company

Gross Additions, Retirements and Transfers

Calendar Years 2007 and 2008

Line No.	Plant Function (1) [A]	Historical Year Ended December 31, 2007				Balance at 12-31-2007 [F]	Reclassification of Functional Class [G]	Balance at 01-01-2008 [H]	Forecasted Year Ending December 31, 2008 (2)			Balance at 12-31-2008 [I]	Line No.
		Balance at 12-31-2006 [B]	Gross Additions [C]	Retirements [D]	Transfers/Sundries(4) [E]				Gross Additions [J]	Retirements [G]	Transfers/Sundries(4) [H]		
1	Distribution	\$1,734,778,000	\$78,854,000	(\$18,678,000)	(\$127,000)	\$1,794,827,000	(\$5,303,000) (6)	\$1,789,524,000	\$88,516,000	(\$10,054,000)	\$0	\$1,867,986,000	1
2	Underground Storage	255,007,000	11,908,000	(412,000)	60,000	266,563,000	1,486,000 (7)	268,051,000	14,214,000	(132,000)	(378,000) (13)	281,755,000	2
3	Liquefied Natural Gas	23,025,000	1,921,000	(341,000)	(60,000)	24,545,000	(1,344,000) (8)	23,201,000	0	0	0	23,201,000	3
4	Transmission - Not Leased	108,444,000	6,000	(62,000)	0	108,388,000	5,779,000 (9)	114,167,000	1,875,000	0	5,155,000 (14)	121,197,000	4
5	General	95,617,000	9,274,000	(10,037,000)	202,000	95,056,000	(350,000) (10)	94,706,000	3,692,000	(526,000)	(26,582,000) (15)	71,290,000	5
6	Intangible	107,912,000	4,699,000	(195,000)	572,000	112,988,000	195,000 (11)	113,183,000	0	0	(9,686,000) (15)	103,497,000	6
7	Production	951,000	0	(496,000)	0	455,000	(465,000) (12)	0	0	0	0	0	7
8	ARO Obligation	22,205,000 (5)	0	0	79,570,000	101,775,000 (5)	0	101,775,000 (5)	0	0	0	101,775,000 (5)	8
9	Total Account 101	2,347,949,000	106,662,000	(30,221,000)	80,217,000	2,504,607,000	0	2,504,607,000	108,297,000	(10,712,000)	(31,491,000)	2,570,701,000	9
10													10
11	Recoverable Natural Gas (Account 117)	4,981,000	115,000	0	0	5,096,000	0	5,096,000	575,000	0	377,000 (13)	6,048,000	11
12	Total Plant in Service	2,352,930,000	106,777,000	(30,221,000)	80,217,000	2,509,703,000	0	2,509,703,000	108,872,000	(10,712,000)	(31,114,000)	2,576,749,000	12
13	Construction Work in Progress (Account 107)	19,639,000	(4,195,000)	0	0	15,444,000	0	15,444,000	(9,781,000)	0	0	5,663,000	13
14	Total Utility Plant	\$2,372,569,000	\$102,582,000	(\$30,221,000) (3)	\$80,217,000	\$2,525,147,000	\$0	\$2,525,147,000	\$99,091,000	(\$10,712,000)	(\$31,114,000)	\$2,582,412,000	14

- Notes: (1) Account 104, Gas Plant Leased to Others, is excluded from this Schedule.  
(2) Includes Six Months of Actual data and Six Months of Forecasted data.  
(3) Retirements differ from Schedule B-6 primarily due to transfer of assets and retirement activity that resulted in losses. Explanation of differences shown on Schedule B-6.  
(4) Transfers may include normal, routine transfers between categories, corrections and intercompany transfers of assets.  
(5) Asset Retirement Obligation (ARO) is excluded from Schedule B-1.  
(6) Includes \$20,595.76 transferred to General, \$5,771,758.80 transferred to Transmission-Not Leased, \$1,595.22 transferred to Underground Storage, \$465,201.17 transferred from Production, and \$26,943.00 transferred from General.  
(7) Includes \$1,595.22 transferred from Distribution, \$10,358.06 transferred from General, and \$1,476,481.35 transferred from Liquefied Natural Gas.  
(8) Includes \$1,476,481.35 transferred to Underground Storage and \$131,625.10 from General.  
(9) Includes \$5,771,758.80 transferred from Distribution and \$7,245.27 transferred from General.  
(10) Includes \$26,943.00 transferred to Distribution, \$131,625.10 transferred to Liquefied Natural Gas, \$7,245.27 transferred to Transmission, \$10,358.06 transferred to Underground Storage, and \$20,595.76 transferred from Distribution. This also includes an adjustment for a 2007 misclassification of retirements between Intangibles and General of \$195,151.48.  
(11) Includes an adjustment for a 2007 misclassification of retirements between Intangibles and General of \$195,151.48.  
(12) Includes \$465,201.17 transferred to Distribution.  
(13) Transfer between Recoverable Natural Gas and Non Recoverable natural gas to correct percentage split.  
(14) Transfer from Transmission - Leased to Transmission - Not Leased due to change in lease with pipeline.  
(15) Transfers to Integrys Business Support, LLC

