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IN REPLY REFER TO:

Ansley Watson, Jr.
P.O. Box 1531
Tampa, Florida 33601
e-mail: aw@macfar.com

July 30, 2012

VIA FEDEX

Ann Cole
Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

RECEIVED-FPSC
12 JUL 31 PM 3:05
COMMISSION
CLERK

Re: Docket No. 110320-GU -- Petition for approval of Cast Iron/Bare Steel Pipe Replacement Rider (Rider CI/BSR), by Peoples Gas System

Dear Ms. Cole:

As a result of discussions between Peoples Gas System ("Peoples" or the "Company") and the Commission Staff, the purpose of this letter is to confirm Peoples' agreement to the following in connection with its petition and tariff filing in the above docket.

First, as filed, Peoples' petition sought approval for its Rider Cast Iron/Bare Steel Replacement (Rider CI/BSR), and the infrastructure replacement program implemented by the rider, to become effective July 1, 2012. Due to the passage of time, that effective date is no longer possible, and Peoples hereby agrees to accept a January 1, 2013 effective date for implementation of the program.

Second, as filed, the petition contemplated that the annual "true-up" filings under the program would be based on eight months of actual data and four months of projected data. The Staff has indicated that Peoples' use of seven months of actual data and five months of projected data for these annual filings would give the Staff more time to review the same. The filings would be made by September 1 of each year the rider is in effect. Peoples hereby agrees to these changes suggested by Staff.

Finally, because of clarifications that have been made through the Staff's discovery since the filing of the petition, minor changes have been made in the tariff sheets for Rider CI/BSR. I therefore enclose five (5) copies of the tariff sheets that

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05128 JUL 31 2012

FPSC-COMMISSION CLERK

Ann Cole, Commission Clerk
July 30, 2012
Page 2

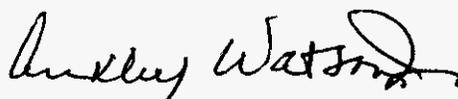
accompanied the petition filed last year, but which reflect the changes that have been made during the course of the Staff's discovery, as well as a January 1, 2013 effective date:

Fourth Revised Sheet No. 7.000-1
Fourth Revised Sheet No. 7.201-1
Third Revised Sheet No. 7.301-1
Third Revised Sheet No. 7.302-1
Fourth Revised Sheet No. 7.303-1
Second Revised Sheet No. 7.303-3
Second Revised Sheet No. 7.303-5
Fourth Revised Sheet No. 7.304-1
Third Revised Sheet No. 7.306-1
Third Revised Sheet No. 7.401-1
Second Revised Sheet No. 7.402-2
Second Revised Sheet No. 7.403-1
Seventh Revised Sheet No. 7.501
Original Sheet No. 7.806
Original Sheet No. 7.806-1
Original Sheet No. 7.806-2
Original Sheet No. 7.806-3

The above sheets supersede and replace the sheets that accompanied the filing of the petition. Two copies of coded (legislative style) versions of each of the above revised sheets required by Rule 25-9.005, *F.A.C.*, are also enclosed.

Please acknowledge your receipt and date of filing of the enclosures on the duplicate copy of this letter that is enclosed, and return the same to me in the enclosed preaddressed envelope. As always, thank you for your assistance.

Sincerely,



ANSLEY WATSON, JR.

AWjr/a
Enclosures

cc: Martha Carter Brown, Esquire
Charles J. Rehwinkel, Esquire
Ms. Kandi M. Floyd

PEOPLES GAS SYSTEM

“EXHIBIT B”

***TARIFF SHEET NOS. 7.806 – 7.806-3
CAST IRON / BARE STEEL REPLACEMENT RIDER***

REVISED: JULY 30, 2012

Peoples Gas System
a Division of Tampa Electric Company
Original Volume No. 3

Original Sheet No. 7.806

**CAST IRON/BARE STEEL REPLACEMENT RIDER
RIDER CI/BSR**

The monthly bill for Gas Service in any Billing Period shall be increased by the CI/BSR Surcharge determined in accordance with this Rider. CI/BSR Surcharges approved by the Commission for bills rendered for meter readings taken on or after January 1, 2013, are as follows with respect to Customers receiving Gas Service under the following rate schedules:

<u>Rate Schedule</u>	<u>CI/BSR Surcharge</u>
Residential/Residential Standby Generator	\$0.00232 per therm
Small General Service	\$0.00204 per therm
General Service – 1/ Commercial Standby Generator Service	\$0.00111 per therm
General Service – 2	\$0.00106 per therm
General Service – 3	\$0.00078 per therm
General Service – 4	\$0.00076 per therm
General Service – 5	\$0.00035 per therm
Commercial Street Lighting	\$0.00391 per therm
Natural Gas Vehicle Service	\$0.00181 per therm
Wholesale	\$0.00078 per therm

The CI/BSR Surcharges set forth above shall remain in effect until changed pursuant to an order of the Commission.

CI/BSR Surcharges shall be determined in accordance with the provisions of this Rider set forth below.

Definitions

For purposes of this Rider:

"Eligible Replacements" means the following Company plant investments that (i) do not increase revenues by directly connecting new customers to the plant asset, (ii) are in service and used and useful in providing utility service and (iii) were not included in the Company's rate base for purposes of determining the Company's base rates in its most recent general base rate proceeding:

Mains and service lines, as replacements for existing cast iron, wrought iron and bare steel facilities, and regulators and other pipeline system components the installation of which is required as a consequence of the replacement of the aforesaid facilities.

"CI/BSR Revenues" means the revenues produced through CI/BSR Surcharges, exclusive of revenues from all other rates and charges.

Peoples Gas System
a Division of Tampa Electric Company
Original Volume No. 3

Original Sheet No. 7.806-1

**CAST IRON/BARE STEEL REPLACEMENT RIDER
RIDER CI/BSR**
(Continued)

"CI/BSR Revenue Requirements" means the pretax revenues equal to the following:

- (a) The Company's weighted average cost of capital as calculated in the most recent year-end surveillance report multiplied by the average net book value of Eligible Replacements, including recognition of accumulated depreciation associated with Eligible Replacements;
- (b) Florida and federal income taxes applicable to the income calculated in paragraph (a) of this section; and
- (c) ad valorem taxes;
- (d) depreciation expense on Eligible Replacements.

"CI/BSR Surcharge" means the surcharges determined pursuant to the procedures and subject to the qualifications set forth in this Rider.

Procedure for Establishing CI/BSR Surcharges

The CI/BSR Revenue Requirements and any changes thereto shall be calculated and implemented in accordance with the provisions contained in this Rider. CI/BSR Revenues shall be subject to refund based upon a finding and order of the Commission to the extent provided in this Rider.

The Company shall calculate its CI/BSR Revenue Requirements annually in the manner prescribed by this Rider and shall file the appropriate petitions with the Commission seeking to establish or change the CI/BSR Revenue Requirements and Surcharges. The annual filings shall include the following:

- (a) An annual final true-up filing showing the actual Eligible Replacement costs and actual CI/BSR Revenues for the most recent 12-month historical period from January 1 through December 31 that ends prior to the annual petition filing. As part of this filing, the Company shall include a summary comparison of the actual Eligible Replacement costs and CI/BSR Revenues to the estimated total Eligible Replacement costs and CI/BSR Revenues previously reported for the same period covered by the filing in paragraph (b) of this section. The filing shall also include the final over- or under-recovery of total CI/BSR Revenue Requirements for the final true-up period.
- (b) An annual estimated/actual true-up filing showing seven months actual and five months projected Eligible Replacement costs and any CI/BSR Revenues collected or projected to be collected during the estimated/actual true-up period. The filing shall also include the estimated/actual over- or under-recovery of total Eligible Replacement costs for the estimated/actual true-up period.
- (c) An annual projection filing showing 12 months projected CI/BSR Revenue Requirements for the period beginning January 1 following the annual filing hearing.

Peoples Gas System
a Division of Tampa Electric Company
Original Volume No. 3

Original Sheet No. 7.806-2

CAST IRON/BARE STEEL REPLACEMENT RIDER
RIDER CI/BSR
(continued)

- (d) An annual petition setting forth proposed CI/BSR Revenue Requirements and Surcharges to be effective for the 12-month period beginning January 1 following the annual hearing. Such proposed CI/BSR Revenue Requirements and Surcharges shall take into account the data filed pursuant to paragraphs (a), (b), and (c) of this section.

The Company shall establish separate accounts or subaccounts for each Eligible Replacement for purposes of recording the costs incurred for each project. The Company shall also establish a separate account or subaccount for any revenues derived from CI/BSR Surcharges.

Calculation of the CI/BSR Revenue Requirements and CI/BSR Surcharges

In determining the CI/BSR Revenue Requirements, the Commission shall consider only (a) the net original cost of Eligible Replacements (i.e., the original cost); (b) the applicable depreciation rates as determined and approved by the Commission based on the Company's most recent depreciation study; (c) the accumulated depreciation associated with the Eligible Replacements; and (d) the current state and federal income and ad valorem taxes; and (e) the Company's weighted average cost of capital as calculated in the Company's most recent year-end surveillance report.

