

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for a rate) DOCKET NO. 911150-GU
increase by PEOPLES GAS SYSTEM,) ORDER NO. PSC-92-0924-FOF-GU
Inc.) ISSUED: 09/03/92
_____)

The following Commissioners participated in the disposition of this matter:

THOMAS M. BEARD
LUIS J. LAUREDO

ORDER GRANTING CERTAIN INCREASES

BY THE COMMISSION:

Pursuant to Notice, the Florida Public Service Commission held a public hearing on this matter on August 12, 1992. Having considered the record in this proceeding, the Commission now enters its Final Order.

Background

Peoples Gas System (Peoples Gas or the Company) had its last rate case in Docket No. 891353-GU based on a projected test year ending September 30, 1991. By Order No. 23858, the Commission granted a permanent increase of \$7,490,000 based on a cost of equity of 13.00% and on overall rate of return of 10.21%.

Peoples Gas filed a Petition for Authority to Increase its Rates and Charges on January 31, 1992. Peoples Gas requested a permanent increase of \$15,410,924 which it alleged would produce a 10.38% overall return on its 13-month average adjusted rate base. This overall rate of return was calculated using a 13.25% return on equity. The company also filed a separate petition for interim rate relief in accordance with Section 366.071, Florida Statutes. The Commission suspended the requested permanent increase pending a full hearing. On April 13, 1992 we issued Order No. PSC-92-0188-FOF-GU granting an interim increase of \$3,268,080.

Customer Service Hearings were held in four cities: Orlando on May 18, 1992; Tampa on May 28, 1992; Hollywood on June 17, 1992 and Jacksonville on June 25, 1992.

At the prehearing conference, the parties agreed as to the appropriate treatment for all issues raised in this proceeding. Therefore, the case was presented to the panel as a stipulation. The stipulation was accepted and approved at the hearing held August 12, 1992.

DOCUMENT NO.
10114-92
9-3-92

TEST YEAR RATE BASE - ATTACHMENT 1

The utility's rate base is the investment upon which it is entitled to earn a return. Once a rate base has been established, the test year expenses and rate of return are established. The revenue requirement can then be calculated. We accept the stipulated test year rate base for Peoples Gas System as \$220,919,953. This amount includes the agreed upon adjustments to the company's case as filed.

1. We find that the capital expenditures amount set out in the major assumptions of the Projected Test Year Calculations should be reduced to remove projects that will take place outside of the projected test year. For projects deferred beyond the projected test year, 13-month-average Plant in Service should be reduced by \$359,000; Accumulated Depreciation should be reduced by \$6,533 and Depreciation Expense also reduced by \$6,533. In addition, Plant in Service, Accumulated Depreciation and Depreciation Expense should be reduced by \$809,000, \$311,000, and \$24,000 for delayed completion dates within the projected test year.
2. We find that Plant-In-Service should be reduced by \$187,039, accumulated depreciation should be reduced by \$35,067, and depreciation expense reduced by \$4,899 to reflect increased non-utility usage of certain utility facilities.
3. We find that the appropriate projected test year Plant-In-Service is \$326,398,920 after making an adjustment increasing average Plant in Service by \$581,711 to correct retirement projections.
4. We find that the appropriate projected test year Depreciation Reserve is \$117,980,820 after making an adjustment increasing average Accumulated Depreciation by \$738,767 for incorrect retirement projections and incorrect accrual computations.
5. We find that the appropriate amount of Construction Work in Progress for the projected test year is \$5,686,000.
6. We find that the appropriate amount of Customer Advances for Construction for the projected test year is \$1,650,000.
7. We find that unamortized rate case expense should not be included in rate base. Therefore, we reduce working capital by \$100,000.
8. We find that a portion of materials and supplies inventory should be allocated to non-utility operations. Materials and supplies inventory should be reduced by \$152,147.

9. We find that working capital should not be reduced for "Other Investments" representing life insurance and supplemental retirement for certain executives. However, all future gains shall continue to be applied to reduce pension expense.

10. We find that the appropriate projected test year Working Capital Allowance is \$14,151,853.

CAPITAL STRUCTURE - ATTACHMENT 2

Fair Rate of Return

Calculations showing the proper components, amounts, and cost rates are detailed on Attachment 2.

11. We find that the appropriate provision for accumulated deferred income taxes to be included in the projected test year capital structure is \$19,436,000.

12. We find that the appropriate amount and cost rate of investment tax credits (ITCs) to be included in the projected test year capital structure are \$3,995,000 and zero, respectively.

13. We find that appropriate cost rate for the revolving line of credit is 4.29%.

14. We find that the appropriate cost of common equity is 12.0% (with a range of plus or minus 100 basis points). This is consistent with recent actions by the Commission in setting the cost of common equity for other natural gas utilities.

15. We find that the appropriate weighted average cost of capital including the proper components, amounts, and cost rates associated with the capital structure for the projected test year is 9.75%.

NET OPERATING INCOME - ATTACHMENT 3

Once a rate base and fair rate of return are established, the next step is to determine the utility's appropriate Net Operating Income for the test year. Once this amount is determined, it can be related to the test year to develop the revenue deficiency, if any. The stipulated test year net operating income for Peoples Gas System is \$14,181,626. We accept this stipulation. Calculations and adjustments showing the projected test year net operating income are attached to this Order as Attachment 3.

16. We find that the company's projected amount of Total Operating Revenues in the projected test year in the amount of \$84,339,000

before rate relief is appropriate.

17. We find that adjustments removing \$120,348,000 in PCA revenues, and related expenses recoverable through the PGA Cost Recovery Clause for the projected test year are appropriate.

18. We find that the company has properly removed conservation revenues and expenses from the projected test year.

19. We find that no portion of the revenues collected in relation to the acquisition adjustment approved in Order No. 23858, Docket No. 891353-GU, should be refunded due to unrealized benefits or savings.

20. We find that the proper amount and treatment of expenses associated with the environmental cleanup of the manufactured gas plant sites is an annual amortization expense of \$1,248,000 (based on a five year amortization), beginning on November 1, 1990, as approved by the Commission in Order No. 23858 (Docket No. 891353-GU).

21. We find that the company should initiate a program for appliance elevation for increased safety and reduced expense for its customers. Fifty percent of the cost for an appliance elevation program shall be recovered through approval of additional expenses of \$255,000 per year. This is consistent with previous Commission actions in Docket No. 910778-GU for West Florida Natural Gas Company.

22. We find that the appropriate trending factors to be used in deriving projected operating expenses are as follows:

	Company Trend Rates	Base Year +1 09/30/92	Projected Test Year 09/30/93
#1	Payroll Only	3.80%	3.80%
#2	Cust Grwth x Pay	6.58%	5.42%
#3	Cust Grwth x Infl	6.17%	5.01%
#4	Inflation Only	3.40%	3.40%

23. We find that the projected test year O&M expense should be increased for the effect of changing the trending factors by \$20,798.

24. We find that the company's adjustments in the projected test year totalling \$500,000 for the estimated economic impact of changes to Rule Chapter 25-12, Florida Administrative Code are appropriate.

25. We find that the company's projected amount of \$851,523 in the projected test year in Account 878 for periodic meter change-outs is appropriate.

26. We find that the company's adjustments in the projected test year to accounts 878, 902, 903 and 921 for EDP allocations are appropriate, except for the following adjustment. MIS (Management Information Systems) Department expenses shall be reduced by \$228,575 to reflect a three year average (1993-19950 increase in MIS expenses.

27. We find that Account 903 should be reduced by \$108,355 to remove a projected postal rate increase which is not likely to occur.

28. We find that the advertising expense in account 913 in the projected test year should be reduced by \$110,620 in the projected test year. This includes \$88,940 for advertising other than consumer education and information in the historic base year; and \$21,680 for a reduction in the divisional advertising program.

29. The company included \$685,000 in the projected test year for an incentive compensation program. We find that Account 920, Administrative and General Expenses, should be reduced by \$188,114 to recognize an average payout of less than 100%; lower than projected new participants, \$153,362; and non-utility allocation, \$34,752.

30. We find that an adjustment should be made in the projected test year of \$341,300 to reflect additional staffing. The adjustment made by the company (\$230,000) assumed a minimum annual usage threshold of 1,000,000 therms for a customer to qualify for transportation service provided by the company. We hold elsewhere in this Order that the minimum threshold for a customer to qualify for transportation should be reduced to 500,000 therms. This will result in a large number of customers shifting from sales to transportation service, and will require the company to hire three additional employees and to incur additional rent expense. The added expense associated with these employees is \$111,300. Thus, the total adjustment to be made for additional staffing is \$341,300.

31. We find that the \$252,500 for bank charges the company included in the projected test year is appropriate.

32. We find that Account 926, Employee Pensions and Benefits should be reduced \$382,990 in the projected test year to recognize lower than projected claims and increased employee contributions.

33. We find that the \$572,409 for office rent expense the company

included in the projected test year is reasonable and appropriate.

34. We find that Account 926, Employee Pensions and Benefits should be reduced as follows:

Employee Activity	\$125,412
Flowers	8,275
Diaper Service	138
Retirement gifts	2,849
Employee awards	1,997
Appliance installation/repair	<u>22,562</u>
Total Base Year	<u>161,233</u>
1993 Adjusted	<u>\$179,757</u>

35. We find that the \$18,881 the company included in the base year for the employee assistance plan is appropriate.

36. We find that the projected amount of \$377,254 in Account 916, Miscellaneous Sales Expense is appropriate.

37. We find that the projected amount of \$7,901,354 included in Account 903, Customer Records and Collections Expense, in the projected test year is appropriate, except for specific adjustments detailed in this Order.

38. We find that the projected amount of \$421,264 included in Account 930, Miscellaneous General Expense should be reduced by \$11,413 for dues and community benefit expenses and propane association dues.

39. The company included in Construction Work in Progress (CWIP) the construction of a new office building in North Miami. We find that it is appropriate to remove the lease expense for the current building to remove the effect of duplicate office facilities. Therefore we reduce projected test year lease expense by \$154,944.

40. We find that the \$449,601 included in the projected test year for bad debt expense should be reduced \$13,668. This adjustment is based on a three year average of net write offs as a percent of sales consistent with previous Commission decisions.

41. We find that the \$210,625 included as rate case expense should be reduced by \$11,000. This amount should be amortized over three years, beginning on October 1, 1992. This treatment results in a \$38,000 reduction of annual amortization expense.

42. We find that the projected test year moving expense of \$64,684 should be reduced by \$14,835. This reduction reflects the four year average of moving expenses and an allocation to non-utility operations.

43. We find that the projected test year Maintenance of General Plant (Account 932) expense should be reduced by \$72,147 to reflect non-utility allocations.

44. We find that the projected test year Maintenance of Structures and Improvements (Account 886) expense should be reduced by \$15,479 to reflect non-utility allocations.

45. We find that the projected test year expenses should be reduced by \$49,257 to remove the portions of American Gas Association dues associated with lobbying expense and product/appliance advertising.

46. We find that the appropriate treatment of land sold to Ploof Truck Lines in April 1991 is to reduce expenses by \$1,500 to recognize 100% of the gain on the sale. This is appropriate because of the small dollar amount as opposed to the normal five year amortization.

47. We find that the appropriate treatment of land donated to the City of St. Petersburg in September 1991 is to amortize federal and state income tax benefits totalling \$321,779 above the line over four years. ($\$321,499 / 4 = \$80,445$)

48. We find that the projected test year expenses should be reduced by \$47,705 to remove civic and social club dues and expenses.

49. We find that after making the previously enumerated adjustments, the appropriate amount of projected test year O & M expense is \$47,011,650.

50. We find that after making the previously enumerated adjustments, the appropriate amount of projected test year Depreciation and Amortization Expense is \$15,122,855.

51. We find that after making the previously enumerated adjustments, the appropriate projected test year provision for income taxes, including interest reconciliation and a parent debt adjustment is \$1,622,369.

52. We find that the appropriate projected test year total operating expense is \$70,157,374.

53. We find that the appropriate projected test year net operating income is \$14,181,626.

54. We find that the appropriate test year revenue expansion factor to be used in calculating the revenue deficiency is 1.6121. The calculation of this factor is detailed on Attachment 4.

PROJECTED TEST YEAR DEFICIENCY - ATTACHMENT 5

Based on the resolution of the foregoing rate base, capital structure and net operating income issues, we find that the projected test year revenue deficiency is \$11,861,944, as shown on Attachment 5.

COST OF SERVICE, RATE DESIGN AND TARIFF ISSUES - ATTACHMENT 6

We approve the rates, service charges, cost allocation methodology, billing determinants and allocation of the revenue increase to the various rate classes for Peoples Gas System, Incorporated as shown on Attachment 6.

55. We find that the miscellaneous service charges for Peoples Gas System, Inc. should be as follows:

Initial Connection Residential	\$25.00
Initial Connection Commercial	\$50.00
Reconnection Residential	\$25.00
Reconnection Commercial	\$50.00
Change of Account	\$10.00
Collection Charge in Lieu of Disconnection	\$10.00
Returned Check Charge	5% or \$10.00

56. We find that the appropriate cost of service methodology to be used in allocating costs to the various rate classes is the Commission Staff's cost of service study used by the company adjusted by Staff as follows: **Customer costs** are allocated on the basis of weighted number of customers to the total number of customers. **Commodity costs** are allocated on the ratio of each class' annual usage to the total. **Capacity costs** remaining after direct assignments related to mains are allocated based on the remaining customers' contribution under the peak and average method. All other capacity related costs are allocated on the ratio of mains cost by class to the total.

57. We find that Peoples should not be required to directly assign to high priority, low volume firm customers the cost of gas mains and lines used to serve those customers as Peoples has done for interruptible, high volume industrial customers. While the records necessary to support such an allocation of mains and services for interruptible, high volume customers are available, such records are not available in sufficient detail to support direct assignments to high priority, low volume firm customers.

58. We find that Peoples' practice of allocating capacity costs based on volumetric consumption is not appropriate under the circumstances of this case. Capacity costs shall be directly assigned to interruptible classes when the records are available to make such allocations. The remaining capacity related costs shall be allocated to all other rate classes based on the peak and average method.

59. We find that system investment in mains related to the Jacksonville Electric Authority (JEA) should be removed from the Small Interruptible Service (SIS) and Interruptible Service (IS) customer classes and directly assigned to the ISLV rate class where costs can be directly identified. The remaining portion should be allocated to the remaining customer classes based on the peak and average method.

60. We find that Peoples' assignment of working capital to the IS and SIS classes is appropriate. Working capital is classified as customer, capacity and commodity related, just as is O & M expense. Consequently, the interruptible classes receive their proportionate share of working capital through the allocation of customer, capacity and commodity costs.

61. We find that Peoples' request to use a hybrid "peak" methodology for cost allocation should be denied. Capacity-classified system costs remaining after the direct assignments made in Staff's revised cost of service study for the Company shall be allocated based on customer usage during the peak periods because that capacity is designed to meet peak demands. This allocation method has been incorporated in the Staff's revised cost of service study for the Company.