The Peoples Gas Light and Coke Company

Gross Additions, Retirements and Transfers

Calendar Years 2009 and 2010

Line No.	Plant Function (1) [A]	Forecasted Year Ending December 31, 2009 (2)			Test Year Ending December 31, 2010 (6)			Balance at 12-31-2010 [J]	Line No.		
		Balance at 12-31-2008 [B]	Gross Additions [C]	Retirements [D]	Transfers/Sundries(3) [E]	Balance at 12-31-2009 [F]	Gross Additions [G]			Retirements [H]	Transfers/Sundries(3) [I]
1	Distribution	\$1,867,986,000	\$84,613,000	(\$15,125,000)	\$0	\$1,937,474,000	\$143,008,000	(\$19,110,000)	\$0	\$2,061,372,000	1
2	Underground Storage	281,755,000	20,824,000	(1,271,000)	0	301,308,000	28,832,000	(1,394,000)	0	328,746,000	2
3	Liquefied Natural Gas	23,201,000	1,718,000	0	0	24,919,000	3,587,000	0	0	28,506,000	3
4	Transmission - Not Leased	121,197,000	5,015,000	0	0	126,212,000	1,703,000	0	0	127,915,000	4
5	General	71,290,000	8,254,000	(8,774,000)	0	70,770,000	8,294,000	(562,000)	0	78,502,000	5
6	Intangible	103,497,000	592,000	0	0	104,089,000	217,000	0	0	104,306,000	6
7	Production	0	2,000,000 (5)	0	0	2,000,000	2,000,000 (5)	0	0	4,000,000	7
8	ARO Obligation	101,775,000 (4)	0	0	0	101,775,000 (4)	0	0	0	101,775,000 (4)	8
9	Total Account 101	2,570,701,000	123,016,000	(25,170,000)	0	2,668,547,000	187,641,000	(21,066,000)	0	2,835,122,000	9
10											10
11	Recoverable Natural Gas (Account 117)	6,048,000	638,000	0	0	6,686,000	627,000	0	0	7,313,000	11
12	Total Plant in Service	2,576,749,000	123,654,000	(25,170,000)	0	2,675,233,000	188,268,000	(21,066,000)	0	2,842,435,000	12
13	Construction Work in Progress (Account 107)	5,663,000	5,741,000	0	0	11,404,000	(5,214,000)	0	0	6,190,000	13
14	Total Utility Plant	<u>\$2,582,412,000</u>	<u>\$129,395,000</u>	<u>(\$25,170,000)</u>	<u>\$0</u>	<u>\$2,686,637,000</u>	<u>\$183,054,000</u>	<u>(\$21,066,000)</u>	<u>\$0</u>	<u>\$2,848,625,000</u>	14

- Notes: (1) Account 104, Gas Plant Leased to Others, is excluded from this Schedule.  
(2) Includes Zero Months of Actual data and Twelve Months of Forecasted data.  
(3) Transfers may include normal, routine transfers between categories, corrections and intercompany transfers of assets.  
(4) Asset Retirement Obligation (ARO) is excluded from Schedule B-1.  
(5) Per Illinois Commerce Commission Order in Docket No. 04-0112, PGL was directed to include future MGP land purchases as rate base assets.  
(6) Calendar year 2010 includes impact of implementation of the accelerated main replacement program.

The Peoples Gas Light and Coke Company

Depreciation Reserve

Calendar Year 2007

Historical Year Ended December 31, 2007									
Line No.	Plant Function (1) [A]	Balance at 12-31-2006 [B]	Depreciation Expense [C]	Transportation Depreciation Expense / Capitalized Depr. Transfer [D]	Retirements [E]	Dismantling Cost Net of Salvage [F]	Sundries [G]	Balance at 12-31-2007 [H]	Line No.
1	Distribution	\$658,852,000	\$45,315,000	\$91,000	(\$18,678,000)	\$8,133,000	\$58,000	\$677,505,000	1
2	Underground Storage	122,141,000	2,939,000	0	(412,000)	100,000	3,000	124,571,000	2
3	Liquefied Natural Gas	15,742,000	233,000	0	(341,000)	0	(4,000)	15,630,000	3
4	Transmission - Not Leased	46,573,000	1,054,000	0	(62,000)	14,000	0	47,551,000	4
5	General	47,197,000	4,031,000	4,589,000	(9,860,000) (2)	(442,000)	(24,000)	46,375,000	5
6	Intangible	53,074,000	9,192,000	0	(154,000) (2)	0	3,274,000 (3)	65,386,000	6
7	Production	\$50,000	74,000	0	(496,000)	0	0	(372,000)	7
8	Asset Retirement Obligation	8,029,000 (4)	0	0	0	0	(2,944,000)	5,085,000 (4)	8
9	Total	<u>\$951,658,000</u>	<u>\$62,838,000</u>	<u>\$4,680,000</u>	<u>(\$30,003,000)</u>	<u>\$7,805,000</u>	<u>\$363,000</u>	<u>\$981,731,000</u>	9

- Notes:
- (1) Includes Account 108.01, Accumulated Provision for Depreciation of Gas Utility Plant and Account 111, Accumulated Provision for Amortization and Depletion of Gas Utility Plant, but excludes Account 108.02, Gas Plant Leased to Others.
  - (2) Retirements differ from Schedule B-5 due to retiring capitalized dollars that should have been expensed (\$177,000) and loss on retirement of lease (\$41,000).
  - (3) Purchasing Accounting adjustment due to the write-down of SAP to accelerate the depreciation.
  - (4) Asset Retirement Obligation (ARO) is excluded from Schedule B-1.