The CI/BSR Revenue Requirements and CI/BSR Surcharges for each rate class shall be calculated as follows:

Line	Description	Value	Source
1	Revenue Expansion Factor	1.6280	As calculated in most recent base rate proceeding, using current tax rates
2	Ad Valorem Tax Rate	1.79%	Property Tax Rate
3	Mains	\$	Eligible Replacements Mains minus \$1Million
4	Services	\$	Eligible Replacements Services
5	Regulators	\$	Eligible Replacements Regulators
6	Gross Plant	\$	Line 3 + Line 4 + Line 5
7	Accumulated Depreciation	\$	Previous balance – Line 12
8	Construction Work In Progress	\$	Construction work not in service
9	Net Book Value	\$	Line 6 + Line 7 + Line 8
10	Average Net Book Value	\$	Line 9 + Previous balance / 2
11	Return on Average Net Book Value	\$	Line 10 x debt and equity components as calculated in most recent year-end surveillance report
12	Depreciation Expense	\$	Line 3 x mains rate + Line 4 x services rate + Line 5 x regulators rate
13	CI/BSR Revenue Requirements	\$	Line 11 + Line 12 + Property Taxes

Peoples Gas System
a Division of Tampa Electric Company
Original Volume No. 3

Original Sheet No. 7.806-3

**CAST IRON/BARE STEEL REPLACEMENT RIDER
RIDER CI/BSR**
(continued)

The CI/BSR Revenue Requirements determined by the Commission shall be allocated to customer classes based on the allocation of mains to customer classes in the cost of service study used in the Company's most recent base rate proceeding. The percentage share of the CI/BSR Revenue Requirements of each customer class shall be determined by dividing the portion of mains allocated to the class in the cost of service study by the total mains cost developed in such cost of service study.

The CI/BSR Surcharge for each customer class will be a per therm rate per month that is calculated by multiplying the CI/BSR Revenue Requirements by the percentage representing a class's share of such requirements, and dividing the result by the projected annual Therms for such class during the 12-month period following the effective date for the billing of such surcharge.

PEOPLES GAS SYSTEM

“EXHIBIT C”

***CALCULATIONS FOR THE PROJECTED AMOUNT FOR
THE PERIOD OF
JANUARY 2012 THROUGH DECEMBER 2022***

REVISED: JULY 30, 2012

Peoples Gas System
Cast Iron / Bare Steel Replacement Program
Calculation of the Projected Amount for the Period
January 2013 to December 2013

Return on Capital Investments, Depreciation and Taxes for Eligible Replacements

Line Description	Beginning of Period Amount	January	February	March	April	May	June	July	August	September	October	November	December	End of Period Total
1. Investments														
a. Eligible Replacements - Mains		\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 7,000,000
b. Eligible Replacements - Services		0	0	0	0	0	0	0	0	0	0	0	0	0
c. Eligible Replacements - Regulators		0	0	0	0	0	0	0	0	0	0	0	0	0
d. Other		0	0	0	0	0	0	0	0	0	0	0	0	0
2. Gross Plant-in-Service/Depreciation Base	\$ -	\$ 583,333	\$ 1,166,667	\$ 1,750,000	\$ 2,333,333	\$ 2,916,667	\$ 3,500,000	\$ 4,083,333	\$ 4,666,667	\$ 5,250,000	\$ 5,833,333	\$ 6,416,667	\$ 7,000,000	
3. Less Accumulated Depreciation	0	0	(1,507)	(4,521)	(9,042)	(15,069)	(22,604)	(31,646)	(42,194)	(54,250)	(67,813)	(82,882)	(99,458)	
4. CWIP - NonInterest Bearing		583,333	583,333	583,333	583,333	583,333	583,333	583,333	583,333	583,333	583,333	583,333	583,333	
5. Net Book Value (Lines 2 + 3 + 4)	\$ -	\$ 1,166,666	\$ 1,748,493	\$ 2,328,812	\$ 2,907,625	\$ 3,484,930	\$ 4,060,729	\$ 4,635,021	\$ 5,207,805	\$ 5,779,083	\$ 6,348,854	\$ 6,917,118	\$ 7,483,875	
6. Average Net Book Value		\$ 583,333	\$ 1,457,580	\$ 2,038,652	\$ 2,618,218	\$ 3,196,277	\$ 3,772,830	\$ 4,347,875	\$ 4,921,413	\$ 5,493,444	\$ 6,063,968	\$ 6,632,986	\$ 7,200,496	
7. Return on Average Net Book Value														
a. Equity component Grossed up for taxes (A)		\$ 3,945	\$ 9,857	\$ 13,787	\$ 17,706	\$ 21,616	\$ 25,515	\$ 29,404	\$ 33,282	\$ 37,151	\$ 41,009	\$ 44,857	\$ 48,695	\$ 326,824
b. Debt component (B)		\$ 1,529	\$ 3,821	\$ 5,344	\$ 6,864	\$ 8,379	\$ 9,891	\$ 11,398	\$ 12,902	\$ 14,402	\$ 15,897	\$ 17,389	\$ 18,877	\$ 126,693
8. Investment Expenses														
a. Depreciation (C)		0	1,507	3,014	4,521	6,028	7,535	9,042	10,549	12,056	13,563	15,069	16,576	99,458
b. Amortization		0	0	0	0	0	0	0	0	0	0	0	0	0
c. Property Taxes (D)		0	0	0	0	0	0	0	0	0	0	0	0	0
d. Other		0	0	0	0	0	0	0	0	0	0	0	0	0
9. Revenue Requirements (Lines 7 + 8)		\$ 5,474	\$ 15,185	\$ 22,145	\$ 29,091	\$ 36,023	\$ 42,941	\$ 49,844	\$ 56,733	\$ 63,609	\$ 70,469	\$ 77,315	\$ 84,148	\$ 552,975

Notes:

- (A) Line 7a = Line 6 x 8.1153% x 1/12. Based on ROE of 10.75%, and weighted income tax rate of 38.575%, expansion factor of 1.628002.
 (B) Line 7b = Line 6 x 3.1459% x 1/12.
 (C) Applicable depreciation rate is 26%.
 (D) Ad Valorem Tax Rate is 1.79%

PEOPLES GAS SYSTEM
DOCKET NO. 110320-GU
EXHIBIT C
FILED: DECEMBER 14, 2011
REVISED: JULY 30, 2012

Peoples Gas System
Cast iron / Bare Steel Replacement Program
Calculation of the Projected Amount for the Period
January 2014 to December 2014

Return on Capital Investments, Depreciation and Taxes for Eligible Replacements

Line Description	Beginning of													End of
	Period Amount	January	February	March	April	May	June	July	August	September	October	November	December	Period Total
1 Investments														
a Eligible Replacements - Mains		\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 7,000,000
b Eligible Replacements - Services		0	0	0	0	0	0	0	0	0	0	0	0	0
c Eligible Replacements - Regulators		0	0	0	0	0	0	0	0	0	0	0	0	0
d Other		0	0	0	0	0	0	0	0	0	0	0	0	0
2 Gross Plant-in-Service/Depreciation Base	\$ 7,000,000	\$ 7,583,333	\$ 8,166,667	\$ 8,750,000	\$ 9,333,333	\$ 9,916,667	\$ 10,500,000	\$ 11,083,333	\$ 11,666,667	\$ 12,250,000	\$ 12,833,333	\$ 13,416,667	\$ 14,000,000	
3 Less: Accumulated Depreciation	(99,458)	(117,542)	(137,132)	(158,229)	(180,833)	(204,944)	(230,563)	(257,688)	(286,319)	(316,458)	(348,104)	(381,257)	(415,917)	
4 CWP - Noninterest Bearing	583,333	583,333	583,333	583,333	583,333	583,333	583,333	583,333	583,333	583,333	583,333	583,333	583,333	
5 Net Book Value (Lines 2 + 3 + 4)	\$ 7,483,875	\$ 8,049,125	\$ 8,612,868	\$ 9,175,104	\$ 9,735,833	\$ 10,295,055	\$ 10,852,771	\$ 11,408,979	\$ 11,963,680	\$ 12,516,875	\$ 13,068,562	\$ 13,618,743	\$ 14,167,416	
6 Average Net Book Value		\$ 7,700,875	\$ 8,330,996	\$ 8,893,986	\$ 9,455,468	\$ 10,015,444	\$ 10,573,913	\$ 11,130,875	\$ 11,686,330	\$ 12,240,277	\$ 12,792,718	\$ 13,343,652	\$ 13,893,080	
7 Return on Average Net Book Value														
a Equity component Grossed up for taxes (A)	\$ 52,079	\$ 56,340	\$ 60,148	\$ 63,945	\$ 67,732	\$ 71,509	\$ 75,275	\$ 79,032	\$ 82,776	\$ 86,514	\$ 90,240	\$ 93,955	\$ 97,667	\$ 879,547
b Debt component (B)	\$ 20,188	\$ 21,840	\$ 23,316	\$ 24,788	\$ 26,256	\$ 27,720	\$ 29,181	\$ 30,637	\$ 32,089	\$ 33,537	\$ 34,981	\$ 36,422	\$ 37,861	\$ 340,955
8 Investment Expenses														
a Depreciation (C)		18,063	19,590	21,097	22,604	24,111	25,618	27,125	28,632	30,139	31,646	33,153	34,660	316,458
b Amortization		0	0	0	0	0	0	0	0	0	0	0	0	0
c Property Taxes (D)		9,423	9,423	9,423	9,423	9,423	9,423	9,423	9,423	9,423	9,423	9,423	9,423	113,078
d Other		0	0	0	0	0	0	0	0	0	0	0	0	0
9 Revenue Requirements (Lines 7 + 8)	\$ 99,774	\$ 107,193	\$ 113,984	\$ 120,760	\$ 127,522	\$ 134,270	\$ 141,004	\$ 147,724	\$ 154,429	\$ 161,120	\$ 167,797	\$ 174,460	\$ 181,118	\$ 1,650,038