62. We find that Peoples' request to use historical annual volumes rather than test year volumes for the "average" portion of its capacity cost allocation calculations should be denied. Volumes for the projected test year should be used.

63. We find that the company's proposed off-peak gas air conditioning load discount for the GS, GSLV-1 and GSLV-2 rate classes should not be approved as an end-use rate as proposed by the Company. However, the Company shall be permitted to discount the Non-Gas Energy Charge for service under Rate Schedules GS, GSLV-1 and GSLV-2 which is separately metered and used for off-peak seasonal load. Natural gas requirements (at least 75 percent of which occur during the months of April through October) will be discounted by 15 percent for usage during the billing months of April through October.

64. We find that the company's proposed Commercial Street Lighting

Service rate schedule should be approved. The Company has not previously provided commercial street lighting service. Although the Company did not perform a cost of service study, it used the billing determinants experienced by Palm Beach County Utilities (which was acquired by the Company in May 1991) to project company-wide billing determinants for the projected test year. The proposed rate is the same as the currently effective wholesale rate.

65. We find that the company's proposed Special Contract Large Volume Service (SCLV) rate schedule should be approved.

66. We find that the company's proposed Small General Service (SGS) rate schedule should be approved.

67. We find that the company's proposed Small Interruptible Service (SIS) rate schedule which reduces the minimum threshold to 500,000 therms should be approved.

68. We find that the rates and charges for Peoples Gas System, Inc. should be as follows:

<u>Customer Class</u>	<u>Customer Charge</u>	<u>Energy Charge</u>
Residential	\$7.00	41.117 ¢/therm
Small General Service	\$15.00	33.738 ¢/therm
General Service	\$17.00	24.374 ¢/therm
General Service Large Vol. 1	\$25.00	21.860 ¢/therm
General Service Large Vol. 2	\$45.00	16.155 ¢/therm
Wholesale	\$0.00	14.066 ¢/therm
Small Interruptible	\$150.00	7.264 ¢/therm
Interruptible	\$225.00	3.672 ¢/therm
Interruptible Large Vol.	\$225.00	1.090 ¢/therm
Special Contract Large Vol.	\$225.00	1.00 ¢/therm

Commercial Street Lighting \$0.00

9.447 ¢/therm

69. We find that Interruptible Customers should not be required to have standby facilities (alternative fuel capability) in order to receive interruptible service. Interruptible service is the customers' prerogative as long they agree to be interrupted as needed, regardless of whether or not they have a backup fuel available.

70. We find that a minimum annual therm usage requirement of 500,000 therms is appropriate for customers who desire to transport their own gas. Theoretically, there should be no minimum required annual therm limit, if customers are willing to pay the incremental costs associated with transporting. However, the conversion of entitlements on the Florida Gas Transmission Company system from sales to transportation is relatively recent and not yet complete. In addition, federal regulations governing the use by an LDC of its capacity rights on the FGT system have not yet been finalized. Unlimited access to transportation service could result in a reduction in the amount of transportation capacity available for system supply. Further, the Company does not presently have the administrative resources which would be required to accommodate shifts by a large number of customers from sales to transportation. The Company should be directed to continue its progress toward further reducing or eliminating the threshold over time.

Consistent with the reduction of the minimum requirements for transportation from 1 million to 500,000 therms per year, the Company should be required to file a transportation rate schedule (GTSLV-2) for the GSLV-2 rate class, with rates being the same as those provided in rate schedule GSLV-2.

To enhance competition in compressed natural gas for vehicle fuel, there should be no minimum requirement for transportation. Consistent with our position that, over the longer term, transportation should be made available to all customers willing to pay the incremental costs associated with transporting gas, a special condition shall be added to the new rate schedule GTSLV-2 to make service under that schedule additionally applicable to gas supplied for compression and delivery in motor vehicle fuel tanks or other transportation containers. The special condition should provide that rates for service under the rate schedule (Transportation Charge and Customer Charge) to customers who take less than the required 500,000 therms annually shall be the Non-Gas Energy Charge and Customer Charge applicable under rate schedule GSLV-1 (due to the lesser consumption by this subclass of customers). The number of additional customers for which this

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special condition would require the Company to make transportation available would be relatively small based on the Company's projections for participants in its natural gas vehicle (NGV) program which was approved by Commission Order No. 25626.

VI. REFUND OF INTERIM INCREASE

In calculating the amount of the interim increase granted in this docket to be refunded, we employ the most recent Earnings Surveillance Report (12 months ended 6/30/92) as a proxy for the interim period with a return on equity of 12%. Applying this methodology to the \$3,268,080 interim increase granted by Order No. PSC-92-0188-FOF-GU issued on April 13, 1992, no refund is appropriate.

In consideration of the foregoing, it is

ORDERED by the Florida Public Service Commission that the findings and stipulations set forth in the body of this Order are hereby approved. It is further

ORDERED that Peoples Gas System, Inc. is authorized to collect increased revenues of \$11,861,944. It is further

ORDERED that Peoples Gas System, Inc. shall file revised tariffs reflecting the rates and charges approved in this Order. It is further

ORDERED that the rate increase authorized shall be effective for all meter readings taken on or after September 11, 1992. It is further

ORDERED that Peoples Gas System, Inc. shall within 60 days after the date of this Order, file a description of all entries or adjustments to its future annual reports, rate of return reports, published financial statements and books and records required as a result of the Commission's findings in this rate case. It is further

ORDERED that Peoples Gas System, Inc. shall include in each bill in the first billing cycle for which this increase is

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effective, a bill stuffer explaining the nature of the increase, average level of increase, a summary of the tariff charges and the reasons therefor. The bill stuffer shall be submitted to the Commission's Division of Electric and Gas regulation for approval before implementation. It is further

ORDERED that this docket shall be closed.

By ORDER of the Florida Public Service Commission this 3rd day of September, 1992.

STEVE TRIBBLE, Director
Division of Records and Reporting

(S E A L)

RVE

by: Kay Flynn

Chief, Bureau of Records

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.59(4), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Any party adversely affected by the Commission's final action in this matter may request: 1) reconsideration of the decision by filing a motion for reconsideration with the Director, Division of Records and Reporting within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or 2) judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water or sewer utility by filing a notice of appeal with the Director, Division of Records and Reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900 (a), Florida Rules of Appellate Procedure.

PEOPLES GAS SYSTEM, INC.
 DOCKET NO. 911150-GU
 COMPARATIVE AVERAGE RATE BASES
 FTY 8/30/93

ATTACHMENT 1
 AUGUST 10, 1992

ADJ NO	COMPANY AS FILED			STAFF	
	TOTAL PER BOOKS	JURIS. ADJUST.	COMPANY ADJUSTED	JURIS. ADJUST.	ADJ. JURIS
PLANT IN SERVICE					
	UTILITY PLANT	323,406,629	(4,222,381)		
	PLANT ACQUISITIONS	2,302,000			
	GAS PLANT FOR FUTURE USE	229,000	(229,000)		
	CWIP	5,688,000			
4	ADJ FOR DELAYED CONSTRUCTION-82			(509,000)	
4	ADJ FOR DELAYED CONSTRUCTION-83			(250,000)	
5	TAMPA OFFICE BUILDING ADJ(see issue 7)				
6	ORLANDO STORAGE SHED ADJ(see issue 7)				
7	SARASOTA OFFICE BUILDING ADJ			(187,039)	
	INCREASE IN AVERAGE PLANT(included in issue 8)			581,711	
	TOTAL PLANT	<u>331,623,629</u>	<u>(4,451,381)</u>	<u>327,172,248</u>	<u>(773,228)</u>
	ACCUM. DEPREC. & AMORT.				
	ACCUM DEPR - UTILITY PLANT	119,015,690	(1,421,037)	117,594,653	
4	ADJ FOR DELAYED CONSTRUCTION-9			(311,000)	
4	ADJ FOR DELAYED CONSTRUCTION-83			(6,528)	
5	TAMPA OFFICE BUILDING(see issue 7)				
6	ORLANDO STORAGE SHED(see issue 7)				
7	SARASOTA OFFICE BUILDING			(35,007)	
	INCREASE IN AVERAGE RESERVE(included in issue 9)			733,707	
	TOTAL ACCUM. DEPREC & AMORT.	<u>119,015,690</u>	<u>(1,421,037)</u>	<u>117,594,653</u>	<u>386,167</u>
	NET UTILITY PLANT	<u>212,607,939</u>	<u>(3,030,344)</u>	<u>209,577,595</u>	<u>(1,159,495)</u>
	LESS: CUSTOMER ADVANCES	<u>(1,650,000)</u>		<u>(1,650,000)</u>	<u>(1,650,000)</u>
	PLUS: WORKING CAPITAL	<u>(4,328,000)</u>	<u>18,732,000</u>	<u>\$14,404,000</u>	<u>(252,147)</u>
	TOTAL RATE BASE	<u>\$206,629,939</u>	<u>\$15,701,656</u>	<u>\$222,331,595</u>	<u>(\$1,411,642)</u>
					<u>\$220,919,953</u>

PEOPLES GAS SYSTEM, INC.
 DOCKET NO. 911150-GU
 COMPARATIVE WORKING CAPITAL COMPONENTS
 PTY 9/30/93

ATTACHMENT 1A
 AUGUST 10, 1992

ADJ NO	<u>COMPANY AS FILED</u>			<u>STAFF</u>	
	<u>TOTAL PER BOOKS</u>	<u>JURIS. ADJUST.</u>	<u>COMPANY ADJUSTED</u>	<u>JURIS. ADJUST.</u>	<u>ADJ. JURIS.</u>
	(4,328,000)	18,732,000	14,404,000		
				(100,000)	
10				(152,147)	
13					
TOTALS:	<u>(4,328,000)</u>	<u>18,732,000</u>	<u>14,404,000</u>	<u>(252,147)</u>	<u>14,151,853</u>

PEOPLES GAS SYSTEM, INC.
 DOCKET NO. 911150-GU
 COST OF CAPITAL - 13 MONTH AVERAGE
 PTY 9/30/93

ATTACHMENT 2
 AUGUST 10, 1992

IN THOUSANDS

CAPITAL COMPONENT	COMPANY FILING	ADJUSTMENTS		ADJUSTED	RATIO	%	%
		STAFF	PRO RATA			COST RATE	WEIGHTED COST
COMMON EQUITY	103,718,000	(7,300,000)	313,453	96,731,453	0.4379	12.00%	5.2543%
LONG-TERM DEBT	83,377,000	(291,000)	270,111	83,356,111	0.3773	10.07%	3.7995%
SHORT-TERM DEBT	0	0	0	0	0.0000	0.00%	0.0000%
CUSTOMER DEPOSITS	17,345,000	0	56,388	17,401,388	0.0788	8.82%	0.6947%
DEFERRED TAXES	19,534,000	(98,000)	0	19,436,000	0.0880	0.00%	0.0000%
TAX CREDITS	0	3,995,000	0	3,995,000	0.0181	0.00%	0.0000%
TOTAL	<u>223,974,000</u>	<u>(3,694,000)</u>	<u>639,953</u>	<u>220,919,953</u>	<u>1.0000</u>		<u>9.7486%</u>

9.75%

EQUITY RATIO 53.71%
 (calculated using investor sources)

PEOPLES GAS SYSTEM, INC.
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 COMPARATIVE NOIs
 PTY 9/30/93

ATTACHMENT 3
 AUGUST 10, 1992

	COMPANY AS FILED			STAFF	
	PER BOOKS	JURIS. ADJUST.	COMPANY ADJUSTED	ADJUST.	ADJUSTED JURIS.
OPERATING REVENUES	\$204,687,000				
FUEL REVENUES		(120,348,000)			
TOTALS	<u>204,687,000</u>	<u>(120,348,000)</u>	<u>84,339,000</u>	<u>0</u>	<u>84,339,000</u>
OPERATING EXPENSES:	168,181,000	(119,898,000)	48,282,777		
ROUNDING		(223)			
27 ALLOWANCE FOR WATER HEATER ELEVATION				255,000	
29 INFLATION TREND FACTOR CHANGE				(20,798)	
33 ACCT. 903, REMOVE POSTAGE INCREASE				(108,355)	
34 ACCT. 913, REMOVE ADVERTISING				(110,620)	
35 ACCT. 920, REMOVE EXECUTIVE COMP. COSTS				(188,114)	
36 ACCT. 920, ADDITIONAL STAFFING PER ISSUE 89				111,300	
37 ACCTS. 878,902,903,921, MIS REDUCTIONS				(228,575)	
39 ACCT. 926, HEALTH CARE COSTS				(382,990)	
41 ACCT. 926, EMPLOYEE ACTIVITIES				(179,757)	
47 ACCT. 930, REMOVE NON-UTILITY				(11,413)	
48 ACCT. 931, LEASE EXP. ON CURRENT BUILDING				(154,944)	
49 ACCT. 904, BAD DEBT EXPENSE				(13,668)	
52 ACCT. 928, REDUCE RATE CASE EXPENSE				(38,770)	
53 ACCT. 921, REDUCE MOVING EXPENSES				(14,835)	
54 ACCTS. 886 & 932, REDUCE NON-UTILITY				(87,626)	
55 ACCT. 930, REMOVE AGA EXPENSES				(49,257)	
58 ACCT. 930, REMOVE CIVIC/SOCIAL CLUB DUES				(47,705)	
TOTALS	<u>168,181,000</u>	<u>(119,898,223)</u>	<u>48,282,777</u>	<u>(1,271,127)</u>	<u>47,011,650</u>
DEPRECIATION & AMORTIZATI	14,088,000	(291,000)	13,797,000		
AMORTIZATION-OTHER	1,248,000				
4 DELAYED CONSTRUCTION-82				(24,000)	
4 DELAYED CONSTRUCTION-93				(6,533)	
5 TAMPA OFFICE BUILDING (see issue 7)					
6 ORLANDO STORAGE SHED (see issue 7)					
7 SARASOTA OFFICE BUILDING				(4,899)	
CORRECTION FOR PROJ. RETIREMENTS (included in issue 60)				113,267	
TOTALS	<u>15,336,000</u>	<u>(291,000)</u>	<u>15,045,000</u>	<u>77,855</u>	<u>15,122,855</u>

	COMPANY AS FILED			STAFF	
	PER BOOKS	JURIS. ADJUST.	COMPANY ADJUSTED	ADJUST.	ADJUSTED JURIS.
TAXES OTHER THAN INCOME	6,852,000	(450,000)			
TAXES OTHER THAN INCOME-					
TOTALS	<u>6,852,000</u>	<u>(450,000)</u>	<u>6,402,000</u>	<u>0</u>	<u>6,402,000</u>
CURRENT INC TAX EXPENSE	185,000		185,000		185,000
TAX EFFECT OF ABOVE		110,000	110,000	449,593	559,593
57 TAX BENEFIT OF DONATED LAND				(80,445)	(80,445)
DEFERRED INCOME TAXES	1,282,000 0		1,282,000		1,282,000 0 0
INTEREST RECONCILIATION		(66,000)	(66,000)	99,432	33,432
PARENT DEBT ADJ.		(424,000)	(424,000)	66,789	(357,211)
TOTALS	<u>1,467,000</u>	<u>(380,000)</u>	<u>1,087,000</u>	<u>535,369</u>	<u>1,622,369</u>
56 GAIN ON SALE OF PROPERTY				(1,500)	(1,500)
TOTAL OPERATING EXPENSES	<u>191,836,000</u>	<u>(121,019,223)</u>	<u>70,816,777</u>	<u>(659,403)</u>	<u>70,157,374</u>
NET OPERATING INCOME	<u>\$12,851,000</u>	<u>\$671,223</u>	<u>\$13,522,223</u>	<u>659,403</u>	<u>\$14,181,626</u>

