

The Peoples Gas Light and Coke Company

Comparison of Prior Forecasts to Actual Data
Income Statement

Historical Year Ended December 31, 2005

Line No.	Description	Actual	Budget (1)	Actual vs. Budget	Percentage Variation Actual vs. Budget	Line No.
	[A]	[B]	[C]	[D]	[E]	
1	Operating Revenues	\$ 1,599,375,000	\$ 1,524,844,000	\$ 74,531,000	4.9%	1
2	Operating Expenses:					2
3	Cost of Gas	1,007,880,000	921,343,000	86,537,000	9.4%	3
4	Other Operation and Maintenance	344,885,000	267,515,000	77,370,000	28.9%	4
5	Depreciation Expense	46,299,000	61,868,000	(15,569,000)	(25.2%)	5
6	Amortization of Other Limited Term Gas Plant	8,301,000	-	8,301,000	-	6
7	Taxes Other Than Income	165,975,000	162,938,000	3,037,000	1.9%	7
8	Federal Income Taxes-Current	15,246,000	41,463,000	(26,217,000)	(63.2%)	8
9	State Income Taxes-Current	3,059,000	-	3,059,000	-	9
10	Deferred Income Taxes	(21,014,000)	(7,697,000)	(13,317,000)	173.0%	10
11	Investment Tax Credit	(469,000)	(836,000)	367,000	(43.9%)	11
12	Total Operating Expenses	<u>1,570,162,000</u>	<u>1,446,594,000</u>	<u>123,568,000</u>	8.5%	12
13	Operating Income	<u>29,213,000</u>	<u>78,250,000</u>	<u>(49,037,000)</u>	(62.7%)	13
14	Income from Utility Plant Leased to Others	<u>259,000</u>	<u>317,000</u>	<u>(58,000)</u>	(18.3%)	14
15	Utility Operating Income	<u>29,472,000</u>	<u>78,567,000</u>	<u>(49,095,000)</u>	(62.5%)	15
16	Other Income, Net of Income Deductions	<u>2,579,000</u>	<u>3,220,000</u>	<u>(641,000)</u>	(19.9%)	16
17	Income Before Interest Charges	<u>32,051,000</u>	<u>81,787,000</u>	<u>(49,736,000)</u>	(60.8%)	17
18	Interest Charges	<u>24,242,000</u>	<u>23,936,000</u>	<u>306,000</u>	1.3%	18
19	Net Income	<u>\$ 7,809,000</u>	<u>\$ 57,851,000</u>	<u>\$ (50,042,000)</u>	(86.5%)	19

Note: (1) During this year, the Company was on a September 30 fiscal year so the budget data shown here is a combination of nine months from the 2005 budget and three months from the 2006 budget.

(2) Budget detail pertaining to breakout of income taxes by federal and state is not available.

The Peoples Gas Light and Coke Company

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Income Statement

Historical Year Ended December 31, 2006

Line No.	Description [A]	Actual [B]	Budget (1) [C]	Actual vs. Budget [D]	Percentage Variation Actual vs. Budget [E]	Line No.
1	Operating Revenues	\$ 1,428,129,000	\$ 1,620,483,000	\$ (192,354,000)	(11.9%)	1
2	Operating Expenses:					2
3	Cost of Gas	877,198,000	1,016,984,000	(139,786,000)	(13.7%)	3
4	Other Operation and Maintenance	306,752,000	285,185,000	21,567,000	7.6%	4
5	Depreciation Expense	49,208,000	57,680,000	(8,472,000)	(14.7%)	5
6	Amortization of Other Limited Term Gas Plant	8,342,000	2,110,000	6,232,000	295.4%	6
7	Taxes Other Than Income	152,533,000	171,572,000	(19,039,000)	(11.1%)	7
8	Federal Income Taxes-Current	24,752,000	26,812,000	(2,060,000)	(7.7%)	8
9	State Income Taxes-Current	360,000	5,617,000	(5,257,000)	(93.6%)	9
10	Deferred Income Taxes	(23,966,000)	(11,110,000)	(12,856,000)	115.7%	10
11	Investment Tax Credit	(408,000)	(450,000)	42,000	(9.3%)	11
12	Total Operating Expenses	<u>1,394,771,000</u>	<u>1,554,400,000</u>	<u>(159,629,000)</u>	(10.3%)	12
13	Operating Income	33,358,000	66,083,000	(32,725,000)	(49.5%)	13
14	Income from Utility Plant Leased to Others	251,000	299,000	(48,000)	(16.1%)	14
15	Utility Operating Income	33,609,000	66,382,000	(32,773,000)	(49.4%)	15
16	Other Income, Net of Income Deductions	2,200,000	2,791,000	(591,000)	(21.2%)	16
17	Income Before Interest Charges	35,809,000	69,173,000	(33,364,000)	(48.2%)	17
18	Interest Charges	28,104,000	26,408,000	1,696,000	6.4%	18
19	Net Income	<u>\$ 7,705,000</u>	<u>\$ 42,765,000</u>	<u>\$ (35,060,000)</u>	(82.0%)	19

Note: (1) During this year, the Company was on a September 30 fiscal year so the budget data shown here is a combination of nine months from the 2006 budget and three months from the 2007 budget.

The Peoples Gas Light and Coke Company

Comparison of Prior Forecasts to Actual Data
Income Statement

Historical Year Ended December 31, 2007

Line No.	Description [A]	Actual [B]	Budget (1) [C]	Actual vs. Budget [D]	Percentage Variation Actual vs. Budget [E]	Line No.
1	Operating Revenues	\$ 1,486,967,000	\$ 1,446,487,000	\$ 40,480,000	2.8%	1
2	Operating Expenses:					2
3	Cost of Gas	899,228,000	869,275,000	29,953,000	3.4%	3
4	Other Operation and Maintenance	360,922,000	305,341,000	55,581,000	18.2%	4
5	Depreciation Expense	53,646,000	51,273,000	2,373,000	4.6%	5
6	Amortization of Other Limited Term Gas Plant	9,192,000	8,673,000	519,000	6.0%	6
7	Taxes Other Than Income	158,244,000	155,507,000	2,737,000	1.8%	7
8	Federal Income Taxes-Current	2,730,000	4,274,000	(1,544,000)	(36.1%)	8
9	State Income Taxes-Current	6,000	(118,000)	124,000	(105.1%)	9
10	Deferred Income Taxes	(14,688,000)	4,173,000	(18,861,000)	(452.0%)	10
11	Investment Tax Credit	(384,000)	(408,000)	24,000	(5.9%)	11
12	Total Operating Expenses	<u>1,468,896,000</u>	<u>1,397,990,000</u>	<u>70,906,000</u>	5.1%	12
13	Operating Income	18,071,000	48,497,000	(30,426,000)	(62.7%)	13
14	Income from Utility Plant Leased to Others	252,000	196,000	56,000	28.6%	14
15	Utility Operating Income	18,323,000	48,693,000	(30,370,000)	(62.4%)	15
16	Other Income, Net of Income Deductions	1,063,000	2,131,000	(1,068,000)	(50.1%)	16
17	Income Before Interest Charges	19,386,000	50,824,000	(31,438,000)	(61.9%)	17
18	Interest Charges	33,134,000	32,292,000	842,000	2.6%	18
19	Net Income	<u>\$ (13,748,000)</u>	<u>\$ 18,532,000</u>	<u>\$ (32,280,000)</u>	(174.2%)	19

Note: (1) During this year, the Company was on a September 30 fiscal year so the budget data shown here is a combination of nine months from the 2007 budget and three additional months of budget data that was prepared due to the merger.