Notes:

- (A) Line 7a = Line 6 x 6.1153% x 1/12. Based on ROE of 10.75%, and weighted income tax rate of 38.575%, expansion factor of 1.628002
 (B) Line 7b = Line 6 x 3.1459% x 1/12
 (C) Applicable depreciation rate is .26%
 (D) Ad Valorem Tax Rate is 1.79%

PEOPLES GAS SYSTEM
DOCKET NO. 110320-GU
EXHIBIT C
FILED: DECEMBER 14, 2011
REVISED: JULY 30, 2012

Peoples Gas System
Cast Iron / Bare Steel Replacement Program
Calculation of the Projected Amount for the Period
January 2015 to December 2015

Return on Capital Investments, Depreciation and Taxes for Eligible Replacements

Line Description	Beginning of													End of
	Period Amount	January	February	March	April	May	June	July	August	September	October	November	December	Period Total
1. Investments														
a. Eligible Replacements - Mains	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 7,000,000
b. Eligible Replacements - Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0
c. Eligible Replacements - Regulators	0	0	0	0	0	0	0	0	0	0	0	0	0	0
d. Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2. Gross Plant-in-Service/Depreciation Base	14,000,000	\$ 14,583,333	\$ 15,166,667	\$ 15,750,000	\$ 16,333,333	\$ 16,916,667	\$ 17,500,000	\$ 18,083,333	\$ 18,666,667	\$ 19,250,000	\$ 19,833,333	\$ 20,416,667	\$ 21,000,000	
3. Less: Accumulated Depreciation	(415,917)	(452,083)	(489,757)	(528,938)	(569,625)	(611,819)	(655,521)	(700,729)	(747,444)	(795,667)	(845,396)	(896,632)	(949,375)	
4. CWP - Noninterest Bearing	583,333	583,333	583,333	583,333	583,333	583,333	583,333	583,333	583,333	583,333	583,333	583,333	583,333	
5. Net Book Value (Lines 2 + 3 + 4)	\$ 14,167,416	\$ 14,714,583	\$ 15,260,243	\$ 15,804,396	\$ 16,347,041	\$ 16,888,180	\$ 17,427,812	\$ 17,965,937	\$ 18,502,555	\$ 19,037,666	\$ 19,571,271	\$ 20,103,368	\$ 20,633,958	
6. Average Net Book Value	\$ 14,441,000	\$ 14,987,413	\$ 15,532,319	\$ 16,075,718	\$ 16,617,611	\$ 17,157,996	\$ 17,696,875	\$ 18,234,246	\$ 18,770,111	\$ 19,304,468	\$ 19,837,319	\$ 20,368,663		
7. Return on Average Net Book Value														
a. Equity component Grossed up for taxes (A)	\$ 97,661	\$ 101,356	\$ 105,041	\$ 108,716	\$ 112,381	\$ 116,035	\$ 119,680	\$ 123,314	\$ 126,938	\$ 130,551	\$ 134,155	\$ 137,748	\$ 141,326	\$ 1,413,576
b. Debt component (B)	\$ 37,858	\$ 38,291	\$ 40,719	\$ 42,144	\$ 43,564	\$ 44,981	\$ 46,394	\$ 47,803	\$ 49,207	\$ 50,608	\$ 52,005	\$ 53,398	\$ 54,792	\$ 547,972
8. Investment Expenses														
a. Depreciation (C)	36,167	37,674	39,181	40,688	42,194	43,701	45,208	46,715	48,222	49,729	51,236	52,743	53,250	533,458
b. Amortization	0	0	0	0	0	0	0	0	0	0	0	0	0	0
c. Property Taxes (D)	19,393	19,393	19,393	19,393	19,393	19,393	19,393	19,393	19,393	19,393	19,393	19,393	19,393	232,713
d. Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9. Revenue Requirements (Lines 7 + 8)	\$ 191,078	\$ 197,713	\$ 204,333	\$ 210,940	\$ 217,532	\$ 224,110	\$ 230,675	\$ 237,225	\$ 243,760	\$ 250,281	\$ 256,789	\$ 263,282	\$ 272,720	

Notes:

- (A) Line 7a = Line 6 x 8 1153% x 1/12 Based on ROE of 10.75%, and weighted income tax rate of 38.575%, expansion factor of 1.628002.
- (B) Line 7b = Line 6 x 3 1459% x 1/12
- (C) Applicable depreciation rate is .26%
- (D) Ad Valorem Tax Rate is 1.79%

6

PEOPLES GAS SYSTEM
DOCKET NO. 110320-GU
EXHIBIT C
FILED: DECEMBER 14, 2011
REVISED: JULY 30, 2012

Peoples Gas System
Cast Iron / Bare Steel Replacement Program
Calculation of the Projected Amount for the Period
January 2016 to December 2016

Return on Capital Investments, Depreciation and Taxes for Eligible Replacements

10

Line Description	Beginning of													End of
	Period Amount	January	February	March	April	May	June	July	August	September	October	November	December	Period Total
1. Investments														
a. Eligible Replacements - Mains		\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 7,000,000
b. Eligible Replacements - Services		0	0	0	0	0	0	0	0	0	0	0	0	0
c. Eligible Replacements - Regulators		0	0	0	0	0	0	0	0	0	0	0	0	0
d. Other		0	0	0	0	0	0	0	0	0	0	0	0	0
2. Gross Plant-in-Service/Depreciation Base	21,000,000	\$ 21,583,333	\$ 22,166,667	\$ 22,750,000	\$ 23,333,333	\$ 23,916,667	\$ 24,500,000	\$ 25,083,333	\$ 25,666,667	\$ 26,250,000	\$ 26,833,333	\$ 27,416,667	\$ 28,000,000	
3. Less: Accumulated Depreciation	(949,375)	(1,003,625)	(1,059,382)	(1,119,645)	(1,175,417)	(1,235,694)	(1,297,479)	(1,360,771)	(1,425,569)	(1,491,875)	(1,559,688)	(1,629,007)	(1,699,833)	
4. CWMP - NonInterest Bearing	583,333	583,333	583,333	583,333	583,333	583,333	583,333	583,333	583,333	583,333	583,333	583,333	583,333	
5. Net Book Value (Lines 2 + 3 + 4)	\$ 20,633,958	\$ 21,163,041	\$ 21,690,618	\$ 22,216,687	\$ 22,741,250	\$ 23,264,305	\$ 23,785,654	\$ 24,305,896	\$ 24,824,430	\$ 25,341,458	\$ 25,856,979	\$ 26,370,993	\$ 26,883,500	
6. Average Net Book Value		\$ 20,898,500	\$ 21,426,830	\$ 21,953,652	\$ 22,478,968	\$ 23,002,777	\$ 23,525,080	\$ 24,045,875	\$ 24,565,163	\$ 25,082,944	\$ 25,599,218	\$ 26,113,986	\$ 26,627,246	
7. Return on Average Net Book Value														
a. Equity component Grossed up for taxes (A)		\$ 141,331	\$ 144,904	\$ 148,467	\$ 152,020	\$ 155,562	\$ 159,094	\$ 162,616	\$ 166,128	\$ 169,630	\$ 173,121	\$ 176,602	\$ 180,073	\$ 1,929,548
b. Debt component (B)		\$ 54,787	\$ 56,172	\$ 57,553	\$ 58,930	\$ 60,304	\$ 61,673	\$ 63,038	\$ 64,400	\$ 65,757	\$ 67,110	\$ 68,460	\$ 69,806	\$ 747,990
8. Investment Expenses														
a. Depreciation (C)		54,250	55,757	57,264	58,771	60,278	61,785	63,292	64,799	66,306	67,813	69,319	70,826	750,458
b. Amortization		0	0	0	0	0	0	0	0	0	0	0	0	0
c. Property Taxes (D)		29,039	29,039	29,039	29,039	29,039	29,039	29,039	29,039	29,039	29,039	29,039	29,039	348,465
d. Other		0	0	0	0	0	0	0	0	0	0	0	0	0
9. Revenue Requirements (Lines 7 + 8)		\$ 279,407	\$ 285,872	\$ 292,323	\$ 298,760	\$ 305,182	\$ 311,590	\$ 317,984	\$ 324,365	\$ 330,731	\$ 337,062	\$ 343,420	\$ 349,744	\$ 3,776,461

Notes:

- (A) Line 7a = Line 6 x 8 1153% x 1/12 Based on ROE of 10.75%, and weighted income tax rate of 38.575%, expansion factor of 1.628002.
- (B) Line 7b = Line 6 x 3.1458% x 1/12.
- (C) Applicable depreciation rate is .26%
- (D) Ad Valorem Tax Rate is 1.73%