PEOPLES GAS SYSTEM, INC.
 O&M FORECAST WORKSHEET - PROJECTED TEST YEAR CALCULATION

ATTACHMENT 3A
 AUGUST 10, 1999

COMPANY TREND RATES:		BASE YEAR + 1 09/30/92	PROJECTED TEST YEAR 09/30/93	
# 1	PAYROLL ONLY	3.80%	3.80%	
# 2	CUST GRWTH X PAY	6.58%	5.42%	
# 3	CUST GRWTH X INFL	6.17%	5.01%	
# 4	INFLATION ONLY	3.40%	3.40%	
	CUSTOMER GROWTH	2.6800%	1.5600%) FOR INFORMATIONAL PURPOSES

ACCOUNT DISTRIBUTION EXPENSE	TOTAL COMBINED BASE YEAR	BASE YEAR + 1	PROJECTED TEST YEAR	TREND BASIS APPLIED
870 Payroll-trended	240,006	249,126	258,593	1
Other trended	92,577	98,395	103,325	3
Other not trended	0	0	0	
Total	332,683	347,521	361,918	
871 Payroll-trended	118,243	126,023	132,854	2
Other trended	118,910	126,247	132,572	3
Other not trended	0	0	0	
Total	237,153	252,270	265,426	
874 Payroll-trended	1,688,015	1,799,086	1,896,597	2
Other trended	924,024	981,036	1,030,186	3
Other trended		97,500	130,000	
Other not trended	0	0	0	
Total	2,612,039	2,877,623	3,056,783	
875 Payroll-trended	50,652	52,577	54,575	1
Other trended	25,818	26,696	27,603	4
Other not trended	0	0	0	
Total	76,470	79,273	82,178	
876 Payroll-trended	148,638	154,286	160,149	1
Other trended	23,099	23,884	24,696	4
Other not trended	0	0	0	
Total	171,737	178,171	184,846	
SUB-TOTAL	\$3,430,082	\$3,734,857	\$3,951,150	

PEOPLES GAS SYSTEM, INC.
 O&M FORECAST WORKSHEET - PROJECTED TEST YEAR CALCULATION

ATTACHMENT 3A
 AUGUST 10, 199

COMPANY TREND RATES:		BASE YEAR + 1 09/30/92	PROJECTED TEST YEAR 09/30/93	
# 1	PAYROLL ONLY	3.80%	3.80%	
# 2	CUST GRWTH X PAY	6.58%	5.42%	
# 3	CUST GRWTH X INFL	6.17%	5.01%	
# 4	INFLATION ONLY	3.40%	3.40%	
	CUSTOMER GROWTH	2.5800%	1.5600%) FOR INFORMATIONAL PURPOSES

ACCOUNT	TOTAL COMBINED BASE YEAR	BASE YEAR + 1	PROJECTED TEST YEAR	TREND BASIS APPLIED
DISTRIBUTION EXPENSE				
870 Payroll-trended	240,006	249,128	258,593	1
Other trended	92,677	96,395	103,325	3
Other not trended	0	0	0	
Total	332,683	347,521	361,918	
871 Payroll-trended	118,243	126,023	132,854	2
Other trended	118,910	126,247	132,572	3
Other not trended	0	0	0	
Total	237,153	252,270	265,426	
874 Payroll-trended	1,664,015	1,799,086	1,896,597	2
Other trended	924,024	981,036	1,030,186	3
Other trended	0	67,500	130,000	
Other not trended	0	0	0	
Total	2,612,039	2,877,623	3,056,783	
875 Payroll-trended	50,652	52,577	54,575	1
Other trended	25,318	26,696	27,603	4
Other not trended	0	0	0	
Total	76,470	79,273	82,178	
876 Payroll-trended	148,638	154,286	160,149	1
Other trended	23,099	23,884	24,696	4
Other not trended	0	0	0	
Total	171,737	178,171	184,846	
SUB-TOTAL	53,430,082	53,734,857	53,951,150	

DISTRIBUTION EXPENSE

877 Payroll-trended	21,751	22,578	23,435	1
Other trended	14,131	15,003	15,755	3
Other not trended	0	0	0	
Total	35,882	37,580	39,190	
878 Payroll-trended	1,315,955	1,402,545	1,478,563	2
Other trended	863,560	916,842	962,775	3
Other not trended	660,085	566,591	980,919	
Total	2,839,600	2,885,977	3,422,257	
879 Payroll-trended	1,496,436	1,597,033	1,683,592	2
Other trended	622,881	661,313	694,445	3
Other not trended				
Total	2,121,317	2,258,346	2,378,037	
880 Payroll-trended	639,526	663,828	689,053	1
Other Trended	474,186	490,308	506,979	4
Other not trended	0	0	0	
Total	1,113,712	1,154,136	1,196,032	
881 Payroll-trended	0	0	0	
Other trended	56,197	58,108	60,083	4
Other not trended	0	0	0	
Total	56,197	58,108	60,083	
TOTAL DISTR EXP	\$9,596,790	\$10,129,005	\$11,046,750	

MAINTENANCE EXPENSE

885 Payroll-trended	114,573	118,927	123,446	1
Other trended	8,897	9,446	9,919	3
Other not trended	0	0	0	
Total	123,470	128,373	133,365	
886 Payroll-trended	159,989	170,516	179,758	2
Other trended	249,784	265,196	278,482	3
Other not trended	0	0	0	
Total	409,773	435,712	458,240	

887	Payroll-trended	879,511	937,383	968,189	2
	Other trended	650,673	690,820	725,430	3
	Other not trended	0	0		
	Total	<u>1,530,184</u>	<u>1,628,202</u>	<u>1,713,619</u>	
889	Payroll-trended	88,847	94,693	99,826	2
	Other trended	36,169	38,401	40,324	3
	Other not trended	0	0	0	
	Total	<u>125,016</u>	<u>133,094</u>	<u>140,150</u>	
890	Payroll-trended	157,032	167,365	176,436	2
	Other trended	58,386	61,988	65,094	3
	Other not trended	0	0	0	
	Total	<u>215,418</u>	<u>229,353</u>	<u>241,530</u>	
	SUB-TOTAL	<u>\$2,403,861</u>	<u>\$2,554,734</u>	<u>\$2,686,904</u>	
891	Payroll-trended	82,289	87,704	92,457	2
	Other trended	43,318	45,991	48,295	3
	Other not trended	0	0	0	
	Total	<u>125,607</u>	<u>133,694</u>	<u>140,752</u>	
892	Payroll-trended	509,295	542,807	572,227	2
	Other trended	239,195	253,953	266,676	3
	Other not trended	0	277,500	370,000	
	Total	<u>748,490</u>	<u>1,074,260</u>	<u>1,208,903</u>	
893	Payroll-trended	283,410	302,058	318,430	2
	Other trended	500,028	530,880	557,477	3
	Other not trended	0	0	0	
	Total	<u>783,438</u>	<u>832,938</u>	<u>875,907</u>	
894	Payroll-trended	50,225	53,530	56,431	2
	Other trended	128,277	136,192	143,015	3
	Other not trended	0	0	0	
	Total	<u>178,502</u>	<u>189,721</u>	<u>199,446</u>	
	TOTAL MAINT EXP	<u>\$4,239,898</u>	<u>\$4,785,348</u>	<u>\$5,111,912</u>	

CUSTOMER ACCT. & COLLEC.

901 Payroll-trended	3,809	4,060	4,280	2
Other trended	0	0	0	
Other not trended	0	0	0	
Total	3,809	4,060	4,280	
902 Payroll-trended	962,886	1,026,223	1,081,844	2
Other trended	142,902	151,719	159,320	3
Other not trended	54,252	139,822	150,962	
Total	1,160,020	1,317,764	1,392,126	
903 Payroll-trended	3,133,778	3,339,981	3,521,008	2
Other trended	(20,115)	(21,358)	(22,426)	3
Other not trended	3,217,320	3,836,535	4,103,848	
Total	6,330,983	7,155,209	7,602,430	
904 Payroll-trended	0	0	0	
Other trended	402,464	427,296	448,704	3
Other not trended	0	0	(13,668)	
Total	402,464	427,296	435,036	
905 Payroll-trended	32,860	35,022	36,920	2
Other trended	231,547	245,833	258,150	3
Other not trended	0	0	0	
Total	264,407	280,856	295,070	
TOTAL CUST SERV EXP	\$6,161,683	\$9,185,184	\$9,728,941	

SALES PROMOTION EXPENSE

911 Payroll-trended	199,040	206,604	214,454	1
Other trended	9,381	9,700	10,030	4
Other not trended	0	0	0	
Total	208,421	216,303	224,484	
912 Payroll-trended	1,558,277	1,658,680	1,748,580	2
Other trended	325,608	336,679	348,128	4
Other not trended	0	0	0	
Total	1,881,885	1,995,359	2,096,706	
913 Payroll-trended	730	778	820	2
Other trended	133,248	117,244	121,231	4
Other not trended	0	200,000	207,200	
Total	133,979	318,023	329,251	
916 Payroll-trended	167,994	179,048	188,752	2

Other trended	166,739	179,150	188,129	3
Other not trended	0	0	0	
Total	<u>336,733</u>	<u>358,198</u>	<u>376,878</u>	

TOTAL SELLING EXP	<u>\$2,561,018</u>	<u>\$2,887,883</u>	<u>\$3,027,319</u>	
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ADMINISTRATIVE & GENERAL

920 Payroll-trended	4,697,645	4,876,156	5,061,449	1
Other trended	0	0	0	
Other not trended	231,336	660,000	838,186	
Total	<u>4,928,981</u>	<u>5,536,156</u>	<u>5,899,635</u>	
921 Payroll-trended	455,939	485,940	512,278	2
Other trended	2,241,908	2,380,234	2,499,483	3
Other not trended	3,469,997	4,630,395	5,212,073	
Total	<u>6,167,844</u>	<u>7,496,569</u>	<u>8,223,834</u>	
922 Payroll-trended	0	0	0	
Other trended	(1,529,244)	(1,623,598)	(1,704,941)	3
Other not trended	(3,685,944)	(4,587,626)	(5,149,373)	
Total	<u>(5,215,188)</u>	<u>(6,211,224)</u>	<u>(6,854,314)</u>	
923 Payroll-trended	0	0	0	
Other trended	587,438	607,411	628,063	4
Other not trended	0	100,000	0	
Total	<u>587,438</u>	<u>707,411</u>	<u>628,063</u>	
924 Payroll-trended	0	0	0	
Other-trended	145,355	150,297	155,407	4
Other not trended	0	0	0	
Total	<u>145,355</u>	<u>150,297</u>	<u>155,407</u>	
925 Payroll-trended	377,068	401,900	423,683	2
Other trended	125,234	132,981	139,622	3
Other not trended	3,205,077	2,805,478	3,005,000	
Total	<u>3,707,399</u>	<u>3,340,357</u>	<u>3,568,306</u>	
SUB-TOTAL	<u>\$10,321,829</u>	<u>\$11,019,545</u>	<u>\$11,620,932</u>	

ADMINISTRATIVE & GENERAL

926	Payroll-trended	18,825	20,064	21,151	2
	Other trended	239,778	254,572	267,326	3
	Other trended	811,050	841,870	873,861	1
	Other trended	18,881	19,523	20,187	3
	Other not trended	3,294,011	3,864,423	3,741,142	
	Total	<u>4,382,545</u>	<u>5,000,452</u>	<u>4,923,667</u>	
928	Payroll-trended	0	0	0	
	Other-trended	0	0	0	
	Other not trended	85,800	155,123	66,542	
	Total	<u>85,800</u>	<u>155,123</u>	<u>66,542</u>	
930	Payroll-trended	0	0	0	
	Other trended	291,890	301,814	312,076	4
	Other not trended	0	0	255,000	
	Total	<u>291,890</u>	<u>301,814</u>	<u>567,076</u>	
931	Payroll-trended	0	0	0	
	Other trended	308,559	319,050	329,898	4
	Other not trended	437,560	404,218	572,409	
	Total	<u>746,119</u>	<u>723,268</u>	<u>902,307</u>	
932	Payroll-trended	9,730	10,100	10,484	1
	Other trended	5,351	5,533	5,721	4
	Other not trended	0	0	0	
	Total	<u>15,081</u>	<u>15,633</u>	<u>16,205</u>	
TOTAL A & G EXP		<u>15,843,264</u>	<u>17,215,835</u>	<u>18,096,728</u>	
TOTAL O&M EXPENSES		<u>\$40,402,653</u>	<u>\$44,203,255</u>	<u>\$47,011,650</u>	

PEOPLES GAS SYSTEM, INC.
 DOCKET NO. 911150-GU ATTACHMENT 4
 NET OPERATING INCOME MULTIPLIER AUGUST 10, 1992
 PTY 09/30/93

<u>DESCRIPTION</u>	<u>COMPANY AS FILED</u>	<u>STAFF</u>
REVENUE REQUIREMENT	100.0000%	100.0000%
GROSS RECEIPTS TAX RATE	0.0000%	0.0000%
REGULATORY ASSESSMENT FEE	0.3750%	0.3750%
BAD DEBT RATE	0.2046%	0.1690%
NET BEFORE INCOME TAXES	<u>99.4204%</u>	<u>99.4560%</u>
STATE INCOME TAX RATE	5.5000%	5.5000%
STATE INCOME TAX	5.4681%	5.4701%
NET BEFORE FEDERAL INCOME TAXES	<u>93.9523%</u>	<u>93.9859%</u>
FEDERAL INCOME TAX RATE	34.0000%	34.0000%
FEDERAL INCOME TAXES	31.9438%	31.9552%
REVENUE EXPANSION FACTOR	<u>62.0085%</u>	<u>62.0307%</u>
NET OPERATING INCOME MULTIPLIER	<u>1.6127%</u>	<u>1.6121%</u>