The Peoples Gas Light and Coke Company

Depreciation Reserve

Calendar Year 2008

Forecasted Year Ending December 31, 2008 (2)

Line No.	Plant Function (1) [A]	Balance at 12-31-2007 [B]	Reclassification of Functional Class [D]	Balance at 01-01-2008 [E]	Depreciation Expense [F]	Transportation Depreciation Expense / Capitalized Depr. Transfer [G]	Retirements [H]	Dismantling Cost Net of Salvage [I]	Sundries [J]	Balance at 12-31-2008 [K]	Line No.
1	Distribution	\$677,505,000	(\$3,545,000) (4)	\$673,960,000	\$46,210,000	\$0	(\$10,054,000)	\$7,401,000	\$0	\$702,715,000	1
2	Underground Storage	124,571,000	6,000 (5)	124,577,000	2,889,000	0	(132,000)	148,000	0	127,186,000	2
3	Liquefied Natural Gas	15,630,000	5,000 (6)	15,635,000	480,000	0	0	0	0	16,115,000	3
4	Transmission - Not Leased	47,551,000	3,001,000 (7)	50,552,000	1,104,000	0	0	10,000	5,118,000 (12)	56,764,000	4
5	General	46,375,000	3,709,000 (8)	50,084,000	1,102,000	5,265,000	(526,000)	(22,000)	(17,489,000) (13)	38,458,000	5
6	Intangible	65,386,000	(3,548,000) (9)	61,838,000	9,938,000	0	0	0	(7,057,000) (14)	64,719,000	6
7	Production	(372,000)	372,000 (10)	0	0	0	0	0	0	0	7
8	Asset Retirement Obligation	5,085,000 (3)		5,085,000 (3)	4,951,000 (11)	0	0	0	0	10,036,000 (3)	8
9	Total	\$981,731,000	\$0	\$981,731,000	\$66,674,000	\$5,265,000	(\$10,712,000)	\$7,537,000	(\$19,428,000)	\$1,015,993,000	9

- Notes: (1) Includes Account 108, Accumulated Provision for Depreciation of Gas Utility Plant and Account 111, Accumulated Provision for Amortization and Depletion of Gas Utility Plant, but excludes Account 108.02, Gas Plant Leased to Others.  
(2) Includes six months of actual data and six months of forecasted data.  
(3) Asset Retirement Obligation (ARO) is excluded from Schedule B-1.  
(4) Includes \$2,995,798.97 transferred to Transmission-Not Leased, \$108.42 to Underground Storage, \$(372,558.82) from Production, and \$(175,477.68) from General. This also includes a \$(1,000) adjustment for rounding.  
(5) Includes \$108.42 transferred from Distribution and \$5,607.95 transferred from General.  
(6) Includes \$4,235.57 transferred from General. This also includes a \$1,000 adjustment for rounding.  
(7) Includes \$2,995,798.97 transferred from Distribution and \$5,560.62 transferred from General.  
(8) Includes \$(175,477.68) transferred to Distribution, \$4,235.57 transferred to Liquefied Natural Gas, \$5,560.62 transferred to Transmission, and \$5,607.95 transferred to Underground Storage. This also includes a misclassification of \$3,548,244.39 of the Leasehold Improvements between General and Intangible and a \$1,000 adjustment for rounding.  
(9) Includes a misclassification of \$3,548,244.39 of the Leasehold Improvements between General and Intangible.  
(10) Includes \$(372,558.82) transferred to Distribution. This also includes a \$(1,000) adjustment for rounding.  
(11) Deferred to a regulatory account.  
(12) Transfer from Transmission - Leased to Transmission - Not Leased due to change in lease with pipeline.  
(13) Transfers to Integrys Business Support, LLC.  
(14) Transfers to Integrys Business Support, LLC. and purchase accounting impacts related to software.

The Peoples Gas Light and Coke Company

Depreciation Reserve

Calendar Year 2009

Forecasted Year Ending December 31, 2009 (2)

Line No.	Plant Function (1) [A]	Balance at 12-31-2008 [B]	Depreciation Expense [C]	Transportation		Retirements [E]	Dismantling Cost Net of Salvage [F]	Sundries [G]	Balance at 12-31-2009 [H]	Line No.
				Depreciation Expense / Capitalized Depr. Transfer [D]						
1	Distribution	\$702,715,000	\$49,344,000	\$0		(\$15,125,000)	\$8,899,000	\$0	\$728,035,000	1
2	Underground Storage	127,186,000	3,229,000	0		(1,271,000)	355,000	0	128,789,000	2
3	Liquefied Natural Gas	16,115,000	524,000	0		0	35,000	0	16,604,000	3
4	Transmission - Not Leased	56,764,000	1,378,000	0		0	220,000	0	57,922,000	4
5	General	38,458,000	1,196,000	5,561,000		(8,774,000)	(182,000)	0	36,623,000	5
6	Intangible	64,719,000	10,906,000	0		0	0	0	75,625,000	6
7	Production	0	0	0		0	0	0	0	7
8	Asset Retirement Obligation	10,036,000 (3)	4,951,000 (4)	0		0	0	0	14,987,000 (3)	8
9	Total	<u>\$1,015,993,000</u>	<u>\$71,528,000</u>	<u>\$5,561,000</u>		<u>(\$25,170,000)</u>	<u>\$9,327,000</u>	<u>\$0</u>	<u>\$1,058,585,000</u>	9