Peoples Gas System
Cast Iron / Bare Steel Replacement Program
Calculation of the Projected Amount for the Period
January 2017 to December 2017

Return on Capital Investments, Depreciation and Taxes for Eligible Replacements

Line Description	Beginning of Period Amount	January	February	March	April	May	June	July	August	September	October	November	December	End of Period Total
1 Investments														
a. Eligible Replacements - Mains		\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 7,000,000
b. Eligible Replacements - Services		0	0	0	0	0	0	0	0	0	0	0	0	0
c. Eligible Replacements - Regulators		0	0	0	0	0	0	0	0	0	0	0	0	0
d. Other		0	0	0	0	0	0	0	0	0	0	0	0	0
2. Gross Plant-in-Service/Depreciation Base	28,000,000	\$ 26,583,333	\$ 29,166,667	\$ 29,750,000	\$ 30,333,333	\$ 30,916,667	\$ 31,500,000	\$ 32,083,333	\$ 32,666,667	\$ 33,250,000	\$ 33,833,333	\$ 34,416,667	\$ 35,000,000	
3. Less Accumulated Depreciation	(1,698,833)	(1,772,167)	(1,846,007)	(1,921,354)	(1,998,208)	(2,076,569)	(2,156,438)	(2,237,813)	(2,320,694)	(2,405,083)	(2,490,979)	(2,578,382)	(2,667,292)	
4. CWP - Noninterest Bearing	583,333	583,333	583,333	583,333	583,333	583,333	583,333	583,333	583,333	583,333	583,333	583,333	583,333	
5. Net Book Value (Lines 2 + 3 + 4)	\$ 26,883,500	\$ 27,394,500	\$ 27,903,993	\$ 28,411,979	\$ 28,918,458	\$ 29,423,430	\$ 29,926,896	\$ 30,428,854	\$ 30,929,305	\$ 31,428,250	\$ 31,925,687	\$ 32,421,618	\$ 32,916,041	
6. Average Net Book Value		\$ 27,139,000	\$ 27,649,246	\$ 28,157,986	\$ 28,665,218	\$ 29,170,944	\$ 29,675,163	\$ 30,177,875	\$ 30,679,080	\$ 31,178,777	\$ 31,676,966	\$ 32,173,652	\$ 32,668,830	
7. Return on Average Net Book Value														
a. Equity component Grossed up for taxes (A)		\$ 183,534	\$ 186,985	\$ 190,425	\$ 193,856	\$ 197,276	\$ 200,686	\$ 204,085	\$ 207,475	\$ 210,854	\$ 214,223	\$ 217,582	\$ 220,931	\$ 2,427,912
b. Debt component (B)		\$ 71,147	\$ 72,485	\$ 73,819	\$ 75,148	\$ 76,474	\$ 77,796	\$ 79,114	\$ 80,428	\$ 81,738	\$ 83,044	\$ 84,346	\$ 85,644	\$ 941,183
8. Investment Expenses														
a. Depreciation (C)		72,333	73,840	75,347	76,854	78,361	79,868	81,375	82,882	84,389	85,896	87,403	88,910	967,458
b. Amortization		0	0	0	0	0	0	0	0	0	0	0	0	0
c. Property Taxes (D)		38,361	38,361	38,361	38,361	38,361	38,361	38,361	38,361	38,361	38,361	38,361	38,361	460,331
d. Other		0	0	0	0	0	0	0	0	0	0	0	0	0
9. Revenue Requirements (Lines 7 + 8)		\$ 365,375	\$ 371,671	\$ 377,952	\$ 384,219	\$ 390,472	\$ 396,711	\$ 402,935	\$ 409,146	\$ 415,342	\$ 421,524	\$ 427,692	\$ 433,846	\$ 4,796,885

Notes:

- (A) Line 7a = Line 6 x 8 1153% x 1/12 Based on ROE of 10.75%, and weighted income tax rate of 38.575%, expansion factor of 1.628002.
 (B) Line 7b = Line 6 x 3 1459% x 1/12
 (C) Applicable depreciation rate is .26%
 (D) Ad Valorem Tax Rate is 1.79%

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PEOPLES GAS SYSTEM
DOCKET NO. 110320-GU
EXHIBIT C
FILED: DECEMBER 14, 2011
REVISED: JULY 30, 2012

Peoples Gas System
Cast Iron / Bare Steel Replacement Program
Calculation of the Projected Amount for the Period
January 2018 to December 2018

Return on Capital Investments, Depreciation and Taxes for Eligible Replacements

Line Description	Beginning of													End of
	Period Amount	January	February	March	April	May	June	July	August	September	October	November	December	Period Total
1 Investments														
a Eligible Replacements - Mains	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 7,000,000
b Eligible Replacements - Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0
c Eligible Replacements - Regulators	0	0	0	0	0	0	0	0	0	0	0	0	0	0
d Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2 Gross Plant-in-Service/Depreciation Base	35,000,000	\$ 35,583,333	\$ 36,166,667	\$ 36,750,000	\$ 37,333,333	\$ 37,916,667	\$ 38,500,000	\$ 39,083,333	\$ 39,666,667	\$ 40,250,000	\$ 40,833,333	\$ 41,416,667	\$ 42,000,000	
3 Less Accumulated Depreciation	(2,667,292)	(2,757,708)	(2,848,632)	(2,943,063)	(3,038,000)	(3,134,444)	(3,232,396)	(3,331,854)	(3,432,819)	(3,535,292)	(3,639,271)	(3,744,757)	(3,851,750)	
4 CVIP - Noninterest Bearing	583,333	583,333	583,333	583,333	583,333	583,333	583,333	583,333	583,333	583,333	583,333	583,333	583,333	
5 Net Book Value (Lines 2 + 3 + 4)	\$ 32,916,041	\$ 33,408,958	\$ 33,900,368	\$ 34,390,271	\$ 34,878,666	\$ 35,366,555	\$ 35,850,937	\$ 36,334,812	\$ 36,817,180	\$ 37,298,041	\$ 37,777,396	\$ 38,255,243	\$ 38,731,583	
6 Average Net Book Value	\$ 33,162,500	\$ 33,654,663	\$ 34,145,319	\$ 34,634,468	\$ 35,122,111	\$ 35,608,246	\$ 36,092,875	\$ 36,575,996	\$ 37,057,611	\$ 37,537,718	\$ 38,016,319	\$ 38,493,413		
7 Return on Average Net Book Value														
a Equity component Grossed up for taxes (A)	\$ 224,270	\$ 227,598	\$ 230,916	\$ 234,224	\$ 237,522	\$ 240,810	\$ 244,067	\$ 247,354	\$ 250,611	\$ 253,858	\$ 257,095	\$ 260,321	\$ 2,908,666	
b Debt component (B)	\$ 86,938	\$ 88,229	\$ 89,515	\$ 90,797	\$ 92,076	\$ 93,350	\$ 94,620	\$ 95,887	\$ 97,150	\$ 98,408	\$ 99,663	\$ 100,914	\$ 1,127,547	
8 Investment Expenses														
a Depreciation (C)	90,417	91,924	93,431	94,938	96,444	97,951	99,458	100,965	102,472	103,979	105,486	106,993	1,184,458	
b Amortization	0	0	0	0	0	0	0	0	0	0	0	0	0	
c Property Taxes (D)	47,359	47,359	47,359	47,359	47,359	47,359	47,359	47,359	47,359	47,359	47,359	47,359	568,314	
d Other	0	0	0	0	0	0	0	0	0	0	0	0	0	
9 Revenue Requirements (Lines 7 + 8)	\$ 448,984	\$ 455,110	\$ 461,221	\$ 467,318	\$ 473,402	\$ 479,471	\$ 485,525	\$ 491,566	\$ 497,593	\$ 503,605	\$ 509,604	\$ 515,588	\$ 5,788,965	

Notes:

- (A) Line 7a = Line 6 x 8.1153% x 1/12 Based on ROE of 10.75%, and weighted income tax rate of 38.575%, expansion factor of 1.628002
- (B) Line 7b = Line 6 x 3.1459% x 1/12
- (C) Applicable depreciation rate is 26%
- (D) Ad Valorem Tax Rate is 1.79%

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PEOPLES GAS SYSTEM
DOCKET NO. 110320-GU
EXHIBIT C
FILED: DECEMBER 14, 2011
REVISED: JULY 30, 2012

Peoples Gas System
Cast Iron / Bare Steel Replacement Program
Calculation of the Projected Amount for the Period
January 2019 to December 2019