PEOPLES GAS SYSTEM, INC.
 DOCKET NO. 911150-GU
 COMPARATIVE DEFICIENCY CALCULATIONS
 PTY 9/30/93

ATTACHMENT 5
 AUGUST 10, 1992

	<u>COMPANY AS FILED</u>	<u>STAFF</u>
RATE BASE (AVERAGE)	\$222,331,185	\$220,919,953
RATE OF RETURN	X <u>10.38%</u>	X <u>9.75%</u>
REQUIRED NOI	<u>\$23,077,977</u>	<u>\$21,539,695</u>
Operating Revenues	\$84,339,000	\$84,339,000
Operating Expenses:		
Operation & Maintenance	48,283,000	47,011,650
Depreciation & Amortization	15,045,000	15,122,855
Taxes Other Than Income Taxes	6,402,000	6,402,000
Current Income Taxes	1,087,000	1,622,369
Gain on Sale of Property		(1,500)
Total Operating Expenses	<u>70,817,000</u>	<u>70,157,374</u>
ACHIEVED NOI	<u>\$13,522,000</u>	<u>\$14,181,626</u>
NET REVENUE DEFICIENCY	9,555,977	7,358,069
REVENUE TAX FACTOR	X <u>1.6127</u>	X <u>1.6121</u>
TOTAL REVENUE DEFICIENCY	<u>\$15,410,924</u>	<u>\$11,861,944</u>

ORDER NO. PSC-92-0924-FOF-GU
 DOCKET NO. 911150-GU
 PAGE 29

COMPANY NAME: PEOPLES GAS SYSTEM, INC.
 DOCKET NO. 911150-GU

SCHEDULE - A (COST OF SERVICE)
 CLASSIFICATION OF RATE BASE
 (Page 1 of 2:PLANT)

ATTACHMENT 6

	TOTAL	CUSTOMER	CAPACITY	COMMODITY	CLASSIFIER
LOCAL STORAGE PLANT	0		0		100% capacity
INTANGIBLE PLANT:	405961		405961		"
PRODUCTION PLANT	0		0		"
DISTRIBUTION PLANT:					
374 Land and Land Rights	1707275		1707275		"
375 Structures and Improvements	10565847		10565847		"
376 Mains	170949763		170949763		"
377 Comp.Sta.Eq.	0		0		"
378 Meas.& Reg.Sta.Eq.-Gen	2097455		2097455		"
379 Meas.& Reg.Sta.Eq.-CG	1932210		1932210		"
380 Services	6798344	6798344			100% customer
381-382 Meters	21987210	21987210			"
383-384 House Regulators	6998374	6998374			"
385 Industrial Meas.& Reg.Eq.	5118319		5118319		100% capacity
386 Property on Customer Premises	0	0	0	0	ac 374-385
387 Other Equipment	881304	295369	585935	0	ac 374-386
Total Distribution Plant	290226101	97269297	192956804	0	290226101
GENERAL PLANT:	27778857	13889429	13889429		50% customer, 50% capacity
PLANT ACQUISITIONS:	2302000		2302000		100% capacity
GAS PLANT FOR FUTURE USE:	0		0		"
CWIP:	5686000	1905663	3780337	0	dist.plant
TOTAL PLANT	326398919	113064389	213334530	0	326398919 checksum

ORDER NO. PSC-92-0924-FOF-GU
 DOCKET NO. 911150-GU
 PAGE 30

COMPANY NAME: PEOPLES GAS SYSTEM, INC.
 DOCKET NO. 911150-GU

SCHEDULE - A (COST OF SERVICE)
 CLASSIFICATION OF RATE BASE
 (Page 2 of 2: ACCUMULATED DEPRECIATION)

ATTACHMENT 6

	TOTAL	CUSTOMER	CAPACITY	COMMODITY	CLASSIFIER
LOCAL STORAGE PLANT:	0	0	0	0	related plant
INTANGIBLE PLANT:	250515	0	250515	0	rel.plant account
PRODUCTION PLANT	0		0		"
DISTRIBUTION PLANT:					"
375 Structures and Improvements	2159392	0	2159392	0	"
376 Mains	56626786	0	56626786	0	"
377 Compressor Sta. Eq.	0	0	0	0	"
378 Meas.& Reg.Sta. Eq.-Gen	507399	0	507399	0	"
379 Meas.& Reg.Sta. Eq.-CG	621291	0	621291	0	"
380 Services	31349528	31349528	0	0	"
381-382 Meters	9858174	9858174	0	0	"
383-384 House Regulators	2190200	2190200	0	0	"
385 Indust.Meas.& Reg.Sta.Eq.	1169761	0	1169761	0	"
386 Property on Customer Premises	0	0	0	0	"
387 Other Equipment	292799	98132	194667	0	"
Total A.D. on Dist. Plant	104775330	43496034	61279296	0	104775330 checksum
GENERAL PLANT:	12986119	6493060	6493060	0	general plant
PLANT ACQUISITIONS:	289370	0	289370	0	plant acquisitions
RETIREMENT WORK IN PROGRESS:	-320514	-107420	-213094	0	distribution plant
TOTAL ACCUMULATED DEPRECIATION	117980820	49881673	63099147	0	117980820 checksum
NET PLANT (Plant less Accum.Dep.)	208418099	63182716	145235383	0	208418099 checksum
less: CUSTOMER ADVANCES	-1650000	-825000	-825000		50% cust 50% cap
plus: ENVIRONMENTAL CLEAN-UP	4097000	2048500	2048500		50% cust 50% cap
plus: WORKING CAPITAL	10054853	7289181	2607612	158060	oper. and maint. exp.
equals: TOTAL RATE BASE	220919952	71695397	149066495	158060	220919952 checksum

COMPANY NAME: PEOPLES GAS SYSTEM, INC.
 DOCKET NO. 911150-GU

SCHEDULE - B (COST OF SERVICE)
 CLASSIFICATION OF EXPENSES
 (Page 1 of 2)

ATTACHMENT 6

OPERATIONS AND MAINTENANCE EXPENSES	TOTAL	CUSTOMER	CAPACITY	COMMODITY	CLASSIFIER
LOCAL STORAGE PLANT:	0	0	0	0	ac 301-320
PRODUCTION PLANT	0		0		100% capacity
DISTRIBUTION:					
870 Operation Supervision & Eng.	361918	220362	141556	0	ac 871-879
871 Dist.Load Dispatch	265426		265426		100% capacity
872 Compr.Sta.Lab. & Ex.	0	0	0	0	ac 377
873 Compr.Sta.Fuel & Power	0				100% commodity
874 Mains and Services	3056783	869788	2186995	0	ac376+ac380
875 Meas.& Reg. Sta.Eq.-Gen	82178	0	82178	0	ac 378
876 Meas.& Reg. Sta.Eq.-Ind.	183346	0	183346	0	ac 385
877 Meas.& Reg. Sta.Eq.-CG	39190	0	39190	0	ac 379
878 Meter and House Reg.	3422257	3422257	0	0	ac381+ac383
879 Customer Instal.	0	0	0	0	ac 386
880 Other Expenses	3574069	1915094	1658975	0	ac 387
881 Rents	60083		60083		100% capacity
885 Maintenance Supervision	133365	58178	75187	0	ac886-894
886 Maint. of Struct. and Improv.	458240	0	458240	0	ac375
887 Maintenance of Mains	1713619	0	1713619	0	ac376
888 Maint. of Comp.Sta.Eq.	0	0	0	0	ac 377
889 Maint. of Meas.& Reg. Sta.Eq.-G	140150	0	140150	0	ac 378
890 Maint. of Meas.& Reg. Sta.Eq.-I	241530	0	241530	0	ac 385
891 Maint. of Meas.& Reg.Sta.Eq.-CG	140752	0	140752	0	ac 379
892 Maintenance of Services	1208903	1208903	0	0	ac 380
893 Maint. of Meters and House Reg.	875907	875907	0	0	ac381-383
894 Maint. of Other Equipment	199446	87005	112441	0	ac387
Total Distribution Expenses	16157162	8657495	7499667	0	16157162 chr
CUSTOMER ACCOUNTS:					
901 Supervision	4280	4280			100% customer
902 Meter-Reading Expense	1392126	1392126			"
903 Records and Collection Exp.	7602430	7602430			"
904 Uncollectible Accounts	455083			455083	100% commodity
905 Misc. Expenses	295070	295070			100% customer
Total Customer Accounts	9748989	9293906	0	455083	"
(907-910) CUSTOMER SERV.& INFO. EXP.	0	0			"
(911-916) SALES EXPENSE	3027319	3027319			"
(932) MAINT. OF GEN. PLANT	16205	8103	8103	0	general plant
(920-931) ADMINISTRATION AND GENERAL	18080524	13107323	4688979	284222	0 O&M excl. A&C
TOTAL O&M EXPENSE	47030199	34094145	12196748	739505	47030199 ch

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COMPANY NAME: PEOPLES GAS SYSTEM, INC.
 DOCKET NO. 911150-GU

SCHEDULE - B (COST OF SERVICE)
 CLASSIFICATION OF EXPENSES
 (Page 2 of 2)

ATTACHMENT 6

DEPRECIATION AND AMORTIZATION EXPENSE:	TOTAL	CUSTOMER	CAPACITY	COMMODITY	REVENUE	CLASSIFIER
Depreciation Expense	13700855	4153465	9547390	0		net plant
Amort. of Other Gas Plant	0		0			100% capacity
Amort. of Environmental Clean-Up	1248000	624000	624000			50% cust 50% ca
Amort. of Lease Improvements	87000	0	87000	0		intangible plan
Amort. of Acquisition Adj.	87000	30372	56628	0		intan/dist/gen
Amort. of Conversion Costs	0			0		100% commodity
Total Deprec. and Amort. Expense	15122855	4807837	10315018	0	0	15122855 che
TAXES OTHER THAN INCOME TAXES:						
Revenue Related	369795				369795	100% revenue
Other	6076687	1842170	4234517	0		net plant
Total Taxes other than Income Taxes	6446482	1842170	4234517	0	369795	
REV.CRDT TO COS(NEG.OF OTHR OPR.REV)	-1627731	-1627731				100% customer
RETURN (REQUIRED NOI)	21539695	6990301	14533983	15411		rate base
INCOME TAXES	6061736	1967222	4090177	4337	0	return(noi)
TOTAL OVERALL COST OF SERVICE	94573236	48073944	45370444	759053	369795	94573236 che

CUSTOMER COSTS	No. of Customers	Weighting	Weighted No. of Customers	Allocation Factors	CAPACITY COSTS	Peak & Avg. Month Sales Vol. (therms)	Allocation Factors	COMMODITY COSTS	Annual Sales Vol. (therms)	Allocation Factors	REVENUE-RELATED COSTS	Log on Cust. Cap. & Comod.	Allocation Factors
TOTAL	185565	1.0	161300	0.87180	10102250	10413021	0.09451699	15810102	655095706	0.05920217	1756	3721	0.0105325
SMALL	5951	1.0	13261	0.0073997	10102250	10413021	0.09451699	15810102	38707378	0.00337775	2637	11961	0.033022
COMMERCIAL	1866	2.9	5353	0.0283397	10102250	10413021	0.09451699	15810102	2181677	0.129905105	9833	59327	0.027890
COMMERCIAL	1866	2.9	5353	0.0283397	10102250	10413021	0.09451699	15810102	110274019	0.17073037	9833	59327	0.027890
LARGE VOL. 1	42	2.9	122	0.00053	10102250	10413021	0.09451699	15810102	21753355	0.033679	82	2637	0.0746384
COMMERCIAL	42	2.9	122	0.00053	10102250	10413021	0.09451699	15810102	155238	0.000260	82	2637	0.0746384
LARGE VOL. 2	2	2.9	6	0.00026	10102250	10413021	0.09451699	15810102	52884675	0.0818932	11961	11961	0.033022
WHOLESALE	58	5.9	342	0.001556	10102250	10413021	0.09451699	15810102	158007415	0.2666330	11961	11961	0.033022
SMALL	25	16.4	377	0.001745	10102250	10413021	0.09451699	15810102	57965276	0.089764018	1756	1756	0.00499399
INTERMPT	1	123.9	126	0.00056319	10102250	10413021	0.09451699	15810102	57965276	0.089764018	1756	1756	0.00499399
INTERMPT	1	123.9	126	0.00056319	10102250	10413021	0.09451699	15810102	57965276	0.089764018	1756	1756	0.00499399
LARGE VOL.	1	123.9	126	0.00056319	10102250	10413021	0.09451699	15810102	57965276	0.089764018	1756	1756	0.00499399
SPECIAL CO	1	123.9	126	0.00056319	10102250	10413021	0.09451699	15810102	57965276	0.089764018	1756	1756	0.00499399
LARGE VOL.	1	123.9	126	0.00056319	10102250	10413021	0.09451699	15810102	57965276	0.089764018	1756	1756	0.00499399

ATTACHMENT 6

SCHEDULE - C (COST OF SERVICE)

COMPANY NAME: PEOPLES GAS SYSTEM, INC.
 DOCKET NO. 911150-CU

COMPANY NAME: PEOPLES GAS SYSTEM, INC.
DOCKET NO. 91150-GU

SCHEDULE - D (COST OF SERVICE)
ALLOCATION OF RATE BASE TO CUSTOMER CLASSES

ATTACHMENT 6

RATE BASE BY CUSTOMER CLASS	TOTAL	RESIDENTIAL	SMALL COMMERCIAL	COMMERCIAL	COMMERCIAL LARGE VOL. 1	COMMERCIAL LARGE VOL. 2	WHOLESALE	SMALL INTERRUPT	INTERRUPT	INTERRUPT LARGE VOL.	SPECIAL CO LARGE VOL.
DIRECT AND SPECIAL ASSIGNMENTS:											
Customer											
Meters	12129036	9062723	590571	2120235	295148	6715	320	18866	20796	6831	6831
House Regulators	4808174	4808174	0	0	0	0	0	0	0	0	0
Services	36638816	27376243	1783969	6404705	891568	20285	966	56991	62820	20635	20635
All Other	18119371	13538655	882245	3167385	440916	10032	478	28184	31067	10205	10205
Total	71695397	54785795	3256785	11692325	1627632	37032	1763	104042	114683	37670	37670
Capacity											
Industrial Meas. & Reg. Sta. Eq.	3948558	0	0	588982	757903	134486	1060	360045	1082074	406203	617906
Meas. & Reg. Sta. Eq. - Gen.	1590056	123478	5725	217906	280402	49756	392	133206	400632	150283	228274
Mains	114322977	16408613	760764	28956864	37261736	6611886	52100	17701331	3523475	141327	904881
All Other	29204904	4191738	194344	7397310	9518869	1689070	13310	4521975	1411025	36103	231161
Total	149066495	20723829	960833	37161063	47818911	8485197	66862	22716557	8418005	733916	1981322
Commodity											
Account #	0	0	0	0	0	0	0	0	0	0	0
Account #	0	0	0	0	0	0	0	0	0	0	0
Account #	0	0	0	0	0	0	0	0	0	0	0
All Other	158060	9472	534	20545	26986	5323	38	12944	38667	14185	29366
Total	158060	9472	534	20545	26986	5323	38	12944	38667	14185	29366
TOTAL	220919952	73519096	4218152	48873933	49473529	8527552	68663	22833543	6571355	785772	2048358