- Notes: (1) Includes Account 108, Accumulated Provision for Depreciation of Gas Utility Plant and Account 111, Accumulated Provision for Amortization and Depletion of Gas Utility Plant, but excludes Account 108.02, Gas Plant Leased to Others.  
(2) Includes zero months of actual data and twelve months of forecasted data.  
(3) Asset Retirement Obligation (ARO) is excluded from Schedule B-1.  
(4) Deferred to a regulatory account.

The Peoples Gas Light and Coke Company

Depreciation Reserve

Calendar Year 2010

Line No.	Plant Function (1) [A]	Test Year Ending December 31, 2010 (5)						Balance at 12-31-2010 [H]	Line No.
		Balance at 12-31-2009 [B]	Depreciation Expense [C]	Transportation Depreciation Expense / Capitalized Depr. Transfer [D]	Retirements [E]	Dismantling Cost Net of Salvage [F]	Sundries [G]		
1	Distribution	\$728,035,000	\$60,925,000	\$0	(\$19,110,000)	\$13,821,000	\$1,000 (3)	\$756,030,000	1
2	Underground Storage	128,789,000	4,659,000	0	(1,394,000)	698,000	0	131,356,000	2
3	Liquefied Natural Gas	16,604,000	764,000	0	0	10,000	0	17,358,000	3
4	Transmission - Not Leased	57,922,000	1,378,000	0	0	0	0	59,300,000	4
5	General	36,623,000	2,787,000	4,510,000	(562,000)	(287,000)	0	43,645,000	5
6	Intangible	75,625,000	5,491,000	0	0	0	0	81,116,000	6
7	Production	0	0	0	0	0	0	0	7
8	Asset Retirement Obligation	14,987,000 (2)	4,951,000 (4)	0	0	0	0	19,938,000 (2)	8
9	Total	<u>\$1,058,585,000</u>	<u>\$80,955,000</u>	<u>\$4,510,000</u>	<u>(\$21,066,000)</u>	<u>\$14,242,000</u>	<u>\$1,000</u>	<u>\$1,108,743,000</u>	9

Note: (1) Includes Account 108, Accumulated Provision for Depreciation of Gas Utility Plant and Account 111, Accumulated Provision for Amortization and Depletion of Gas Utility Plant, but excludes Account 108.02, Gas Plant Leased to Others.

(2) Asset Retirement Obligation (ARO) is excluded from Schedule B-1.

(3) Adjustment of \$1,000 was made to tie to FERC Balance Sheet, rounding issue.

(4) Deferred to a regulatory account.

(4) Calendar year 2010 includes impact of implementation of the accelerated main replacement program.

The Peoples Gas Light and Coke Company

Construction Work In Progress

At December 31, 2010

<u>Line No.</u>	<u>Project Number</u>	<u>Description of Project</u>	<u>Direct Costs Through end of Test Year</u>	<u>AFUDC Capitalized Through end of Test Year</u>	<u>Other Indirect Costs Through end of Test Year</u>	<u>Total Cost Through end of Test Year</u>	<u>Amount in Test Year Rate Base</u>	<u>Line No.</u>
	[A]	[B]	[C]	[D]	[E]	[F]	[G]	
1	0170007013	AU-1100.10071 - WELLHEAD TELEMETRY	\$3,160,000	-	-	3,160,000	2,385,000	1

The Peoples Gas Light and Coke Company

Construction Work in Progress Percent Complete

At December 31, 2010

<u>Line No.</u>	<u>Project Number</u> [A]	<u>Description of Project</u> [B]	<u>Project Start Date</u> [C]	<u>Estimated Completion Date</u> [D]	<u>Original Budget Estimate</u> [E]	<u>Revised Budget Estimate</u> [F]	<u>Accumulated Construction Costs</u> [G]	<u>Percent Complete</u> [H]	<u>Line No.</u>
1	0170007013	AU-1100.10071 - WELLHEAD TELEMETRY	November, 2006	September, 2011	\$4,650,000	\$4,650,000	\$3,160,000	68%	1