Return on Capital Investments, Depreciation and Taxes for Eligible Replacements

Line Description	Beginning of Period Amount	January	February	March	April	May	June	July	August	September	October	November	December	End of Period Total
1 Investments														
a Eligible Replacements - Mains		\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 7,000,000
b Eligible Replacements - Services		0	0	0	0	0	0	0	0	0	0	0	0	0
c Eligible Replacements - Regulators		0	0	0	0	0	0	0	0	0	0	0	0	0
d Other		0	0	0	0	0	0	0	0	0	0	0	0	0
2 Gross Plant-in-Service/Depreciation Base	42,000,000	\$ 42,583,333	\$ 43,166,667	\$ 43,750,000	\$ 44,333,333	\$ 44,916,667	\$ 45,500,000	\$ 46,083,333	\$ 46,666,667	\$ 47,250,000	\$ 47,833,333	\$ 48,416,667	\$ 49,000,000	
3 Less: Accumulated Depreciation	(3,851,750)	(3,960,250)	(4,070,257)	(4,181,771)	(4,294,792)	(4,409,319)	(4,525,354)	(4,642,896)	(4,761,944)	(4,882,500)	(5,004,563)	(5,128,132)	(5,253,208)	
4 CWP - Noninterest Bearing	583,333	583,333	583,333	583,333	583,333	583,333	583,333	583,333	583,333	583,333	583,333	583,333	583,333	
5 Net Book Value (Lines 2 + 3 + 4)	\$ 38,731,583	\$ 39,206,416	\$ 39,679,743	\$ 40,151,562	\$ 40,621,875	\$ 41,090,680	\$ 41,557,979	\$ 42,023,771	\$ 42,489,055	\$ 42,950,833	\$ 43,412,104	\$ 43,871,968	\$ 44,330,125	
6 Average Net Book Value		\$ 38,969,000	\$ 39,443,080	\$ 39,915,652	\$ 40,386,718	\$ 40,856,277	\$ 41,324,330	\$ 41,790,875	\$ 42,255,913	\$ 42,719,444	\$ 43,181,468	\$ 43,641,986	\$ 44,100,996	
7 Return on Average Net Book Value														
a Equity component Grossed up for taxes (A)		\$ 253,538	\$ 266,744	\$ 269,940	\$ 273,125	\$ 276,301	\$ 279,466	\$ 282,621	\$ 285,766	\$ 288,901	\$ 292,025	\$ 295,140	\$ 298,244	\$ 3,371,811
b Debt component (B)		\$ 102,160	\$ 103,403	\$ 104,642	\$ 105,877	\$ 107,108	\$ 108,335	\$ 109,558	\$ 110,777	\$ 111,993	\$ 113,204	\$ 114,411	\$ 115,614	\$ 1,307,082
8 Investment Expenses														
a Depreciation (C)		108,500	110,007	111,514	113,021	114,528	116,035	117,542	119,049	120,556	122,063	123,569	125,076	1,401,458
b Amortization		0	0	0	0	0	0	0	0	0	0	0	0	0
c Property Taxes (D)		56,034	56,034	56,034	56,034	56,034	56,034	56,034	56,034	56,034	56,034	56,034	56,034	672,412
d Other		0	0	0	0	0	0	0	0	0	0	0	0	0
9 Revenue Requirements (Lines 7 + 8)		\$ 530,232	\$ 536,188	\$ 542,130	\$ 548,057	\$ 553,971	\$ 559,870	\$ 565,755	\$ 571,626	\$ 577,484	\$ 583,326	\$ 589,155	\$ 594,969	\$ 6,752,763

Notes:

- (A) Line 7a = Line 6 x 8 1153% x 1/12 Based on ROE of 10.75%, and weighted income tax rate of 38.575%, expansion factor of 1.628002
 (B) Line 7b = Line 6 x 3.1459% x 1/12
 (C) Applicable depreciation rate is .26%
 (D) Ad Valorem Tax Rate is 1.79%

Peoples Gas System
Cast Iron / Bare Steel Replacement Program
Calculation of the Projected Amount for the Period
January 2020 to December 2020

Return on Capital Investments, Depreciation and Taxes for Eligible Replacements

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Line Description	Beginning of Period Amount	January	February	March	April	May	June	July	August	September	October	November	December	End of Period Total
1. Investments														
a. Eligible Replacements - Mains		\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 7,000,000
b. Eligible Replacements - Services		0	0	0	0	0	0	0	0	0	0	0	0	0
c. Eligible Replacements - Regulators		0	0	0	0	0	0	0	0	0	0	0	0	0
d. Other		0	0	0	0	0	0	0	0	0	0	0	0	0
2. Gross Plant-in-Service/Depreciation Base	49,000,000	\$ 49,583,333	\$ 50,166,667	\$ 50,750,000	\$ 51,333,333	\$ 51,916,667	\$ 52,500,000	\$ 53,083,333	\$ 53,666,667	\$ 54,250,000	\$ 54,833,333	\$ 55,416,667	\$ 56,000,000	
3. Less: Accumulated Depreciation	(5,253,208)	(5,379,792)	(5,507,882)	(5,637,479)	(5,768,583)	(5,901,194)	(6,035,313)	(6,170,938)	(6,308,069)	(6,446,708)	(6,586,854)	(6,728,507)	(6,871,667)	
4. CWP - NonInterest Bearing	583,333	583,333	583,333	583,333	583,333	583,333	583,333	583,333	583,333	583,333	583,333	583,333	583,333	
5. Net Book Value (Lines 2 + 3 + 4)	\$ 44,330,125	\$ 44,786,875	\$ 45,242,118	\$ 45,695,854	\$ 46,148,083	\$ 46,598,805	\$ 47,048,021	\$ 47,495,729	\$ 47,941,930	\$ 48,386,625	\$ 48,829,812	\$ 49,271,483	\$ 49,711,666	
6. Average Net Book Value		\$ 44,558,500	\$ 45,014,496	\$ 45,468,986	\$ 45,921,968	\$ 46,373,444	\$ 46,823,413	\$ 47,271,875	\$ 47,718,830	\$ 48,164,277	\$ 48,608,218	\$ 49,050,652	\$ 49,491,580	
7. Return on Average Net Book Value														
a. Equity component Grossed up for taxes (A)		\$ 301,338	\$ 304,422	\$ 307,495	\$ 310,559	\$ 313,612	\$ 316,655	\$ 319,688	\$ 322,711	\$ 325,723	\$ 328,725	\$ 331,717	\$ 334,699	\$ 3,817,344
b. Debt component (B)		\$ 116,814	\$ 118,009	\$ 119,201	\$ 120,388	\$ 121,572	\$ 122,751	\$ 123,927	\$ 125,099	\$ 126,267	\$ 127,430	\$ 128,590	\$ 129,746	\$ 1,479,794
8. Investment Expenses														
a. Depreciation (C)		126,583	128,090	129,597	131,104	132,611	134,118	135,625	137,132	138,639	140,146	141,653	143,160	1,618,458
b. Amortization		0	0	0	0	0	0	0	0	0	0	0	0	0
c. Property Taxes (D)		64,385	64,385	64,385	64,385	64,385	64,385	64,385	64,385	64,385	64,385	64,385	64,385	772,626
d. Other		0	0	0	0	0	0	0	0	0	0	0	0	0
9. Revenue Requirements (Lines 7 + 8)		\$ 609,121	\$ 614,907	\$ 620,679	\$ 626,437	\$ 632,181	\$ 637,910	\$ 643,625	\$ 649,327	\$ 655,014	\$ 660,686	\$ 666,345	\$ 671,990	\$ 7,588,222

Notes:

- (A) Line 7a = Line 6 x 8.1153% x 1/12. Based on ROE of 10.75%, and weighted income tax rate of 38.575%, expansion factor of 1.628002
- (B) Line 7b = Line 6 x 3.1459% x 1/12.
- (C) Applicable depreciation rate is .26%
- (D) Ad Valorem Tax Rate is 1.79%

PEOPLES GAS SYSTEM
DOCKET NO. 110320-GU
EXHIBIT C
FILED: DECEMBER 14, 2011
REVISED: JULY 30, 2012

Peoples Gas System
Cast Iron / Bare Steel Replacement Program
Calculation of the Projected Amount for the Period
January 2021 to December 2021