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COMPANY NAME: PEOPLES GAS SYSTEM, INC.
DOCKET NO. 91150-GU

SCHEDULE - E (COST OF SERVICE)
ALLOCATION OF COST OF SERVICE TO CUSTOMER CLASSES
(Page 1 of 3)

ATTACHMENT 6

	TOTAL	SHALL RESIDENTIAL	COMMERCIAL	COMMERCIAL	COMMERCIAL LARGE VOL. 1	COMMERCIAL LARGE VOL. 2	WHOLESALE	SHALL INTERRUPT	INTERRUPT	INTERRUPT LARGE VOL.	SPECIAL CO LARGE VOL.
Customer	0	0	0	0	0	0	0	0	0	0	0
Capacity	0	0	0	0	0	0	0	0	0	0	0
Commodity	0	0	0	0	0	0	0	0	0	0	0
Revenue	0	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0	0	0	0
OPERATIONS AND MAINTENANCE EXPENSE:											
DIRECT AND SPECIAL ASSIGNMENTS:											
Customer											
878 Meters and House Regulators	3422257	2557004	166632	598233	83277	1895	90	5323	5868	1927	1927
893 Maint. of Meters & House Reg.	875907	654471	42649	153114	21314	485	23	1362	1502	493	493
874 Mains & Services	869788	649899	42351	152045	21165	482	23	1353	1491	490	490
892 Maint. of Services	1208903	903283	58862	211324	29417	669	32	1880	2073	681	681
All Other	27717290	20710147	1349574	4865164	674472	15346	731	43114	47523	15610	15610
Total	34094145	25474885	1660067	5959880	829646	18876	899	53033	58457	19201	19201
Capacity											
876 Measuring & Reg. Sta. Eq. - 1	183346	0	0	27349	35192	4245	49	16718	50282	18861	28650
890 Maint. of Meas. & Reg. Sta. Eq. - 1	241530	0	0	36028	46360	8226	65	22024	66238	24847	37742
874 Mains and Services	2186995	169834	7874	299713	385671	68435	539	183214	551037	206703	313973
887 Maint. of Mains	1713619	245953	11403	434043	558527	99107	781	265330	82793	2118	13564
All Other	7871259	1129750	52379	1993711	2565510	455235	3587	1218756	380297	9731	62302
Total	12196748	1545538	71657	2790043	3591260	637249	5021	1706042	1130648	262260	456230
Commodity											
Account #	0	0	0	0	0	0	0	0	0	0	0
Account #	0	0	0	0	0	0	0	0	0	0	0
Account #	0	0	0	0	0	0	0	0	0	0	0
All Other	739305	44305	2497	96099	126222	24899	178	60544	180858	66348	137354
Total	739305	44305	2497	96099	126222	24899	178	60544	180858	66348	137354
By Month	47030199	27064728	1734221	8846821	4547128	681024	6098	1819619	1369963	347810	612786

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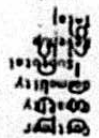
COMPANY NAME: PEOPLES GAS SYSTEM, INC.
DOCKET NO. 911150-GU

SCHEDULE - E (COST OF SERVICE)
ALLOCATION OF COST OF SERVICE TO CUSTOMER CLASSES
(Page 2 of 3)

ATTACHMENT 6

	TOTAL	SMALL RESIDENTIAL	SMALL COMMERCIAL	COMMERCIAL COMMERCIAL	COMMERCIAL LARGE VOL. 1	COMMERCIAL LARGE VOL. 2	WHOLESALE	SMALL INTERRUPT	SMALL INTERRUPT	INTERRUPT LARGE VOL.	SPECIAL CO LARGE VOL.
DEPRECIATION EXPENSE:											
Customer	4153465	3103437	202235	726053	101070	2300	110	6461	7121	2339	2339
Capacity	9567390	1370323	63533	2418258	3111818	552175	4351	1478281	461279	11803	75569
Total	13700855	4473760	265768	3144311	3212889	554474	4461	1486762	468600	14142	77908
AMORT. OF GAS PLANT:											
Capacity	0	0	0	0	0	0	0	0	0	0	0
AMORT. OF PROPERTY LOSS:											
Capacity	1248000	179124	8305	316106	406766	72178	569	193236	60297	1543	9878
AMORT OF LIMITED TERM INVEST.											
Capacity	87000	12487	579	22036	28356	5032	40	13671	4203	108	689
AMORT. OF ACQUISITION ADJ.:											
Customer	30372	22694	1479	5309	739	17	1	47	52	17	17
Capacity	56628	8128	377	14343	18457	3275	26	8768	2736	70	448
Total	87000	30822	1856	19653	19196	3292	27	8815	2788	87	465
AMORT OF CONVERSION COSTS:											
Capacity	0	0	0	0	0	0	0	0	0	0	0

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COMPANY NAME: PEOPLES GAS SYSTEM, INC.
 DOCKET NO. 91150-CU

SCHEDULE - E (COST OF SERVICE)
 ALLOCATION OF COST OF SERVICE TO CUSTOMER CLASSES
 (Page 3 of 3)

	TOTAL	RESIDENTIAL	COMMERCIAL	COMMERCIAL	COMMERCIAL	WHOLESALE	SMALL	INTERRUPT	INTERRUPT	INTERRUPT	SPECIAL CO
TAKES OTHER THAN INCOME TAXES:	102170	117655	8697	122023	66027	1020	49	2065	3159	1037	1037
Customer	4234517	607776	20179	1077561	1300173	26906	1930	65656	206509	5235	3317
Capacity	607607	1906230	117025	1306506	1625000	26926	1970	650522	207760	6272	3656
Revenue	666602	2167093	120100	1672057	1007103	256237	2066	606123	220260	8110	20469
Total	666602	2167093	120100	1672057	1007103	256237	2066	606123	220260	8110	20469
RETURN (NOT)	699301	5361615	317537	1160002	150696	3611	172	10166	11102	3673	3673
Customer	16533083	2020573	93601	3021206	6662366	027307	6519	2216066	020756	71557	193170
Capacity	15611	926	52	2003	2631	519	6	1262	3770	1303	2063
Total	21539695	7303112	611270	6763200	6023669	031636	6695	2226270	035707	76613	199715
INCOME TAXES:	1907222	1503266	09362	320821	6660	1016	40	2055	3167	1036	1036
Customer	600177	500633	26366	1019660	1312006	232922	1035	623311	230970	20130	54365
Capacity	4337	260	15	56	760	166	1	355	1061	309	806
Total	601736	207239	115760	1361033	1357605	233906	1006	626521	253106	21560	56206
REVENUE CREDITED TO COS:	-1027731	-1666950	-60032	-113961	0	0	0	0	0	0	0
Customer	4766966	35357376	231566	0360167	1179637	26039	1270	75605	6091629	372712	27302
Capacity	6590666	6112500	292676	11276000	16511250	2576961	20290	2915606	2915606	023076	023076
Total	759053	45609	90666	11276000	16511250	2576961	20290	2915606	2915606	023076	023076
Customer	9420661	41715663	2606702	19733011	15060609	2627365	21750	7031195	3106292	660135	902199
Capacity	369795	163756	10233	77623	62103	10316	05	27601	12500	1030	3095
Total	94572236	61079196	2617015	19013206	15062592	2637650	21036	7050796	3196792	660972	906096

ATTACHMENT 6

COMPANY NAME: PEOPLES GAS SYSTEM, INC.
DOCKET NO. 91150-GU

SCHEDULE - F (COST OF SERVICE)
DERIVATION OF REVENUE DEFICIENCY

ATTACHMENT 6

COST OF SERVICE BY CUSTOMER CLASS	TOTAL	SMALL		COMMERCIAL LARGE VOL. 1	COMMERCIAL LARGE VOL. 2	WHOLESALE	SMALL		INTERRUPT LARGE VOL.	SPECIAL CONTRACT LARGE VOL.	
		RESIDENTIAL	COMMERCIAL				INTERRUPT	INTERRUPT			
CUSTOMER COSTS	47,449,944	35,357,374	2,311,564	8,340,147	1,179,637	26,839	1,278	75,405	83,117	27,302	27,302
CAPACITY COSTS	45,994,444	6,312,580	292,674	11,276,998	14,511,258	2,574,941	20,290	6,893,629	2,915,486	372,712	823,874
COMMODITY COSTS	759,053	45,489	2,564	98,666	129,593	25,564	182	62,161	185,689	68,120	141,023
REVENUE COSTS	369,795	163,754	10,233	77,473	62,103	10,314	85	27,601	12,500	1,838	3,895
TOTAL	94,573,236	41,879,196	2,617,015	19,813,284	15,882,592	2,637,658	21,836	7,058,796	3,196,792	469,972	996,094
Less: REVENUE AT PRESENT RATES (In the projected test year)	82,710,875	25,897,071	1,806,714	20,685,409	20,200,739	2,889,094	15,395	3,516,223	5,863,008	634,522	1,202,700
equals: GAS SALES REVENUE DEFICIENCY	11,862,361	15,982,125	810,301	(872,125)	(4,318,147)	(251,436)	6,441	3,542,573	(2,666,216)	(164,550)	(206,606)
plus: DEFICIENCY IN OTHER OPERATING REV.	0	0	0	0	0	0	0	0	0	0	0
equals: TOTAL BASE-REVENUE DEFICIENCY	11,862,361	15,982,125	810,301	(872,125)	(4,318,147)	(251,436)	6,441	3,542,573	(2,666,216)	(164,550)	(206,606)

UNIT COSTS:											
Customer	21.308771	17.924613	32.369125	52.535927	53.251944	53.251944	53.251944	108.340162	301.148925	2275.143405	2275.143405
Capacity	0.417440	0.737764	0.737764	0.746834	0.746834	0.746834	0.746834	0.746834	0.105019	0.035790	0.052086
Commodity	0.001175	0.001175	0.001175	0.001175	0.001175	0.001175	0.001175	0.001175	0.001175	0.001175	0.001175

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COMPANY NAME: PEOPLES GAS SYSTEM, INC.
DOCKET NO. 911150-GU

SCHEDULE - G (COST OF SERVICE)
RATE OF RETURN BY CUSTOMER CLASS
(Page 1 of 2:PRESENT RATES)

ATTACHMENT 6

	TOTAL RESIDENTIAL	SMALL COMMERCIAL	COMMERCIAL	COMMERCIAL LARGE VOL. 1	COMMERCIAL LARGE VOL. 2	WHOLESALE	SMALL INTERRUPT	INTERRUPT	INTERRUPT LARGE VOL.	SPECIAL CONTRACT LARGE VOL.	
REVENUES: (projected test year)											
Gas Sales (due to growth)	82,710,875	25,897,071	1,806,714	20,685,409	20,200,739	2,889,094	15,395	3,516,271	5,863,008	634,522	1,202,700
Other Operating Revenue	1,427,731	1,464,958	48,832	113,941	0	0	0	0	0	0	0
Total	84,338,606	27,362,029	1,855,546	20,799,350	20,200,739	2,889,094	15,395	3,516,271	5,863,008	634,522	1,202,700
EXPENSES:											
Purchased Gas Cost	0	0	0	0	0	0	0	0	0	0	0
G&M Expenses	47,030,199	27,064,728	1,734,221	8,846,821	4,547,120	681,024	6,098	1,819,619	1,369,963	347,810	612,786
Depreciation Expenses	13,700,855	4,473,760	265,760	3,144,311	3,212,889	554,474	4,461	1,484,742	468,400	14,142	77,908
Amortization Expenses	1,422,000	222,432	10,739	357,795	454,318	80,502	635	215,522	67,288	1,737	11,032
Taxes Other Than Income--Fixed	6,076,687	1,984,230	117,875	1,394,584	1,425,000	245,924	1,978	658,522	207,748	6,272	34,554
Taxes Other Than Income--Revenue	310,166	97,114	6,775	77,570	75,753	10,834	58	13,186	21,986	2,379	4,510
Total Expes excl. Income Taxes	68,539,907	33,842,264	2,135,379	13,821,082	9,715,088	1,572,758	13,230	4,191,500	2,135,385	372,341	740,791
INCOME TAXES:	1,422,369	554,589	30,977	358,915	363,319	62,424	504	167,683	62,945	5,770	15,043
NET OPERATING INCOME:	14,176,330	(7,034,824)	(310,810)	6,619,353	10,122,333	1,253,712	1,461	(843,049)	3,664,677	256,411	446,867

RATE BASE:	220,919,952	75,519,096	4,218,152	48,873,933	49,473,529	8,527,552	68,463	22,833,543	8,571,355	785,772	2,048,358
RATE OF RETURN	0.064170	-0.093153	-0.073684	0.135437	0.204601	0.147019	0.026194	-0.036922	0.427549	0.326317	0.218159

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COMPANY NAME: PEOPLES GAS SYSTEM, INC.
DOCKET NO. 911150-CU

SCHEDULE - D (COST OF SERVICE)
RATE OF RETURN BY CUSTOMER CLASS
(Page 2 of 2: PROPOSED RATES)

ATTACHMENT 6

	TOTAL RESIDENTIAL	SMALL COMMERCIAL	COMMERCIAL COMMERCIAL	COMMERCIAL LARGE VOL. 1	COMMERCIAL LARGE VOL. 2	WHOLESALE	SMALL INTERRUPT	INTERRUPT	INTERRUPT LARGE VOL.	SPECIAL CONTRACT LARGE VOL.
REVENUES:			1061135	4493628	642675					
Gas Sales	94,573,236	29,713,906	1,806,714	23,157,642	24,694,367	3,531,769	21,836	3,946,772	5,863,008	634,522
Other Operating Revenue	1,427,731	1,464,958	48,832	113,941	0	0	0	0	0	0
Total	96,000,967	31,178,864	1,855,546	23,271,583	24,694,367	3,531,769	21,836	3,946,772	5,863,008	634,522
EXPENSES:										
Purchased Gas Cost	0	0	0	0	0	0	0	0	0	0
G&M Expenses	47,030,199	27,064,728	1,734,221	8,846,821	4,547,128	681,024	6,098	1,819,619	1,369,963	347,810
Depreciation Expenses	13,700,855	4,473,760	265,768	3,144,311	3,212,809	554,474	4,461	1,484,742	468,400	14,142
Amortization Expenses	1,422,000	222,432	10,739	357,795	454,318	80,502	635	215,522	67,288	1,737
Taxes Other Than Income--Fixed	6,076,687	1,984,230	117,875	1,394,584	1,425,000	245,974	1,978	658,522	207,748	6,272
Taxes Other Than Income--Revenue	369,795	111,427	6,775	86,841	92,604	13,244	82	14,800	21,986	2,379
Total Expense excl. Income Taxes	68,599,536	33,856,577	2,135,379	13,830,352	9,731,939	1,575,168	13,254	4,193,204	2,135,385	372,341
PRE TAX NOI:	27,401,431	(2,677,713)	(279,834)	9,441,231	14,962,428	1,956,601	8,582	(246,432)	3,727,623	262,181
INCOME TAXES:	4,061,734	(588,071)	(61,456)	2,073,452	3,286,000	429,702	1,885	(54,121)	818,648	57,579
NET OPERATING INCOME:	21,539,695	(2,089,643)	(218,377)	7,367,779	11,676,429	1,526,899	6,697	(192,312)	2,908,974	204,602
RATE BASE:	220,919,952	75,519,096	4,218,152	48,873,933	49,473,529	8,527,552	48,643	22,833,543	8,571,355	785,772
RATE OF RETURN:	0.097500	-0.027670	-0.051771	0.150751	0.236014	0.179055	0.097540	-0.008422	0.339383	0.260383

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 DOCKET NO. 911150-CU
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COST OF SERVICE SUMMARY

PROPOSED RATH DUGHAN

COMPANY NAME: PEOPLES GAS SYSTEM, INC.