The Peoples Gas Light and Coke Company

CASH WORKING CAPITAL

Test Year Ending December 31, 2010

Line No.	Description (A)	Lag (Lead) (1) (B)	CWC Factor (2) (C)	Amount (D)	Proforma Adjustments (E)	Revenue Increase (F)	Total (G)	Cash Working Capital Requirement (H)	Line No.
1	<b>Revenues</b>			\$ 1,658,859,000	\$ -	\$ 161,920,000	\$ -	\$ -	1
2	Less Revenues Related to Non Cash O&M Expenses:								2
3	Non-Cash Benefits			(24,948,000)	(2,156,000)				3
4	Uncollectible			(41,604,000)		(4,113,000)			4
5	Depreciation & Amortization			(76,004,000)	8,094,000				5
6	Other Non-Cash Expenses			(6,190,000)	(2,600,000)				6
7	Less Revenue associated with Riders 11/EEP			(29,497,000)					7
8	Less ROE			(2,416,000)	(1,727,000)	(95,087,000)			8
9	Less Deferred Income Taxes			(578,000)	(1,327,000)				9
10	Less Investment Tax Credits			(178,000)					10
11	Plus Other Income			4,233,000					11
12	Plus Pass-Through Taxes Recorded as an offset to Revenues			223,445,000					12
13	<b>Total Revenues for CWC Calculation</b>	50.22	0.13759	<u>1,705,122,000</u>	<u>284,000</u>	<u>62,720,000</u>	<u>1,768,126,000</u>	<u>243,275,000</u>	13
14	<b>Pass Through Taxes Recorded in Revenues</b>								14
15	ICC Gas Revenue Tax	31.27	0.08567	1,630,000			1,630,000	140,000	15
16	Gross Receipts/Municipal Utility Tax	(50.30)	(0.13781)	135,685,000			135,685,000	(18,699,000)	16
17	Energy Assistance Charges	(42.98)	(0.11775)	8,704,000			8,704,000	(1,025,000)	17
18	Gas Revenue/Public Utility tax	(9.26)	(0.02537)	41,431,000			41,431,000	(1,051,000)	18
19	City of Chicago Gas Use tax	(50.32)	(0.13786)	35,995,000			35,995,000	(4,962,000)	19
20	<b>Total Pass Through Taxes for CWC Calculation</b>			<u>223,445,000</u>			<u>223,445,000</u>	<u>(25,597,000)</u>	20
21	<b>Net Revenues (Line 13 - Line 20)</b>			<u>1,481,677,000</u>	<u>284,000</u>	<u>62,720,000</u>	<u>1,544,681,000</u>	<u>217,678,000</u>	21
22	<b>Expenses</b>								22
23	Payroll and Withholdings	(14.18)	(0.03885)	61,279,000			61,279,000	(2,381,000)	23
24	Inter Company Billings	(36.02)	(0.09868)	152,620,000			152,620,000	(15,061,000)	24
25	Natural Gas	(40.51)	(0.11099)	1,167,228,000			1,167,228,000	(129,546,000)	25
26	Other Operations and Maintenance	(46.30)	(0.12685)	44,526,000	136,000		44,662,000	(5,665,000)	26
27	Taxes Other Than Income (Acct 408)								27
28	Federal Insurance Contributions (FICA)	(16.04)	(0.04395)	6,186,000			6,186,000	(272,000)	28
29	Federal Unemployment Tax	(76.38)	(0.20926)	103,000			103,000	(22,000)	29
30	State Unemployment Tax	(76.38)	(0.20926)	142,000			142,000	(30,000)	30
31	Property/Real Estate Taxes	(385.13)	(1.05515)	1,350,000			1,350,000	(1,424,000)	31
32	Invested Capital Tax	(30.13)	(0.08255)	9,702,000	757,000		10,459,000	(863,000)	32
33	Corporation Franchise Tax	(182.27)	(0.49937)	300,000			300,000	(150,000)	33
34	Illinois Sales and Use Tax	(42.98)	(0.11775)	26,000			26,000	(3,000)	34
35	Federal Excise Tax	(76.32)	(0.20910)	25,000			25,000	(5,000)	35
36	Interest Expense	(79.17)	(0.21690)	40,543,000			40,543,000	(8,794,000)	36
37	Federal Income Tax	(37.88)	(0.10378)	(774,000)	(497,000)	51,200,000	49,929,000	(5,182,000)	37
38	State Income Tax	(37.88)	(0.10378)	(1,579,000)	(112,000)	11,520,000	9,829,000	(1,020,000)	38
39	<b>Total Expenses for CWC Calculation</b>			<u>1,481,677,000</u>	<u>284,000</u>	<u>62,720,000</u>	<u>1,544,681,000</u>	<u>(170,418,000)</u>	39
40	<b>Total Cash Working Capital to be included in Rate Base (Line 21 - Line 39)</b>			<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 47,260,000</u>	40

Notes: (1) Supported by lead-lag study, see WPB-8  
(2) Calculated by dividing column (B) by 365 (days)