Return on Capital Investments, Depreciation and Taxes for Eligible Replacements

Line Description	Beginning of Period Amount	January	February	March	April	May	June	July	August	September	October	November	December	End of Period Total
1. Investments														
a. Eligible Replacements - Mains		\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 7,000,000
b. Eligible Replacements - Services		0	0	0	0	0	0	0	0	0	0	0	0	0
c. Eligible Replacements - Regulators		0	0	0	0	0	0	0	0	0	0	0	0	0
d. Other		0	0	0	0	0	0	0	0	0	0	0	0	0
2. Gross Plant-in-Service/Depreciation Base	56,000,000	\$ 56,583,333	\$ 57,156,667	\$ 57,750,000	\$ 58,333,333	\$ 58,916,667	\$ 59,500,000	\$ 60,083,333	\$ 60,666,667	\$ 61,250,000	\$ 61,833,333	\$ 62,416,667	\$ 63,000,000	
3. Less: Accumulated Depreciation	(6,871,667)	(7,016,333)	(7,162,507)	(7,310,188)	(7,459,375)	(7,610,069)	(7,762,271)	(7,915,979)	(8,071,194)	(8,227,917)	(8,386,146)	(8,545,882)	(8,707,125)	
4. CWP - Noninterest Bearing	583,333	583,333	583,333	583,333	583,333	583,333	583,333	583,333	583,333	583,333	583,333	583,333	583,333	
5. Net Book Value (Lines 2 + 3 + 4)	\$ 49,711,666	\$ 50,150,333	\$ 50,567,493	\$ 51,023,146	\$ 51,457,291	\$ 51,889,930	\$ 52,321,062	\$ 52,750,687	\$ 53,178,805	\$ 53,605,416	\$ 54,030,521	\$ 54,454,118	\$ 54,876,208	
6. Average Net Book Value		\$ 49,931,000	\$ 50,368,913	\$ 50,805,319	\$ 51,240,218	\$ 51,673,611	\$ 52,105,496	\$ 52,535,675	\$ 52,964,746	\$ 53,392,111	\$ 53,817,968	\$ 54,242,319	\$ 54,665,163	
7. Return on Average Net Book Value														
a. Equity component Grossed up for taxes (A)		\$ 337,871	\$ 340,632	\$ 343,584	\$ 346,525	\$ 349,456	\$ 352,376	\$ 355,287	\$ 358,187	\$ 361,077	\$ 363,957	\$ 366,827	\$ 369,687	\$ 4,245,266
b. Debt component (B)		\$ 130,898	\$ 132,046	\$ 133,190	\$ 134,331	\$ 135,467	\$ 136,599	\$ 137,727	\$ 138,851	\$ 139,972	\$ 141,088	\$ 142,201	\$ 143,309	\$ 1,645,679
8. Investment Expenses														
a. Depreciation (C)		144,667	146,174	147,681	149,188	150,694	152,201	153,708	155,215	156,722	158,229	159,736	161,243	1,835,458
b. Amortization		0	0	0	0	0	0	0	0	0	0	0	0	0
c. Property Taxes (D)		72,413	72,413	72,413	72,413	72,413	72,413	72,413	72,413	72,413	72,413	72,413	72,413	868,956
d. Other		0	0	0	0	0	0	0	0	0	0	0	0	0
9. Revenue Requirements (Lines 7 + 8)		\$ 685,649	\$ 691,265	\$ 696,868	\$ 702,456	\$ 708,030	\$ 713,589	\$ 719,135	\$ 724,666	\$ 730,184	\$ 735,687	\$ 741,177	\$ 746,652	\$ 8,595,359

Notes:

- (A) Line 7a = Line 6 x 8.1153% x 1/12. Based on ROE of 10.75%, and weighted income tax rate of 38.575%, expansion factor of 1.628002
- (B) Line 7b = Line 6 x 3.1459% x 1/12.
- (C) Applicable depreciation rate is .26%
- (D) Ad Valorem Tax Rate is 1.79%

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PEOPLES GAS SYSTEM
DOCKET NO. 110320-GU
EXHIBIT C
FILED: DECEMBER 14, 2011
REVISED: JULY 30, 2012

Peoples Gas System
Cast Iron / Bare Steel Replacement Program
Calculation of the Projected Amount for the Period
January 2022 to December 2022

Return on Capital Investments, Depreciation and Taxes for Eligible Replacements

Line Description	Beginning of													End of
	Period Amount	January	February	March	April	May	June	July	August	September	October	November	December	Period Total
1. Investments														
a. Eligible Replacements - Mains		\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 583,333	\$ 7,000,000
b. Eligible Replacements - Services		0	0	0	0	0	0	0	0	0	0	0	0	0
c. Eligible Replacements - Regulators		0	0	0	0	0	0	0	0	0	0	0	0	0
d. Other		0	0	0	0	0	0	0	0	0	0	0	0	0
2. Gross Plant-in-Service/Depreciation Base	63,000,000	\$ 63,583,333	\$ 64,166,667	\$ 64,750,000	\$ 65,333,333	\$ 65,916,667	\$ 66,500,000	\$ 67,083,333	\$ 67,666,667	\$ 68,250,000	\$ 68,833,333	\$ 69,416,667	\$ 70,000,000	
3. Less Accumulated Depreciation:	(8,707,125)	(8,869,875)	(9,034,132)	(9,199,896)	(9,367,167)	(9,535,944)	(9,706,229)	(9,878,021)	(10,051,319)	(10,226,125)	(10,402,438)	(10,580,257)	(10,759,583)	
4. CWIP - Noninterest Bearing	583,333	583,333	583,333	583,333	583,333	583,333	583,333	583,333	583,333	583,333	583,333	583,333	583,333	
5. Net Book Value (Lines 2 + 3 + 4)	\$ 54,876,208	\$ 55,296,791	\$ 55,715,868	\$ 56,133,437	\$ 56,549,500	\$ 56,964,056	\$ 57,377,104	\$ 57,788,646	\$ 58,198,680	\$ 58,607,208	\$ 59,014,229	\$ 59,419,743	\$ 59,823,750	
6. Average Net Book Value		\$ 55,086,500	\$ 55,506,330	\$ 55,924,652	\$ 56,341,468	\$ 56,756,777	\$ 57,170,580	\$ 57,582,875	\$ 57,993,663	\$ 58,402,944	\$ 58,810,718	\$ 59,216,986	\$ 59,621,746	
7. Return on Average Net Book Value														
a. Equity component Grossed up for taxes (A)		\$ 372,536	\$ 375,375	\$ 378,204	\$ 381,023	\$ 383,832	\$ 386,630	\$ 389,419	\$ 392,197	\$ 394,965	\$ 397,722	\$ 400,470	\$ 403,207	\$ 4,655,580
b. Debt component (B)		\$ 144,414	\$ 145,514	\$ 146,611	\$ 147,704	\$ 148,793	\$ 149,877	\$ 150,958	\$ 152,035	\$ 153,108	\$ 154,177	\$ 155,242	\$ 156,303	\$ 1,804,736
8. Investment Expenses														
a. Depreciation (C)		162,750	164,257	165,764	167,271	168,778	170,285	171,792	173,299	174,806	176,313	177,819	179,326	2,052,458
b. Amortization		0	0	0	0	0	0	0	0	0	0	0	0	0
c. Property Taxes (D)		80,117	80,117	80,117	80,117	80,117	80,117	80,117	80,117	80,117	80,117	80,117	80,117	961,401
d. Other		0	0	0	0	0	0	0	0	0	0	0	0	0
9. Revenue Requirements (Lines 7 + 8)		\$ 759,817	\$ 765,263	\$ 770,896	\$ 776,115	\$ 781,520	\$ 786,908	\$ 792,285	\$ 797,647	\$ 802,995	\$ 808,328	\$ 813,648	\$ 818,953	\$ 9,474,175

Notes:

- (A) Line 7a = Line 6 x 8.1153% x 1/12. Based on ROE of 10.75%, and weighted income tax rate of 38.575%, expansion factor of 1.628002
- (B) Line 7b = Line 6 x 3.1459% x 1/12.
- (C) Applicable depreciation rate is .26%
- (D) Ad Valorem Tax Rate is 1.79%

PEOPLES GAS SYSTEM

“EXHIBIT D”

***SUMMARY OF CAST IRON / BARE STEEL
REPLACEMENT SURCHARGE CALCULATION FOR THE
PERIOD OF JULY 2012 THROUGH DECEMBER 2022***

REVISED: JULY 30, 2012

CAST IRON / BARE STEEL REPLACEMENT RIDER
SUMMARY OF CI/BSR SURCHARGE CALCULATION
MONTHS: January 2013 Through December 2013

<u>RATE SCHEDULE</u>	<u>MAINS NET PLANT*</u>	<u>SERVICES NET PLANT*</u>	<u>TOTAL NET PLANT*</u>	<u>% OF TOTAL PLANT</u>	<u>CI/BSR REVENUES</u>	<u>THERMS</u>	<u>CI/BSR SURCHARGE PER THERM</u>
RS & RS-SG	\$59,806,570	\$79,163,368	\$138,969,938	34.89%	\$192,926	83,045,433	\$0.00232
SGS	5,474,814	5,937,386	11,412,200	2.87%	15,843	7,769,409	\$0.00204
GS-1 & CS-SG	45,983,103	12,635,366	58,618,469	14.72%	81,377	73,548,467	\$0.00111
GS-2	81,315,915	8,975,978	90,291,893	22.67%	125,348	118,483,193	\$0.00106
GS-3	46,157,083	2,496,659	48,653,742	12.21%	67,544	86,324,523	\$0.00078
GS-4	25,447,491	447,292	25,894,783	6.50%	35,949	46,999,519	\$0.00076
GS-5	22,396,181	427,101	22,823,282	5.73%	31,685	91,723,242	\$0.00035
WHS	786,453	35,448	821,901	0.21%	1,141	1,460,689	\$0.00078
NGVS	244,131	48,338	292,469	0.07%	406	224,532	\$0.00181
CSLS	534,119	10,816	544,935	0.14%	757	193,500	\$0.00391
TOTAL	\$288,145,860	\$110,177,751	\$398,323,611	100.00%	\$552,975	509,772,507	

* Source: Data in these columns are from Schedule H-2 of the Cost of Service Study approved in Peoples' last rate

CAST IRON / BARE STEEL REPLACEMENT RIDER
SUMMARY OF CI/BSR SURCHARGE CALCULATION
MONTHS: January 2014 Through December 2014