DOCKET NO. 911150-GU

	TOTAL	RESIDENTIAL	SMALL		COMMERCIAL		SMALL		INTERRUPT	INTERRUPT	SPECIAL CONTRACT
			COMMERCIAL	COMMERCIAL	WHOLESALE	INTERRUPT					
			COMMERCIAL	COMMERCIAL	LARGE VOL.	LARGE VOL.	WHOLESALE	INTERRUPT	LARGE VOL.	LARGE VOL.	
PRESENT RATES (Estimated for 2024)											
GAS SALES (\$mm to 2024)	82,710,878	25,897,071	1,808,714	20,885,400	20,200,730	2,889,004	15,395	3,618,223	6,863,008	634,622	1,202,700
OTHER OPERATING REVENUE	1,627,731	1,484,958	48,832	113,041	0	0	0	0	0	0	0
TOTAL	84,338,609	27,382,029	1,855,546	20,998,441	20,200,730	2,889,004	15,395	3,618,223	6,863,008	634,622	1,202,700
RATE OF RETURN	8.42%	-0.32%	-7.37%	13.64%	20.48%	14.70%	2.42%	-3.03%	42.76%	32.63%	21.82%
INDEX	1.00	-0.01	-0.01	0.02	0.03	0.02	0.00	-0.01	0.07	0.05	0.03
PROPOSED RATES											
GAS SALES	84,672,236	20,713,908	1,808,714	23,167,842	24,894,387	3,531,769	21,838	3,948,772	6,863,008	634,622	1,202,700
OTHER OPERATING REVENUE	1,627,731	1,484,958	48,832	113,841	0	0	0	0	0	0	0
TOTAL	86,299,967	22,198,866	1,855,546	23,281,683	24,894,387	3,531,769	21,838	3,948,772	6,863,008	634,622	1,202,700
TOTAL REVENUE INCREASE	11,882,361	3,810,838	0	2,472,233	4,493,628	642,766	0,441	430,548	0	0	0
PERCENT INCREASE	14.07%	13.85%	0.00%	11.89%	22.24%	22.24%	41.84%	12.24%	0.00%	0.00%	0.00%
	21.10										
RATE OF RETURN	8.76%	-2.77%	-5.18%	16.08%	23.60%	17.91%	8.75%	-0.84%	33.84%	28.04%	17.80%
INDEX	1.00	-0.28	-0.53	1.85	2.42	1.84	1.00	-0.08	3.48	2.87	1.88

COMPANY NAME: PEOPLES GAS SYSTEM, INC.
 DOCKET NO. 911150-GU

COST OF SERVICE SUMMARY

ATTACHMENT 6

CALCULATION OF PROPOSED RATES

	TOTAL	SMALL			COMMERCIAL			SPECIAL CONTRACT			
		RESIDENTIAL	COMMERCIAL	COMMERCIAL	LARGE VOL.	LARGE VOL.	WHOLESALE	INTERRUPT	INTERRUPT	LARGE VOL.	LARGE VOL.
PROPOSED TOTAL TARGET REVENUES	98,200,967	31,178,884	1,855,549	23,271,583	24,894,307	3,531,789	21,838	3,948,772	5,863,008	834,822	1,292,700
LESS: OTHER OPERATING REVENUE	1,627,731	1,464,958	48,832	113,941	0	0	0	0	0	0	0
LESS: CUSTOMER CHARGE REVENUES											
PROPOSED CUSTOMER CHARGES		\$7.00	\$18.00	\$17.00	\$25.00	\$45.00	\$0.00	\$160.00	\$225.00	\$225.00	\$225.00
TIMES-NUMBER OF BILLS	2,228,780	1,972,660	71,412	159,132	22,152	504	24	898	278	12	12
EQUALS-CUSTOMER CHARGE REVENUES	18,338,024	13,867,820	1,071,180	2,705,244	553,800	22,880	0	104,400	62,100	2,700	2,700
LESS: NOV AND LOAD FACTOR DISCOUNTS				239	60,818						
LESS: OTHER NON-THERM-RATE REVENUES				8,833							
PLUS: NOV AND LOAD FACTOR ADJUSTMENTS		8291	519	19958	29212	5171					
EQUALS PER-THERM TARGET REVENUES	78,243,212	16,816,167	738,053	20,483,760	24,105,080	3,514,265	21,838	3,842,372	5,800,908	831,822	1,290,000
DIVIDE BY: NUMBER OF THERMS	645,885,708	38,707,378	2,181,877	83,858,873	110,274,018	21,783,385	155,238	82,884,478	168,007,418	87,885,276	120,000,000
EQUALS PER-THERM RATES (UNRINDED)		0.411187	0.337379	0.243741	0.218801	0.161550	0.140880	0.072842	0.038713	0.010800	0.010800
PER-THERM RATES (RINDED)		0.411117	0.33738	0.24374	0.21880	0.16155	0.14088	0.07284	0.03871	0.01080	0.01080
PER-THERM REVENUES (RINDED RATES)	74,389,713	16,816,313	738,054	20,483,818	24,105,901	3,514,265	21,839	3,842,265	5,800,452	831,822	1,290,000

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 DOCKET NO. 911150-GU
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COMPANY NAME: PEOPLES GAS SYSTEM, INC.
 DOCKET NO. 91150-GU

COST OF SERVICE SUMMARY
CALCULATION OF PROPOSED RATES

ATTACHMENT 6

SUMMARY PROPOSED TARIFF RATES	SMALL			COMMERCIAL			SMALL			SPECIAL	COMMERCIAL
	RESIDENTIAL	COMMERCIAL	COMMERCIAL	[LARGE VOL.]	[LARGE VOL.]	WHOLESALE	INTERRUPT	INTERRUPT	[LARGE VOL.]	CONTRACT	STREET
CUSTOMER CHARGES	\$7.00	\$15.00	\$17.00	\$25.00	\$45.00	\$0.00	\$150.00	\$225.00	\$225.00	\$225.00	\$0.00
ENERGY CHARGES											
NON-GAS (CENTS PER THERM)	41.117	33.738	24.374	21.860	18.165	14.068	7.204	3.871	1.000	1.000	8.447
PURCHASED GAS ADJUSTMENT	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
TOTAL (INCLUDING PGM)	41.117	33.738	24.374	21.860	18.165	14.068	7.204	3.871	1.000	1.000	8.447

SUMMARY PROPOSED TARIFF RATES

CUSTOMER CHARGES	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
ENERGY CHARGES										
NON-GAS (CENTS PER THERM)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
PURCHASED GAS ADJUSTMENT	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
TOTAL (INCLUDING PGM)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000

SEE ATTACHMENT FOR RATE COMPARISON

SUMMARY OTHER OPERATING REVENUES

	PRESENT		PROPOSED	
	CHARGE	REVENUE	CHARGE	REVENUE
RESIDENTIAL CONNECTION/RECONNECTION	\$25.00	\$1,287,301	\$25.00	\$1,287,301
COMMERCIAL CONNECTION/RECONNECTION	\$50.00	\$114,300	\$50.00	\$114,300
CHARGE OF ACCOUNT	\$10.00	\$88,600	\$10.00	\$88,600
BILLING ADJUSTMENT IN LIEU OF DISCONNECTION	\$10.00	\$158,670	\$10.00	\$158,670
TOTAL		\$1,627,731		\$1,627,731

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 DOCKET NO. 91150-GU
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<u>PEOPLES GAS SYSTEM, INC.</u>		<u>RATE COMPARISON</u>		
<u>RATE SCHEDULE</u>	<u>PRESENT RATE</u>	<u>PROPOSED RATE</u>	<u>INCREASE</u>	
<u>RESIDENTIAL</u>				
CUSTOMER CHARGE	\$7.00	\$7.00		\$0.00
ENERGY CHARGE (cents/therm)	32.594	41.117		8.5230
<u>SMALL GENERAL SERVICE</u>				
CUSTOMER CHARGE	\$17.00	\$15.00		(\$2.00)
ENERGY CHARGE (cents/therm)	23.854	33.738		9.8840
<u>GENERAL SERVICE</u>				
CUSTOMER CHARGE	\$17.00	\$17.00		\$0.00
ENERGY CHARGE (cents/therm)	23.854	24.374		0.5200
<u>GENERAL SERVICE LARGE VOL. 1</u>				
CUSTOMER CHARGE	\$26.00	\$25.00		(\$1.00)
ENERGY CHARGE (cents/therm)	18.154	21.860		3.7060
<u>GENERAL SERVICE LARGE VOL. 2</u>				
CUSTOMER CHARGE	\$75.00	\$45.00		(\$30.00)
ENERGY CHARGE (cents/therm)	13.106	16.155		3.0490
<u>WHOLESALE</u>				
CUSTOMER CHARGE	\$0.00	\$0.00		\$0.00
ENERGY CHARGE (cents/therm)	9.917	14.066		4.1490
<u>SMALL INTERRUPTIBLE</u>				
CUSTOMER CHARGE	\$150.00	\$150.00		\$0.00
ENERGY CHARGE (cents/therm)	4.463	7.264		2.8010
<u>INTERRUPTIBLE</u>				
CUSTOMER CHARGE	\$225.00	\$225.00		\$0.00
ENERGY CHARGE (cents/therm)	3.672	3.672		0.0000
<u>INTERRUPTIBLE LARGE VOL.</u>				
CUSTOMER CHARGE	\$225.00	\$225.00		\$0.00
ENERGY CHARGE (cents/therm)	1.090	1.090		0.0000
<u>SPECIAL CONTRACT LARGE VOL.</u>				
CUSTOMER CHARGE	\$225.00	\$225.00		\$0.00
ENERGY CHARGE (cents/therm)	1.090	1.000		-0.0900
<u>COMMERCIAL STREET LIGHTING</u>				
CUSTOMER CHARGE	\$0.00	\$0.00		\$0.00
ENERGY CHARGE (cents/therm)	0.000	9.447		9.4470
<u>PALM BEACH COUNTY (DIVISION)</u>				
<u>RESIDENTIAL</u>				
CUSTOMER CHARGE	\$5.00	\$7.00		\$2.00
ENERGY CHARGE (cents/therm)	36.480	41.117		4.6370
<u>COMMERCIAL</u>				
CUSTOMER CHARGE	\$10.00	\$17.00		\$7.00
ENERGY CHARGE (cents/therm)	28.720	24.374		-4.3460
<u>INDUSTRIAL</u>				
CUSTOMER CHARGE	\$25.00	\$25.00		\$0.00
ENERGY CHARGE (cents/therm)	29.560	21.860		-7.7000

COST OF SERVICE SUMMARY
 RATE COMPARISON

COMPANY: PEOPLES GAS SYSTEM, INC.
 DOCKET NO. 911150-GU

RATE SCHEDULE: RESIDENTIAL (RS)

PEOPLES
 PRESENT RATES

Customer Charge
 7.00

Energy Charge

Beginning therms	Ending therms	cents per therm
0	0	0
0	N/A	32.594

PROPOSED RATES

Customer Charge
 7.00

Energy Charge

Beginning therms	Ending therms	cents per therm
0	0	0
0	N/A	41.117

GAS COST CENTS/THERM USAGE INCREMENT
 24.223 10

therms usage	PRESENT		PROPOSED			percent increase with fuel	Dollar increase
	monthly bill w/o fuel	monthly bill with fuel	monthly bill w/o fuel	monthly bill with fuel	percent increase w/o fuel		
0	7.00	7.00	7.00	7.00	0.00	0.00	0.00
10	10.26	12.68	11.11	13.53	2.31	6.72	0.85
20	13.52	18.36	15.22	20.07	12.61	9.28	1.70
30	16.78	24.05	19.34	26.60	15.24	10.63	2.56
40	20.04	29.73	23.45	33.14	17.01	11.47	3.41
50	23.30	35.41	27.56	39.67	18.29	12.04	4.26
60	26.56	41.09	31.67	46.20	19.26	12.45	5.11
70	29.82	46.77	35.78	52.74	20.01	12.76	5.97
80	33.08	52.45	39.89	59.27	20.61	13.00	6.82
90	36.33	58.14	44.01	65.81	21.11	13.19	7.67
100	39.59	63.82	48.12	72.34	21.53	13.36	8.52
110	42.85	69.50	52.23	78.87	21.88	13.49	9.38
120	46.11	75.18	56.34	85.41	22.18	13.60	10.23
130	49.37	80.86	60.45	91.94	22.44	13.70	11.08
140	52.63	86.54	64.56	98.48	22.67	13.79	11.93
150	55.89	92.23	68.68	105.01	22.87	13.86	12.78
160	59.15	97.91	72.79	111.54	23.05	13.93	13.64

COST OF SERVICE SUMMARY
 RATE COMPARISON

COMPANY: PEOPLES GAS SYSTEM, INC.
 DOCKET NO. 911150-GU

RATE SCHEDULE: SMALL GENERAL SERVICE (SGS)

PEOPLES
 PRESENT RATES

Customer Charge
 17.00

Energy Charge

Beginning therms	Ending therms	cents per therm
0	0	0
0	N/A	23.854

GAS COST CENTS/THERM
 24.223

PROPOSED RATES

Customer Charge
 15.00

Energy Charge

Beginning therms	Ending therms	cents per therm
0	0	0
0	N/A	33.733

THERM USAGE INCREMENT
 50

therm usage	PRESENT			PROPOSED			Dollar Increase
	monthly bill w/o fuel	monthly bill with fuel	monthly bill w/o fuel	monthly bill with fuel	percent increase w/o fuel	percent increase with fuel	
0	17.00	17.00	15.00	15.00	(11.76)	(11.76)	-2.00
50	28.95	41.04	31.87	43.98	10.17	7.17	2.94
100	40.85	65.08	48.74	72.96	19.30	12.11	7.88
150	52.78	89.12	65.61	101.94	24.30	14.39	12.83
200	64.71	113.15	82.48	130.92	27.46	15.70	17.77
250	76.64	137.19	99.35	159.90	29.63	16.55	22.71
300	88.56	161.23	116.21	188.88	31.22	17.15	27.65
350	100.49	185.27	133.08	217.86	32.44	17.59	32.59
400	112.42	209.31	149.95	246.84	33.39	17.93	37.54
450	124.34	233.35	166.82	275.82	34.16	18.20	42.48
500	136.27	257.39	183.69	304.81	34.80	18.42	47.42
550	148.20	281.42	200.56	333.79	35.33	18.61	52.36
600	160.12	305.46	217.43	362.77	35.79	18.76	57.30
650	172.05	329.50	234.30	391.75	36.18	18.89	62.25
700	183.98	353.54	251.17	420.73	36.52	19.00	67.19
750	195.91	377.58	268.04	449.71	36.82	19.10	72.13
800	207.83	401.62	284.90	478.69	37.08	19.19	77.07
850	219.76	425.65	301.77	507.67	37.32	19.27	82.01
900	231.69	449.69	318.64	536.65	37.53	19.34	86.96
950	243.61	473.73	335.51	565.63	37.72	19.40	91.90