The Peoples Gas Light and Coke Company

CASH WORKING CAPITAL

Comparison of Cash Working Capital Claim to Amount Allowed in last Rate Order

Line No.	Description (A)	Current Cash Working Capital Requirement			Cash Working Capital Requirement Per Last Rate Order (1)				Difference (J)	Line No.	
		Lag (Lead) (2) (B)	CWC Factor (3) (C)	Amount (D)	Cash Working Capital Requirement (E)	Lag (Lead) (F)	CWC Factor (G)	Amount (H)			Cash Working Capital Requirement (I)
1	Revenues	50.22	0.13759	\$ 1,544,681,000	\$ 212,531,000	49.44	0.13545	\$ 1,353,528,000	\$ 183,338,000	\$ 29,193,000	1
2	Pass Through Taxes	50.22	0.13759	223,445,000	30,744,000	49.44	0.13545	205,494,000	27,835,000	2,909,000	2
3	Pension and Benefits (4)	-	-	-	-	(28.50)	(0.07808)	32,833,000	(2,564,000)	2,564,000	3
4	Payroll and Withholdings	(14.18)	(0.03885)	61,279,000	(2,381,000)	(14.23)	(0.03899)	56,765,000	(2,213,000)	(168,000)	4
5	Inter Company Billings	(36.02)	(0.09868)	152,620,000	(15,061,000)	(36.22)	(0.09923)	66,656,000	(6,614,000)	(8,447,000)	5
6	Natural Gas	(40.51)	(0.11099)	1,167,228,000	(129,546,000)	(42.05)	(0.11521)	1,084,326,000	(124,920,000)	(4,626,000)	6
7	Other Operations and Maintenance	(46.30)	(0.12685)	44,662,000	(5,665,000)	(49.51)	(0.13564)	70,823,000	(9,607,000)	3,942,000	7
8	Taxes Other Than Income - incl Pass Through Taxes	----- See Page 1 of 2 -----		242,036,000	(28,366,000)	(43.67)	(0.11964)	224,009,000	(26,801,000)	(1,565,000)	8
9	Interest Expense	(79.17)	(0.21690)	40,543,000	(8,794,000)	(76.99)	(0.21093)	24,852,000	(5,242,000)	(3,552,000)	9
10	Federal Income Tax	(37.88)	(0.10378)	49,929,000	(5,182,000)	(37.88)	(0.10378)	63,064,000	(6,545,000)	1,363,000	10
11	State Income Tax	(37.88)	(0.10378)	9,829,000	(1,020,000)	(37.88)	(0.10378)	10,424,000	(1,082,000)	62,000	11
12	Total Cash Working Capital				<u>\$ 47,260,000</u>				<u>\$ 25,585,000</u>	<u>\$ 21,675,000</u>	12

Notes: (1) Per ICC order in Docket 07-0241/07-0242 Consol/. Appendix A, page 10 of 15.  
(2) Supported by lead-lag study, see WPB-8  
(3) Calculated by dividing column (B) by 365 (days)  
(4) Amounts now included in Inter Company Billings as costs are managed by IBS



The Peoples Gas Light and Coke Company

Accumulated Deferred Income Taxes

Line No.	Component of Deferred Taxes (Timing/Temporary Difference)	ICC Account	Utility Account Number	Event	Forecasted Balance at		Average	Line No.
					12/31/09	12/31/10		
	[A]	[B]	[C]	[D]	[E]	[F]	[G]	
1	Deferred Taxes - FAS 109 - Federal	282	282180	(1)	\$ (27,654,536)	\$ (27,041,526)	\$ (27,348,000)	1
2	Deferred Taxes - FAS 109 - State	282	282280	(1)	(5,049,681)	(4,881,700)	(4,966,000)	2
3	Liberalized Depreciation - Federal	282	282100	(1)	(243,178,648)	(245,890,264)	(244,534,000)	3
4	Liberalized Depreciation - State	282	282200	(1)	(28,622,822)	(29,349,398)	(28,986,000)	4
5	Book Depreciation Vs. Tax Straight Line Depreciation - Federal	282	282100	(1)	(45,031,898)	(48,105,680.08)	(46,569,000)	5
6	Book Depreciation Vs. Tax Straight Line Depreciation - State	282	282100	(1)	(5,625,201)	(6,062,571)	(5,844,000)	6
7	Sub-total Account 282				<u>(355,162,785)</u>	<u>(361,331,139)</u>	<u>(358,247,000)</u>	7
8	Regulatory Assets (Non Current) - Federal	283	283101	(1)	(26,398)	2,562,662	1,268,000	8
9	Regulatory Assets (Non Current) - State	283	283201	(1)	(3,579)	347,424	172,000	9
10	Intercompany Gain on IBS - Federal	283	283110	(1)	656,551	794,977	726,000	10
11	Intercompany Gain on IBS - State	283	283210	(1)	89,010	107,776	98,000	11
12	Environmental Costs - Federal	283	283101	(1)	(8,280,744)	(5,047,902)	(6,664,000)	12
13	Environmental Costs - State	283	283201	(1)	(1,122,632)	(684,351)	(903,000)	13
14	Injuries and Damages - Federal	283	283101	(1)	2,826,234	3,036,234	2,931,000	14
15	Injuries and Damages - State	283	283201	(1)	383,157	411,627	397,000	15
16	Intercompany Gain on SNG - Federal	283	283101	(1)	(712,365)	(686,162)	(699,000)	16
17	Intercompany Gain on SNG - State	283	283201	(1)	(96,576)	(93,024)	(95,000)	17
18	Loss on Reacquired Debt - Federal	283	283111	(1)	(3,458,654)	(3,300,277)	(3,379,000)	18
19	Loss on Reacquired Debt - State	283	283211	(1)	(468,895)	(447,423)	(458,000)	19
20	Non Depreciable Property Basis Differences - Federal	283	283110	(1)	(578,146)	(578,146)	(578,000)	20
21	Non Depreciable Property Basis Differences - State	283	283210	(1)	(78,380)	(78,380)	(78,000)	21
22	Post Employee Benefits - SFAS112 - Federal	283	283101	(1)	964,532	988,694	977,000	22
23	Post Employee Benefits - SFAS112 - State	283	283201	(1)	130,763	134,039	132,000	23
24	Misc - State	283	283201	(1)	(6,981)	(6,981)	(7,000)	24
25	Misc Property Related - Federal	283	283110	(1)	1,555,295	1,555,295	1,555,000	25
26	Misc Property Related - State	283	283210	(1)	210,854	210,854	211,000	26
27	Sub-total Account 283				<u>(8,016,958)</u>	<u>(773,065)</u>	<u>(4,395,000)</u>	27

Notes: (1) Amounts are recognized in income in different periods for "Book" and "Tax" purposes.