RATE SCHEDULE	MAINS NET PLANT*	SERVICES NET PLANT*	TOTAL NET PLANT*	% OF TOTAL PLANT	CI/BSR REVENUES	THERMS	CI/BSR SURCHARGE PER THERM
RS & RS-SG	\$59,806,570	\$79,163,368	\$138,969,938	34.89%	\$575,677	83,045,433	\$0.00693
SGS	5,474,814	5,937,386	11,412,200	2.87%	47,275	7,769,409	\$0.00608
GS-1 & CS-SG	45,983,103	12,635,366	58,618,469	14.72%	242,824	73,548,467	\$0.00330
GS-2	81,315,915	8,975,978	90,291,893	22.67%	374,030	118,483,193	\$0.00316
GS-3	46,157,083	2,496,659	48,653,742	12.21%	201,546	86,324,523	\$0.00233
GS-4	25,447,491	447,292	25,894,783	6.50%	107,268	46,999,519	\$0.00228
GS-5	22,396,181	427,101	22,823,282	5.73%	94,544	91,723,242	\$0.00103
WHS	786,453	35,448	821,901	0.21%	3,405	1,460,689	\$0.00233
NGVS	244,131	48,338	292,469	0.07%	1,212	224,532	\$0.00540
CSLS	534,119	10,816	544,935	0.14%	2,257	193,500	\$0.01167
TOTAL	\$288,145,860	\$110,177,751	\$398,323,611	100.00%	\$1,650,038	509,772,507	

* Source: Data in these columns are from Schedule H-2 of the Cost of Service Study approved in Peoples' last rate

CAST IRON / BARE STEEL REPLACEMENT RIDER
SUMMARY OF CI/BSR SURCHARGE CALCULATION
MONTHS: January 2015 Through December 2015

<u>RATE SCHEDULE</u>	<u>MAINS NET PLANT*</u>	<u>SERVICES NET PLANT*</u>	<u>TOTAL NET PLANT*</u>	<u>% OF TOTAL PLANT</u>	<u>CI/BSR REVENUES</u>	<u>THERMS</u>	<u>CI/BSR SURCHARGE PER THERM</u>
RS & RS-SG	\$59,806,570	\$79,163,368	\$138,969,938	34.89%	\$951,666	83,045,433	\$0.01146
SGS	5,474,814	5,937,386	11,412,200	2.87%	78,151	7,769,409	\$0.01006
GS-1 & CS-SG	45,983,103	12,635,366	58,618,469	14.72%	401,419	73,548,467	\$0.00546
GS-2	81,315,915	8,975,978	90,291,893	22.67%	618,319	118,483,193	\$0.00522
GS-3	46,157,083	2,496,659	48,653,742	12.21%	333,181	86,324,523	\$0.00386
GS-4	25,447,491	447,292	25,894,783	6.50%	177,327	46,999,519	\$0.00377
GS-5	22,396,181	427,101	22,823,282	5.73%	156,294	91,723,242	\$0.00170
WHS	786,453	35,448	821,901	0.21%	5,628	1,460,689	\$0.00385
NGVS	244,131	48,338	292,469	0.07%	2,003	224,532	\$0.00892
CSLS	534,119	10,816	544,935	0.14%	3,732	193,500	\$0.01929
TOTAL	\$288,145,860	\$110,177,751	\$398,323,611	100.00%	\$2,727,720	509,772,507	

* Source: Data in these columns are from Schedule H-2 of the Cost of Service Study approved in Peoples' last rate

CAST IRON / BARE STEEL REPLACEMENT RIDER
SUMMARY OF CI/BSR SURCHARGE CALCULATION
MONTHS: January 2016 Through December 2016

<u>RATE SCHEDULE</u>	<u>MAINS NET PLANT*</u>	<u>SERVICES NET PLANT*</u>	<u>TOTAL NET PLANT*</u>	<u>% OF TOTAL PLANT</u>	<u>CI/BSR REVENUES</u>	<u>THERMS</u>	<u>CI/BSR SURCHARGE PER THERM</u>
RS & RS-SG	\$59,806,570	\$79,163,368	\$138,969,938	34.89%	\$1,317,558	83,045,433	\$0.01587
SGS	5,474,814	5,937,386	11,412,200	2.87%	108,198	7,769,409	\$0.01393
GS-1 & CS-SG	45,983,103	12,635,366	58,618,469	14.72%	555,755	73,548,467	\$0.00756
GS-2	81,315,915	8,975,978	90,291,893	22.67%	856,047	118,483,193	\$0.00723
GS-3	46,157,083	2,496,659	48,653,742	12.21%	461,281	86,324,523	\$0.00534
GS-4	25,447,491	447,292	25,894,783	6.50%	245,506	46,999,519	\$0.00522
GS-5	22,396,181	427,101	22,823,282	5.73%	216,385	91,723,242	\$0.00236
WHS	786,453	35,448	821,901	0.21%	7,792	1,460,689	\$0.00533
NGVS	244,131	48,338	292,469	0.07%	2,773	224,532	\$0.01235
CSLS	534,119	10,816	544,935	0.14%	5,166	193,500	\$0.02670
TOTAL	\$288,145,860	\$110,177,751	\$398,323,611	100.00%	\$3,776,461	509,772,507	

* Source: Data in these columns are from Schedule H-2 of the Cost of Service Study approved in Peoples' last rate

CAST IRON / BARE STEEL REPLACEMENT RIDER
SUMMARY OF CI/BSR SURCHARGE CALCULATION
MONTHS: January 2017 Through December 2017

RATE SCHEDULE	MAINS NET PLANT*	SERVICES NET PLANT*	TOTAL NET PLANT*	% OF TOTAL PLANT	CI/BSR REVENUES	THERMS	CI/BSR SURCHARGE PER THERM
RS & RS-SG	\$59,806,570	\$79,163,368	\$138,969,938	34.89%	\$1,673,571	83,045,433	\$0.02015
SGS	5,474,814	5,937,386	11,412,200	2.87%	137,434	7,769,409	\$0.01769
GS-1 & CS-SG	45,983,103	12,635,366	58,618,469	14.72%	705,924	73,548,467	\$0.00960
GS-2	81,315,915	8,975,978	90,291,893	22.67%	1,087,357	118,483,193	\$0.00918
GS-3	46,157,083	2,496,659	48,653,742	12.21%	585,922	86,324,523	\$0.00679
GS-4	25,447,491	447,292	25,894,783	6.50%	311,843	46,999,519	\$0.00664
GS-5	22,396,181	427,101	22,823,282	5.73%	274,854	91,723,242	\$0.00300
WHS	786,453	35,448	821,901	0.21%	9,898	1,460,689	\$0.00678
NGVS	244,131	48,338	292,469	0.07%	3,522	224,532	\$0.01569
CSLS	534,119	10,816	544,935	0.14%	6,562	193,500	\$0.03391
TOTAL	\$288,145,860	\$110,177,751	\$398,323,611	100.00%	\$4,796,885	509,772,507	

* Source: Data in these columns are from Schedule H-2 of the Cost of Service Study approved in Peoples' last rate

CAST IRON / BARE STEEL REPLACEMENT RIDER
SUMMARY OF CI/BSR SURCHARGE CALCULATION
MONTHS: January 2018 Through December 2018

<u>RATE SCHEDULE</u>	<u>MAINS NET PLANT*</u>	<u>SERVICES NET PLANT*</u>	<u>TOTAL NET PLANT*</u>	<u>% OF TOTAL PLANT</u>	<u>CI/BSR REVENUES</u>	<u>THERMS</u>	<u>CI/BSR SURCHARGE PER THERM</u>
RS & RS-SG	\$59,806,570	\$79,163,368	\$138,969,938	34.89%	\$2,019,702	83,045,433	\$0.02432
SGS	5,474,814	5,937,386	11,412,200	2.87%	165,858	7,769,409	\$0.02135
GS-1 & CS-SG	45,983,103	12,635,366	58,618,469	14.72%	851,924	73,548,467	\$0.01158
GS-2	81,315,915	8,975,978	90,291,893	22.67%	1,312,246	118,483,193	\$0.01108
GS-3	46,157,083	2,496,659	48,653,742	12.21%	707,103	86,324,523	\$0.00819
GS-4	25,447,491	447,292	25,894,783	6.50%	376,339	46,999,519	\$0.00801
GS-5	22,396,181	427,101	22,823,282	5.73%	331,699	91,723,242	\$0.00362
WHS	786,453	35,448	821,901	0.21%	11,945	1,460,689	\$0.00818
NGVS	244,131	48,338	292,469	0.07%	4,251	224,532	\$0.01893
CSLS	534,119	10,816	544,935	0.14%	7,920	193,500	\$0.04093
TOTAL	\$288,145,860	\$110,177,751	\$398,323,611	100.00%	\$5,788,985	509,772,507	

* Source: Data in these columns are from Schedule H-2 of the Cost of Service Study approved in Peoples' last rate

CAST IRON / BARE STEEL REPLACEMENT RIDER
SUMMARY OF CI/BSR SURCHARGE CALCULATION
MONTHS: January 2019 Through December 2019