COST OF SERVICE SUMMARY
 RATE COMPARISON

COMPANY: PEOPLES GAS SYSTEM, INC.
 DOCKET NO. 911150-GU

RATE SCHEDULE:

GENERAL SERVICE (GS)

PEOPLES
 PRESENT RATES

PROPOSED RATES

Customer Charge
 17.00

Customer Charge
 15.00

Energy Charge

Energy Charge

Beginning therms	Ending therms	cents per therm
0	0	0
0	N/A	23.854

Beginning therms	Ending therms	cents per therm
0	0	0
0	N/A	24.374

GAS COST CENTS/THERM
 24.223

THERM USAGE INCREMENT
 50

therm usage	PRESENT			PROPOSED			Dollar increase
	monthly bill w/o fuel	monthly bill with fuel	monthly bill w/o fuel	monthly bill with fuel	percent increase w/o fuel	percent increase with fuel	
0	17.00	17.00	15.00	15.00	(11.76)	(11.76)	-2.00
50	28.93	41.04	27.19	39.30	(6.02)	(4.24)	-1.74
100	40.85	65.08	39.37	63.60	(3.62)	(2.27)	-1.48
150	52.78	89.12	51.56	87.90	(2.31)	(1.37)	-1.22
200	64.71	113.15	63.75	112.19	(1.48)	(0.85)	-0.96
250	76.64	137.19	75.94	136.49	(0.91)	(0.51)	-0.70
300	88.56	161.23	88.12	160.79	(0.50)	(0.27)	-0.44
350	100.49	185.27	100.31	185.09	(0.18)	(0.10)	-0.18
400	112.42	209.31	112.50	209.39	0.07	0.04	0.08
450	124.34	233.35	124.68	233.69	0.27	0.15	0.34
500	136.27	257.39	136.87	257.99	0.44	0.23	0.60
550	148.20	281.42	149.06	282.28	0.58	0.31	0.86
600	160.12	305.46	161.24	306.58	0.70	0.37	1.12
650	172.05	329.50	173.43	330.88	0.80	0.42	1.38
700	183.98	353.54	185.62	355.18	0.89	0.46	1.64
750	195.91	377.58	197.81	379.48	0.97	0.50	1.90
800	207.83	401.62	209.99	403.78	1.04	0.54	2.16
850	219.76	425.65	222.18	428.07	1.10	0.57	2.42
900	231.69	449.69	234.37	452.37	1.16	0.60	2.68
950	243.61	473.73	246.55	476.67	1.21	0.62	2.94

COST OF SERVICE SUMMARY
 RATE COMPARISON

COMPANY: PEOPLES GAS SYSTEM, INC.
 DOCKET NO. 911150-GU

RATE SCHEDULE: GENERAL SERVICE LARGE VOLUME 1 (GSLV-1)

PEOPLES
 PRESENT RATES

Customer Charge
 26.00

Energy Charge

Beginning therms	Ending therms	cents per therm
0	0	0
0	N/A	18.154

PROPOSED RATES

Customer Charge
 25.00

Energy Charge

Beginning therms	Ending therms	cents per therm
0	0	0
0	N/A	21.860

GAS COST CENTS/THERM
 24.223

THERM USAGE INCREMENT
 100

therm usage	PRESENT			PROPOSED			Dollar Increase
	monthly bill w/o fuel	monthly bill with fuel	monthly bill w/o fuel	monthly bill with fuel	percent increase w/o fuel	percent increase with fuel	
0	26.00	26.00	25.00	25.00	(3.85)	(3.85)	-1.00
100	44.15	68.38	46.86	71.08	6.13	3.96	2.71
200	62.31	110.75	68.72	117.17	10.29	5.79	6.41
300	80.46	153.13	90.58	163.25	12.57	6.61	10.12
400	98.62	195.51	112.44	209.33	14.02	7.07	13.82
500	116.77	237.89	134.30	255.42	15.01	7.37	17.53
600	134.92	280.26	156.16	301.50	15.74	7.58	21.24
700	153.08	322.64	178.02	347.58	16.29	7.73	24.94
800	171.23	365.02	199.88	393.66	16.73	7.85	28.65
900	189.39	407.39	221.74	439.75	17.08	7.94	32.35
1000	207.54	449.77	243.60	485.83	17.37	8.02	36.06
1100	225.69	492.15	265.46	531.91	17.62	8.08	39.77
1200	243.85	534.52	287.32	578.00	17.83	8.13	43.47
1300	262.00	576.90	309.18	624.08	18.01	8.18	47.18
1400	280.16	619.28	331.04	670.16	18.16	8.22	50.88
1500	298.31	661.66	352.90	716.25	18.30	8.25	54.59
1600	316.46	704.03	374.76	762.33	18.42	8.28	58.30
1700	334.62	746.41	396.62	808.41	18.53	8.31	62.00
1800	352.77	788.79	418.48	854.49	18.63	8.33	65.71
1900	370.93	831.16	440.34	900.58	18.71	8.35	69.41

COST OF SERVICE SUMMARY
 RATE COMPARISON

COMPANY: PEOPLES GAS SYSTEM, INC.
 DOCKET NO. 911150-GU

RATE SCHEDULE: GENERAL SERVICE LARGE VOLUME 2 (GSLV-2)

PEOPLES
 PRESENT RATES

Customer Charge
 75.00

Energy Charge

Beginning therms	Ending therms	cents per therm
0	0	0
0	N/A	13.106

PROPOSED RATES

Customer Charge
 45.00

Energy Charge

Beginning therms	Ending therms	cents per therm
0	0	0
0	N/A	16.155

GAS COST CENTS/THERM
 24.223

THERM USAGE INCREMENT
 500

therm usage	PRESENT			PROPOSED			Dollar increase
	monthly bill w/o fuel	monthly bill with fuel	monthly bill w/o fuel	monthly bill with fuel	percent increase w/o fuel	percent increase with fuel	
0	75.00	75.00	45.00	45.00	(40.00)	(40.00)	-30.00
500	140.53	261.65	125.78	246.89	(10.50)	(5.64)	-14.75
1000	206.06	448.29	206.55	448.78	0.24	0.11	0.49
1500	271.59	634.94	287.33	650.67	5.79	2.48	15.74
2000	337.12	821.58	368.10	852.56	9.19	3.77	30.98
2500	402.65	1,008.23	448.88	1,054.45	11.48	4.58	46.23
3000	468.18	1,194.87	529.65	1,256.34	13.13	5.14	61.47
3500	533.71	1,381.52	610.43	1,458.23	14.37	5.55	76.72
4000	599.24	1,568.16	691.20	1,660.12	15.35	5.86	91.96
4500	664.77	1,754.81	771.98	1,862.01	16.13	6.11	107.21
5000	730.30	1,941.45	852.75	2,063.90	16.77	6.31	122.45
5500	795.83	2,128.10	933.53	2,265.79	17.30	6.47	137.70
6000	861.36	2,314.74	1,014.30	2,467.68	17.76	6.61	152.94
6500	926.89	2,501.39	1,095.08	2,669.57	18.15	6.72	168.19
7000	992.42	2,688.03	1,175.85	2,871.46	18.48	6.82	183.43
7500	1,057.95	2,874.68	1,256.63	3,073.35	18.78	6.91	198.67
8000	1,123.48	3,061.32	1,337.40	3,275.24	19.04	6.99	213.92
8500	1,189.01	3,247.97	1,418.18	3,477.13	19.27	7.06	229.17
9000	1,254.54	3,434.61	1,498.95	3,679.02	19.48	7.12	244.41
9500	1,320.07	3,621.26	1,579.73	3,880.91	19.67	7.17	259.66

COST OF SERVICE SUMMARY
 RATE COMPARISON

COMPANY: PEOPLES GAS SYSTEM, INC.
 DOCKET NO. 911150-GU

RATE SCHEDULE: WHOLESALE

PEOPLES
 PRESENT RATES

PROPOSED RATES

Customer Charge
 0.00

Customer Charge
 0.00

Energy Charge

Energy Charge

Beginning therms	Ending therms	cents per therm
0	0	0
0	N/A	9.917

Beginning therms	Ending therms	cents per therm
0	0	0
0	N/A	14.066

GAS COST CENTS/TKERM
 24.223

TKERM USAGE INCREMENT
 100

therm usage	PRESENT			PROPOSED			Dollar Increase
	monthly bill w/o fuel	monthly bill with fuel	monthly bill w/o fuel	monthly bill with fuel	percent increase w/o fuel	percent increase with fuel	
0	0.00	0.00	0.00	0.00	ERR	ERR	0.00
100	9.92	34.14	14.07	38.29	41.84	12.15	4.15
200	19.83	68.28	28.13	76.58	41.84	12.15	8.30
300	29.75	102.42	42.20	114.87	41.84	12.15	12.45
400	39.67	136.56	56.26	153.16	41.84	12.15	16.60
500	49.59	170.70	70.33	191.45	41.84	12.15	20.75
600	59.50	204.84	84.40	229.75	41.84	12.15	24.89
700	69.42	238.98	98.46	268.02	41.84	12.15	29.04
800	79.34	273.12	112.53	306.31	41.84	12.15	33.19
900	89.25	307.26	126.59	344.60	41.84	12.15	37.34
1000	99.17	341.40	140.66	382.89	41.84	12.15	41.49
1100	109.09	375.54	154.73	421.18	41.84	12.15	45.64
1200	119.00	409.68	168.79	459.47	41.84	12.15	49.79
1300	128.92	443.82	182.86	497.76	41.84	12.15	53.94
1400	138.84	477.96	196.92	536.05	41.84	12.15	58.09
1500	148.76	512.10	210.99	574.34	41.84	12.15	62.24
1600	158.67	546.24	225.06	612.62	41.84	12.15	66.38
1700	168.59	580.38	239.12	650.91	41.84	12.15	70.53
1800	178.51	614.52	253.19	689.20	41.84	12.15	74.68
1900	188.42	648.66	267.25	727.49	41.84	12.15	78.83

COST OF SERVICE SUMMARY
 RATE COMPARISON

COMPANY: PEOPLES GAS SYSTEM, INC.
 DOCKET NO. 911150-GU

RATE SCHEDULE: SMALL INTERRUPTIBLE (SIS)

PEOPLES
 PRESENT RATES

PROPOSED RATES

Customer Charge
 150.00

Customer Charge
 150.00

Energy Charge

Energy Charge

Beginning therms	Ending therms	cents per therm
0	0	0
0	N/A	4.463

Beginning therms	Ending therms	cents per therm
0	0	0
0	N/A	7.264

GAS COST CENTS/THERM
 24.223

THERM USAGE INCREMENT
 10000

therm usage	PRESENT			PROPOSED			Dollar Increase
	monthly bill w/o fuel	monthly bill with fuel	monthly bill w/o fuel	monthly bill with fuel	percent increase w/o fuel	percent increase with fuel	
0	150.00	150.00	150.00	150.00	0.00	0.00	0.00
10000	596.30	3,018.60	676.40	3,293.70	46.97	9.28	280.10
20000	1,042.60	5,887.20	1,602.80	6,447.40	53.73	9.52	560.20
30000	1,488.90	8,755.80	2,329.20	9,596.10	56.44	9.60	840.30
40000	1,935.20	11,624.40	3,055.60	12,744.80	57.90	9.64	1,120.40
50000	2,381.50	14,493.00	3,782.00	15,893.50	58.81	9.66	1,400.50
60000	2,827.80	17,361.60	4,508.40	19,042.20	59.43	9.68	1,680.60
70000	3,274.10	20,230.20	5,234.80	22,190.90	59.89	9.69	1,960.70
80000	3,720.40	23,098.80	5,961.20	25,339.60	60.23	9.70	2,240.80
90000	4,166.70	25,967.40	6,687.60	28,488.30	60.50	9.71	2,520.90
100000	4,613.00	28,836.00	7,414.00	31,637.00	60.72	9.71	2,801.00
110000	5,059.30	31,704.60	8,140.40	34,785.70	60.90	9.72	3,081.10
120000	5,505.60	34,573.20	8,866.80	37,934.40	61.05	9.72	3,361.20
130000	5,951.90	37,441.80	9,593.20	41,083.10	61.18	9.73	3,641.30
140000	6,398.20	40,310.40	10,319.60	44,231.80	61.29	9.73	3,921.40
150000	6,844.50	43,179.00	11,046.00	47,380.50	61.39	9.73	4,201.50
160000	7,290.80	46,047.60	11,772.40	50,529.20	61.47	9.73	4,481.60
170000	7,737.10	48,916.20	12,498.80	53,677.90	61.54	9.73	4,761.70
180000	8,183.40	51,784.80	13,225.20	56,826.60	61.61	9.74	5,041.80
190000	8,629.70	54,653.40	13,951.60	59,975.30	61.67	9.74	5,321.90

COST OF SERVICE SUMMARY
 RATE COMPARISON

COMPANY: PEOPLES GAS SYSTEM, INC.
 DOCKET NO. 911150-GU

RATE SCHEDULE:			INTERRUPTIBLE SERVICE (IS)		
PEOPLES PRESENT RATES			PROPOSED RATES		
Customer Charge			Customer Charge		
225.00			225.00		
Energy Charge			Energy Charge		
Beginning therms	Ending therms	cents per therm	Beginning therms	Ending therms	cents per therm
0	0	0	0	0	0
0	N/A	3.672	0	N/A	3.672
GAS COST CENTS/THERM			THERM USAGE INCREMENT		
24.223			50000		

therms usage	PRESENT			PROPOSED			percent increase with fuel	Dollar increase
	monthly bill w/o fuel	monthly bill with fuel	monthly bill w/o fuel	monthly bill with fuel	percent increase w/o fuel			
0	225.00	225.00	225.00	225.00	0.00	0.00	0.00	
50000	2,061.00	14,172.50	2,061.00	14,172.50	0.00	0.00	0.00	
100000	3,897.00	28,120.00	3,897.00	28,120.00	0.00	0.00	0.00	
150000	5,733.00	42,067.50	5,733.00	42,067.50	0.00	0.00	0.00	
200000	7,569.00	56,015.00	7,569.00	56,015.00	0.00	0.00	0.00	
250000	9,405.00	69,962.50	9,405.00	69,962.50	0.00	0.00	0.00	
300000	11,241.00	83,910.00	11,241.00	83,910.00	0.00	0.00	0.00	
350000	13,077.00	97,857.50	13,077.00	97,857.50	0.00	0.00	0.00	
400000	14,913.00	111,805.00	14,913.00	111,805.00	0.00	0.00	0.00	
450000	16,749.00	125,752.50	16,749.00	125,752.50	0.00	0.00	0.00	
500000	18,585.00	139,700.00	18,585.00	139,700.00	0.00	0.00	0.00	
550000	20,421.00	153,647.50	20,421.00	153,647.50	0.00	0.00	0.00	
600000	22,257.00	167,595.00	22,257.00	167,595.00	0.00	0.00	0.00	
650000	24,093.00	181,542.50	24,093.00	181,542.50	0.00	0.00	0.00	
700000	25,929.00	195,490.00	25,929.00	195,490.00	0.00	0.00	0.00	
750000	27,765.00	209,437.50	27,765.00	209,437.50	0.00	0.00	0.00	
800000	29,601.00	223,385.00	29,601.00	223,385.00	0.00	0.00	0.00	
850000	31,437.00	237,332.50	31,437.00	237,332.50	0.00	0.00	0.00	
900000	33,273.00	251,280.00	33,273.00	251,280.00	0.00	0.00	0.00	
950000	35,109.00	265,227.50	35,109.00	265,227.50	0.00	0.00	0.00	