The Peoples Gas Light and Coke Company

Accumulated Deferred Income Taxes

Line No.	Component of Deferred Taxes (Timing/Temporary Difference) [A]	ICC Account [B]	Utility Account Number [C]	Event [D]	Forecasted Balance at		Average [G]	Line No.
					12/31/09 [E]	12/31/10 [F]		
1	Bad Debt - Federal	190	190111	(1)	\$ 11,090,458	\$ 10,090,508	\$ 10,590,000	1
2	Bad Debt - State	190	190211	(1)	1,503,549	1,367,985	1,436,000	2
3	Inventory Costs Capitalized - Federal	190	190111	(1)	767,034	785,172	776,000	3
4	Inventory Costs Capitalized - State	190	190211	(1)	103,988	106,447	105,000	4
5	Supplemental Retirement Benefits - Federal	190	190101	(1)	631,321	(179,655)	226,000	5
6	Supplemental Retirement Benefits - State	190	190201	(1)	85,589	(24,356)	31,000	6
7	Pension Expense - Federal	190	190101	(1)	(50,722,741)	(48,933,256)	(49,828,000)	7
8	Pension Expense - State	190	190201	(1)	(6,876,554)	(6,633,951)	(6,755,000)	8
9	Illinois Replacement Tax - Investment Tax Credit - Federal	190	190101	(1)	2,592,716	2,857,030	2,725,000	9
10	Illinois Replacement Tax - Investment Tax Credit - State	190	190201	(1)	247,350	237,183	242,000	10
11	Restricted Stock - Federal	190	190101	(1)	219,886	409,939	315,000	11
12	Restricted Stock - State	190	190201	(1)	29,810	55,576	43,000	12
13	Gas Charge Settlement - Federal	190	190101	(1)	4,929,881	3,319,881	4,125,000	13
14	Gas Charge Settlement - State	190	190201	(1)	668,351	450,081	559,000	14
15	Workers Compensation - Federal	190	190111	(1)	(140,000)	(280,000)	(210,000)	15
16	Workers Compensation - State	190	190211	(1)	(18,980)	(37,960)	(28,000)	16
17	Deferred Taxes - FAS 109 - Federal	190	190180	(1)	8,773,325	8,464,779	8,619,000	17
18	Deferred Taxes - FAS 109 - State	190	190280	(1)	1,293,560	1,297,731	1,296,000	18
19	Post Employee Benefits - SFAS112 - Federal	190	190101	(1)	1,449,179	1,449,179	1,449,000	19
20	Post Employee Benefits - SFAS112 - State	190	190201	(1)	196,467	196,467	196,000	20
21	Customer Advances - Federal	190	190101	(1)	137,161	137,161	137,000	21
22	Customer Advances - State	190	190201	(1)	18,595	18,595	19,000	22
23	Deferred Compensation - Federal	190	190111	(1)	366,550	413,160	390,000	23
24	Deferred Compensation - State	190	190211	(1)	49,694	56,013	53,000	24
25	Gas Costs Reconciliation - Federal	190	190111	(1)	6,954,329	7,943,008	7,449,000	25
26	Gas Costs Reconciliation - State	190	190211	(1)	942,808	1,076,845	1,010,000	26
27	Group Insurance Expense - Federal	190	190101	(1)	29,019,245	30,515,845	29,768,000	27
28	Group Insurance Expense - State	190	190201	(1)	3,934,181	4,137,077	4,036,000	28
29	Take-or-Pay Reconciliation - Federal	190	190111	(1)	19	19	0	29
30	Take-or-Pay Reconciliation - State	190	190211	(1)	3	3	0	30
31	Prepays - Federal	190	190101	(1)	(89,215)	(89,215)	(89,000)	31
32	Prepays - State	190	190201	(1)	(12,095)	(12,095)	(12,000)	32
33	SFAS133 G/L Interest Swap	190	190000	(1)	(873,375)	(901,533)	(887,000)	33
34	Incentive Compensation - Federal	190	190101	(1)	190,442	365,237	278,000	34
35	Incentive Compensation - State	190	190201	(1)	25,819	49,516	38,000	35
36	Regulatory Liabilities (Non Current) - Federal	190	190101	(1)	(36,083)	(36,083)	(36,000)	36
37	Regulatory Liabilities (Non Current) - State	190	190201	(1)	(4,892)	(4,892)	(5,000)	37
38	Vacation Pay - Federal	190	190111	(1)	(1,321,704)	(3,457,030)	(2,389,000)	38
39	Vacation Pay - State	190	190211	(1)	(179,185)	(468,675)	(324,000)	39
40	Sub-total Account 190				<u>15,946,487</u>	<u>14,741,733</u>	<u>15,344,000</u>	40
41	Total Deferred Taxes				<u>\$ (347,233,257)</u>	<u>\$ (347,362,472)</u>	<u>\$ (347,298,000)</u>	41
42	Rounded				(347,233,000)	(347,362,000)		42
43	Less Deferred Taxes excluded from Rate Base				<u>2,492,000</u>	<u>3,092,000</u>		43
44	Sub Total				<u>(344,741,000)</u>	<u>(344,270,000)</u>		44
45	Impact of Prorated Taxes per G - 7				<u>0</u>	<u>1,113,000</u>		45
46	Total Deferred Taxes included in Rate Base				<u>\$ (344,741,000)</u>	<u>\$ (343,157,000)</u>		46

Notes: (1) Amounts are recognized in income in different periods for "Book" and "Tax" purposes.