COST OF SERVICE SUMMARY
 RATE COMPARISON

COMPANY: PEOPLES GAS SYSTEM, INC.
 DOCKET NO. 911150-GU

RATE SCHEDULE: INTERRUPTIBLE LARGE VOLUME (ISLV)

PEOPLES
 PRESENT RATES

Customer Charge
 225.00

Energy Charge

Beginning therms	Ending therms	cents per therm
0	0	0
0	N/A	1.090

PROPOSED RATES

Customer Charge
 225.00

Energy Charge

Beginning therms	Ending therms	cents per therm
0	0	0
0	N/A	1.090

GAS COST CENTS/THERM
 24.223

THERM USAGE INCREMENT
 500000

therm usage	PRESENT		PROPOSED		percent increase w/o fuel	percent increase with fuel	Dollar Increase
	monthly bill w/o fuel	monthly bill with fuel	monthly bill w/o fuel	monthly bill with fuel			
0	225.00	225.00	225.00	225.00	0.00	0.00	0.00
500000	5,675.00	126,790.00	5,675.00	126,790.00	0.00	0.00	0.00
1000000	11,125.00	253,355.00	11,125.00	253,355.00	0.00	0.00	0.00
1500000	16,575.00	379,920.00	16,575.00	379,920.00	0.00	0.00	0.00
2000000	22,025.00	506,485.00	22,025.00	506,485.00	0.00	0.00	0.00
2500000	27,475.00	633,050.00	27,475.00	633,050.00	0.00	0.00	0.00
3000000	32,925.00	759,615.00	32,925.00	759,615.00	0.00	0.00	0.00
3500000	38,375.00	886,180.00	38,375.00	886,180.00	0.00	0.00	0.00
4000000	43,825.00	1,012,745.00	43,825.00	1,012,745.00	0.00	0.00	0.00
4500000	49,275.00	1,139,310.00	49,275.00	1,139,310.00	0.00	0.00	0.00
5000000	54,725.00	1,265,875.00	54,725.00	1,265,875.00	0.00	0.00	0.00
5500000	60,175.00	1,392,440.00	60,175.00	1,392,440.00	0.00	0.00	0.00
6000000	65,625.00	1,519,005.00	65,625.00	1,519,005.00	0.00	0.00	0.00
6500000	71,075.00	1,645,570.00	71,075.00	1,645,570.00	0.00	0.00	0.00
7000000	76,525.00	1,772,135.00	76,525.00	1,772,135.00	0.00	0.00	0.00
7500000	81,975.00	1,898,700.00	81,975.00	1,898,700.00	0.00	0.00	0.00
8000000	87,425.00	2,025,265.00	87,425.00	2,025,265.00	0.00	0.00	0.00
8500000	92,875.00	2,151,830.00	92,875.00	2,151,830.00	0.00	0.00	0.00
9000000	98,325.00	2,278,395.00	98,325.00	2,278,395.00	0.00	0.00	0.00
9500000	103,775.00	2,404,960.00	103,775.00	2,404,960.00	0.00	0.00	0.00

COST OF SERVICE SUMMARY
 RATE COMPARISON

COMPANY: PEOPLES GAS SYSTEM, INC.
 DOCKET NO. 911150-GU

RATE SCHEDULE: SPECIAL CONTRACT LARGE VOLUME

PEOPLES
 PRESENT RATES

Customer Charge
 225.00

Energy Charge

Beginning therms	Ending therms	cents per therm
0	0	0
0	N/A	1.090

PROPOSED RATES

Customer Charge
 225.00

Energy Charge

Beginning therms	Ending therms	cents per therm
0	0	0
0	N/A	1.000

GAS COST CENTS/THERM
 24.223

THERM USAGE INCREMENT
 500000

therm usage	PRESENT			PROPOSED			Dollar Increase
	monthly bill w/o fuel	monthly bill with fuel	monthly bill w/o fuel	monthly bill with fuel	percent increase w/o fuel	percent increase with fuel	
0	225.00	225.00	225.00	225.00	0.00	0.00	0.00
500000	5,675.00	126,790.00	5,225.00	126,340.00	(7.93)	(0.35)	-450.00
1000000	11,125.00	253,355.00	10,225.00	252,455.00	(8.09)	(0.36)	-900.00
1500000	16,575.00	379,920.00	15,225.00	378,570.00	(8.14)	(0.36)	-1350.00
2000000	22,025.00	506,485.00	20,225.00	504,685.00	(8.17)	(0.36)	-1800.00
2500000	27,475.00	633,050.00	25,225.00	630,800.00	(8.19)	(0.36)	-2250.00
3000000	32,925.00	759,615.00	30,225.00	756,915.00	(8.20)	(0.36)	-2700.00
3500000	38,375.00	886,180.00	35,225.00	883,030.00	(8.21)	(0.36)	-3150.00
4000000	43,825.00	1,012,745.00	40,225.00	1,009,145.00	(8.21)	(0.36)	-3600.00
4500000	49,275.00	1,139,310.00	45,225.00	1,135,260.00	(8.22)	(0.36)	-4050.00
5000000	54,725.00	1,265,875.00	50,225.00	1,261,375.00	(8.22)	(0.36)	-4500.00
5500000	60,175.00	1,392,440.00	55,225.00	1,387,490.00	(8.23)	(0.36)	-4950.00
6000000	65,625.00	1,519,005.00	60,225.00	1,513,605.00	(8.23)	(0.36)	-5400.00
6500000	71,075.00	1,645,570.00	65,225.00	1,639,720.00	(8.23)	(0.36)	-5850.00
7000000	76,525.00	1,772,135.00	70,225.00	1,765,835.00	(8.23)	(0.36)	-6300.00
7500000	81,975.00	1,898,700.00	75,225.00	1,891,950.00	(8.23)	(0.36)	-6750.00
8000000	87,425.00	2,025,265.00	80,225.00	2,018,065.00	(8.24)	(0.36)	-7200.00
8500000	92,875.00	2,151,830.00	85,225.00	2,144,180.00	(8.24)	(0.36)	-7650.00
9000000	98,325.00	2,278,395.00	90,225.00	2,270,295.00	(8.24)	(0.36)	-8100.00
9500000	103,775.00	2,404,960.00	95,225.00	2,396,410.00	(8.24)	(0.36)	-8550.00

LOST OF SERVICE SUMMARY
 RATE COMPARISON

COMPANY: PEOPLES GAS SYSTEM, INC.
 DOCKET NO. 911150-GU

RATE SCHEDULE: RESIDENTIAL

PALM BEACH DIVISION
 PRESENT RATES

Customer Charge
 5.00

Energy Charge

Beginning therms	Ending therms	cents per therm
0	0	0
0	N/A	36.48

PROPOSED RATES

Customer Charge
 7.00

Energy Charge

Beginning therms	Ending therms	cents per therm
0	0	0
0	N/A	41.117

GAS COST CENTS/THERM
 24.223

THERM USAGE INCREMENT
 10

therm usage	PRESENT			PROPOSED			Dollar Increase
	monthly bill w/o fuel	monthly bill with fuel	monthly bill w/o fuel	monthly bill with fuel	percent increase w/o fuel	percent increase with fuel	
0	5.00	5.00	7.00	7.00	40.00	40.00	2.00
10	8.65	11.07	11.11	13.53	28.49	22.26	2.46
20	12.30	17.14	15.22	20.07	23.81	17.08	2.93
30	15.94	23.21	19.34	26.60	21.27	14.61	3.39
40	19.59	29.28	23.45	33.14	19.68	13.16	3.85
50	23.24	35.35	27.56	39.67	18.58	12.22	4.32
60	26.89	41.42	31.67	46.20	17.79	11.55	4.78
70	30.54	47.49	35.78	52.74	17.18	11.05	5.25
80	34.18	53.56	39.89	59.27	16.70	10.66	5.71
90	37.83	59.63	44.01	65.81	16.32	10.35	6.17
100	41.48	65.70	48.12	72.34	16.00	10.10	6.64
110	45.13	71.77	52.23	78.87	15.73	9.89	7.10
120	48.78	77.84	56.34	85.41	15.51	9.72	7.56
130	52.42	83.91	60.45	91.94	15.31	9.57	8.03
140	56.07	89.98	64.56	98.48	15.14	9.44	8.49
150	59.72	96.05	68.68	105.01	15.00	9.32	8.96
160	63.37	102.12	72.79	111.54	14.86	9.22	9.42
170	67.02	108.20	76.90	118.08	14.75	9.13	9.88
180	70.66	114.27	81.01	124.61	14.64	9.05	10.35
190	74.31	120.34	85.12	131.15	14.55	8.98	10.81

COST OF SERVICE SUMMARY
 RATE COMPARISON

COMPANY: PEOPLES GAS SYSTEM, INC.
 DOCKET NO. 911150-GU

RATE SCHEDULE: COMMERCIAL

PALM BEACH DIVISION
 PRESENT RATES

PROPOSED RATES

Customer Charge
 10.00

Customer Charge
 17.00

Energy Charge

Energy Charge

Beginning therms	Ending therms	cents per therm
0	0	0
0	N/A	28.72

Beginning therms	Ending therms	cents per therm
0	0	0
0	N/A	24.374

GAS COST CENTS/THERM
 24.223

THERM USAGE INCREMENT
 50

therm usage	PRESENT			PROPOSED			Dollar Increase
	monthly bill w/o fuel	monthly bill with fuel	monthly bill w/o fuel	monthly bill with fuel	percent increase w/o fuel	percent increase with fuel	
0	10.00	10.00	17.00	17.00	70.00	70.00	7.00
50	24.36	36.47	29.19	41.30	19.82	13.23	4.83
100	38.72	62.94	41.37	65.60	6.85	4.22	2.65
150	53.08	89.41	53.56	89.90	0.91	0.54	0.48
200	67.44	115.89	65.75	114.19	(2.51)	(1.46)	-1.69
250	81.80	142.36	77.94	138.49	(4.72)	(2.71)	-3.86
300	96.16	168.83	90.12	162.79	(6.28)	(3.58)	-6.04
350	110.52	195.30	102.31	187.09	(7.43)	(4.20)	-8.21
400	124.88	221.77	114.50	211.39	(8.32)	(4.68)	-10.38
450	139.24	248.24	126.68	235.69	(9.02)	(5.06)	-12.56
500	153.60	274.72	138.87	259.99	(9.59)	(5.36)	-14.73
550	167.96	301.19	151.06	284.28	(10.06)	(5.61)	-16.90
600	182.32	327.66	163.24	308.58	(10.46)	(5.82)	-19.08
650	196.68	354.13	175.43	332.88	(10.80)	(6.00)	-21.25
700	211.04	380.60	187.62	357.18	(11.10)	(6.15)	-23.42
750	225.40	407.07	199.81	381.48	(11.36)	(6.29)	-25.60
800	239.76	433.54	211.99	405.78	(11.58)	(6.40)	-27.77
850	254.12	460.02	224.18	430.07	(11.78)	(6.51)	-29.94
900	268.48	486.49	236.37	454.37	(11.96)	(6.60)	-32.11
950	282.84	512.96	248.55	478.67	(12.12)	(6.68)	-34.29

COST OF SERVICE SUMMARY
 RATE COMPARISON

ATTACHMENT 6

COMPANY: PEOPLES GAS SYSTEM, INC.
 DOCKET NO. 911150-GU

RATE SCHEDULE:

COMMERCIAL LARGE VOLUME 1

PALM BEACH DIVISION
 PRESENT RATES

Customer Charge
 25.00

Energy Charge

Beginning therms	Ending therms	cents per therm
0	0	0
0	N/A	29.56

PROPOSED RATES

Customer Charge
 25.00

Energy Charge

Beginning therms	Ending therms	cents per therm
0	0	0
0	N/A	21.860

GAS COST CENTS/THERM
 24.223

THERM USAGE INCREMENT
 100

therm usage	PRESENT			PROPOSED			Dollar Increase
	monthly bill w/o fuel	monthly bill with fuel	monthly bill w/o fuel	monthly bill with fuel	percent increase w/o fuel	percent increase with fuel	
0	25.00	25.00	25.00	25.00	0.00	0.00	0.00
100	54.56	78.78	46.86	71.08	(14.11)	(9.77)	-7.70
200	84.12	132.57	68.72	117.17	(18.31)	(11.62)	-15.40
300	113.68	186.35	90.58	163.25	(20.32)	(12.40)	-23.10
400	143.24	240.13	112.44	209.33	(21.50)	(12.83)	-30.80
500	172.80	293.92	134.30	255.42	(22.28)	(13.10)	-38.50
600	202.36	347.70	156.16	301.50	(22.83)	(13.29)	-46.20
700	231.92	401.48	178.02	347.58	(23.24)	(13.43)	-53.90
800	261.48	455.26	199.88	393.66	(23.56)	(13.53)	-61.60
900	291.04	509.05	221.74	439.75	(23.81)	(13.61)	-69.30
1000	320.60	562.83	243.60	485.83	(24.02)	(13.68)	-77.00
1100	350.16	616.61	265.46	531.91	(24.19)	(13.74)	-84.70
1200	379.72	670.40	287.32	578.00	(24.33)	(13.78)	-92.40
1300	409.28	724.18	309.18	624.08	(24.46)	(13.82)	-100.10
1400	438.84	777.96	331.04	670.16	(24.56)	(13.86)	-107.80
1500	468.40	831.75	352.90	716.25	(24.66)	(13.89)	-115.50
1600	497.96	885.53	374.76	762.33	(24.74)	(13.91)	-123.20
1700	527.52	939.31	396.62	808.41	(24.81)	(13.94)	-130.90
1800	557.08	993.09	418.48	854.49	(24.88)	(13.96)	-138.60
1900	586.64	1,046.88	440.34	900.58	(24.94)	(13.97)	-146.30