The Peoples Gas Light and Coke Company

Detailed Listing Of Balance Sheet Assets And Liabilities

Line No.	Component of Deferred Taxes (Timing / Temporary Difference) [A]	Related Asset / Liability ICC Account [B]	Utility Account Number [C]	Balance of Asset or Liability		Average Balance [F]	Asset / (Liability) Included in Rate Base (Yes/No) [G]	Line No.
				Balance at 12/31/09	Balance at 12/31/10 [D]			
1	Depreciation and Property Items, including FAS 109 Regulatory Tax Asset	101 - 117, 182.3	101000-117000, 182390	\$ 1,660,894,000	\$ 1,793,007,000	\$1,726,951,000	(1) & (2)	1
2	Environmental Costs	182, 253	182012, 182020, 182021, 182022, 182023, 182024, 182025, 253066	\$ 45,141,000	\$ 35,905,000	\$40,523,000	No	2
3	Gas Charge Settlement	242, 253	242610, 253017	\$ (9,919,000)	\$ (5,319,000)	(\$7,619,000)	No	3
4	Group Insurance Expense	228.3, 182.3	228334, 182323, 182351	\$ (85,020,000)	\$ (86,851,000)	(\$85,936,000)	Yes	4
5	Loss on Reacquired Debt	189	189300, 189301, 189302, 189303, 189304, 189305, 189306, 189307, 189308, 189309, 189310, 189311, 189312, 189313	\$ 10,284,000	\$ 9,832,000	\$10,058,000	No	5
6	Post Employee Benefits - SFAS112	253.2, 242.5	253205, 242592	\$ (2,213,000)	\$ (2,282,000)	(\$2,248,000)	Yes	6
7	SFAS133 Gain/Loss Interest Swap	219	219015, 219020, 219010	\$ (1,366,000)	\$ (1,437,000)	(\$1,402,000)	No	7
8	Incentive Compensation	(8)					(8)	8
9	Vacation Pay	(3)					(3)	9
10	Bad Debt	144	144095, 144096	\$ (38,928,000)	\$ (36,071,000)	(\$37,500,000)	No	10
11	Inventory Costs Capitalized	164.6	164240, 164660, 164665	\$ 89,097,000	\$ 89,097,000	\$89,097,000	Yes (4)	11
12	Gas Cost Reconciliation	232					(5)	12
13	Injuries and Damages	228.2	228200	\$ (8,007,000)	\$ (8,607,000)	(\$8,307,000)	Yes	13
14	Intercompany Gain on SNG	(6)					(6)	14
15	Intercompany Gain on IBS	(7)					(7)	15
16	Workers Compensation	232.6	232670	\$ 400,000	\$ 800,000	\$600,000	Yes	16
17	Supplemental Retirement Benefits	242.5, 228.3	242591, 228333	\$ (807,000)	\$ 1,510,000	\$352,000	Yes	17
18	Pension Expense	129.5, 182.3, 228.3	129500, 182321, 228330, 228331	\$ 130,289,000	\$ 120,950,000	\$125,620,000	Yes	18
19	Illinois Replacement Tax-Investment Tax Credit and FAS109 Investment Credit Regulatory Asset	255, 182.3	255000, 182390	\$ (14,316,000)	\$ (13,850,000)	(\$14,083,000)	No	19
20	Reg Assets (Non Current)	182, 182.3	182015, 182017, 182018, 182019 182026, 182027, 182028, 182030 182316, 182323	\$ 36,689,000	\$ 29,292,000	\$32,991,000	Partial	20

- Notes:
- (1) Within the range of 101-117, the following ICC accounts are included in rate base: 101, 106, 107, 108.01, 111.03, 117.
  - (2) Within ICC account 182.3 and included on this line, net income tax related regulatory assets are not included in rate base.
  - (3) The company records a deferred tax liability based on an inflation of the vacation deduction taken on a previous tax return. There is no directly related asset/liability for book purposes.
  - (4) The company records a deferred tax change based on an inflation of the inventory costs capitalized on a previous tax return.
  - (5) The company records a deferred tax change based on a five year average of the gas cost reconciliation adjustment taken on previous tax returns.
  - (6) For tax purposes, there is a deferred gain on the intercompany sale of SNG. There is no similar liability for book purposes.
  - (7) For tax purposes, there is a deferred gain on the intercompany sale of IBS assets. There is no similar liability for book purposes.
  - (8) The company records a deferred tax change based on a consolidated incentive calculation. There is no directly related asset/liability for book purposes