RATE SCHEDULE	MAINS NET PLANT*	SERVICES NET PLANT*	TOTAL NET PLANT*	% OF TOTAL PLANT	CI/BSR REVENUES	THERMS	CI/BSR SURCHARGE PER THERM
RS & RS-SG	\$59,806,570	\$79,163,368	\$138,969,938	34.89%	\$2,355,951	83,045,433	\$0.02837
SGS	5,474,814	5,937,386	11,412,200	2.87%	193,471	7,769,409	\$0.02490
GS-1 & CS-SG	45,983,103	12,635,366	58,618,469	14.72%	993,756	73,548,467	\$0.01351
GS-2	81,315,915	8,975,978	90,291,893	22.67%	1,530,715	118,483,193	\$0.01292
GS-3	46,157,083	2,496,659	48,653,742	12.21%	824,825	86,324,523	\$0.00955
GS-4	25,447,491	447,292	25,894,783	6.50%	438,993	46,999,519	\$0.00934
GS-5	22,396,181	427,101	22,823,282	5.73%	386,922	91,723,242	\$0.00422
WHS	786,453	35,448	821,901	0.21%	13,934	1,460,689	\$0.00954
NGVS	244,131	48,338	292,469	0.07%	4,958	224,532	\$0.02208
CSLS	534,119	10,816	544,935	0.14%	9,238	193,500	\$0.04774
TOTAL	\$288,145,860	\$110,177,751	\$398,323,611	100.00%	\$6,752,763	509,772,507	

* Source: Data in these columns are from Schedule H-2 of the Cost of Service Study approved in Peoples' last rate

CAST IRON / BARE STEEL REPLACEMENT RIDER
SUMMARY OF CI/BSR SURCHARGE CALCULATION
MONTHS: January 2020 Through December 2020

RATE SCHEDULE	MAINS NET PLANT*	SERVICES NET PLANT*	TOTAL NET PLANT*	% OF TOTAL PLANT	CI/BSR REVENUES	THERMS	CI/BSR SURCHARGE PER THERM
RS & RS-SG	\$59,806,570	\$79,163,368	\$138,969,938	34.89%	\$2,682,321	83,045,433	\$0.03230
SGS	5,474,814	5,937,386	11,412,200	2.87%	220,272	7,769,409	\$0.02835
GS-1 & CS-SG	45,983,103	12,635,366	58,618,469	14.72%	1,131,421	73,548,467	\$0.01538
GS-2	81,315,915	8,975,978	90,291,893	22.67%	1,742,764	118,483,193	\$0.01471
GS-3	46,157,083	2,496,659	48,653,742	12.21%	939,088	86,324,523	\$0.01088
GS-4	25,447,491	447,292	25,894,783	6.50%	499,807	46,999,519	\$0.01063
GS-5	22,396,181	427,101	22,823,282	5.73%	440,522	91,723,242	\$0.00480
WHS	786,453	35,448	821,901	0.21%	15,864	1,460,689	\$0.01086
NGVS	244,131	48,338	292,469	0.07%	5,645	224,532	\$0.02514
CSLS	534,119	10,816	544,935	0.14%	10,518	193,500	\$0.05436
TOTAL	\$288,145,860	\$110,177,751	\$398,323,611	100.00%	\$7,688,222	509,772,507	

* Source: Data in these columns are from Schedule H-2 of the Cost of Service Study approved in Peoples' last rate

CAST IRON / BARE STEEL REPLACEMENT RIDER
SUMMARY OF CI/BSR SURCHARGE CALCULATION
MONTHS: January 2021 Through December 2021

<u>RATE SCHEDULE</u>	<u>MAINS NET PLANT*</u>	<u>SERVICES NET PLANT*</u>	<u>TOTAL NET PLANT*</u>	<u>% OF TOTAL PLANT</u>	<u>CI/BSR REVENUES</u>	<u>THERMS</u>	<u>CI/BSR SURCHARGE PER THERM</u>
RS & RS-SG	\$59,806,570	\$79,163,368	\$138,969,938	34.89%	\$2,998,809	83,045,433	\$0.03611
SGS	5,474,814	5,937,386	11,412,200	2.87%	246,262	7,769,409	\$0.03170
GS-1 & CS-SG	45,983,103	12,635,366	58,618,469	14.72%	1,264,918	73,548,467	\$0.01720
GS-2	81,315,915	8,975,978	90,291,893	22.67%	1,948,394	118,483,193	\$0.01644
GS-3	46,157,083	2,496,659	48,653,742	12.21%	1,049,891	86,324,523	\$0.01216
GS-4	25,447,491	447,292	25,894,783	6.50%	558,779	46,999,519	\$0.01189
GS-5	22,396,181	427,101	22,823,282	5.73%	492,500	91,723,242	\$0.00537
WHS	786,453	35,448	821,901	0.21%	17,736	1,460,689	\$0.01214
NGVS	244,131	48,338	292,469	0.07%	6,311	224,532	\$0.02811
CSLS	534,119	10,816	544,935	0.14%	11,759	193,500	\$0.06077
TOTAL	\$288,145,860	\$110,177,751	\$398,323,611	100.00%	\$8,595,359	509,772,507	

* Source: Data in these columns are from Schedule H-2 of the Cost of Service Study approved in Peoples' last rate

CAST IRON / BARE STEEL REPLACEMENT RIDER
SUMMARY OF CI/BSR SURCHARGE CALCULATION
MONTHS: January 2022 Through December 2022

<u>RATE SCHEDULE</u>	<u>MAINS NET PLANT*</u>	<u>SERVICES NET PLANT*</u>	<u>TOTAL NET PLANT*</u>	<u>% OF TOTAL PLANT</u>	<u>CI/BSR REVENUES</u>	<u>THERMS</u>	<u>CI/BSR SURCHARGE PER THERM</u>
RS & RS-SG	\$59,806,570	\$79,163,368	\$138,969,938	34.89%	\$3,305,417	83,045,433	\$0.03980
SGS	5,474,814	5,937,386	11,412,200	2.87%	271,441	7,769,409	\$0.03494
GS-1 & CS-SG	45,983,103	12,635,366	58,618,469	14.72%	1,394,247	73,548,467	\$0.01896
GS-2	81,315,915	8,975,978	90,291,893	22.67%	2,147,604	118,483,193	\$0.01813
GS-3	46,157,083	2,496,659	48,653,742	12.21%	1,157,235	86,324,523	\$0.01341
GS-4	25,447,491	447,292	25,894,783	6.50%	615,911	46,999,519	\$0.01310
GS-5	22,396,181	427,101	22,823,282	5.73%	542,854	91,723,242	\$0.00592
WHS	786,453	35,448	821,901	0.21%	19,549	1,460,689	\$0.01338
NGVS	244,131	48,338	292,469	0.07%	6,956	224,532	\$0.03098
CSLS	534,119	10,816	544,935	0.14%	12,961	193,500	\$0.06698
TOTAL	\$288,145,860	\$110,177,751	\$398,323,611	100.00%	\$9,474,175	509,772,507	

* Source: Data in these columns are from Schedule H-2 of the Cost of Service Study approved in Peoples' last rate

PEOPLES GAS SYSTEM

“EXHIBIT E”

***AVERAGE RESIDENTIAL RATE IMPACT WITH
CAST IRON / BARE STEEL REPLACEMENT RIDER
SURCHARGE***

REVISED: JULY 30, 2012

Average Residential Rate Impact with Cast Iron / Bare Steel Replacement Rider Surcharge

	Year 1 2013	Year 2 2014	Year 3 2015	Year 4 2016	Year 5 2017	Year 6 2018	Year 7 2019	Year 8 2020	Year 9 2021	Year 10 2022
Revenue Requirements	\$552,975	\$1,650,038	\$2,727,720	\$3,776,461	\$4,796,885	\$5,788,985	\$6,752,763	\$7,688,222	\$8,595,359	\$ 9,474,175
Residential Bill - 20 Therms / Month										
<u>Bill Components</u>										
Customer Charge	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00
Distribution	\$ 0.268	\$ 0.268	\$ 0.268	\$ 0.268	\$ 0.268	\$ 0.268	\$ 0.268	\$ 0.268	\$ 0.268	\$ 0.268
Energy Conservation	\$ 0.033	\$ 0.033	\$ 0.033	\$ 0.033	\$ 0.033	\$ 0.033	\$ 0.033	\$ 0.033	\$ 0.033	\$ 0.033
CI/BSR Surcharge	\$ 0.002	\$ 0.007	\$ 0.011	\$ 0.016	\$ 0.020	\$ 0.024	\$ 0.028	\$ 0.032	\$ 0.036	\$ 0.040
*Purchased Gas Adjustment (Fuel)	\$ 0.781	\$ 0.781	\$ 0.781	\$ 0.781	\$ 0.781	\$ 0.781	\$ 0.781	\$ 0.781	\$ 0.781	\$ 0.781
Gross Receipts Tax	\$ 0.912	\$ 0.912	\$ 0.912	\$ 0.912	\$ 0.912	\$ 0.912	\$ 0.912	\$ 0.912	\$ 0.912	\$ 0.912
<u>Bill Calculation</u>										
Customer Charge	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00
Non-Gas Energy	5.36	5.36	5.36	5.36	5.36	5.36	5.36	5.36	5.36	5.36
Energy Conservation	0.66	0.66	0.66	0.66	0.66	0.66	0.66	0.66	0.66	0.66
CI/BSR Surcharge	0.05	0.14	0.23	0.32	0.40	0.49	0.57	0.65	0.72	0.80
*Purchased Gas Adjustment (Fuel)	15.62	15.62	15.62	15.62	15.62	15.62	15.62	15.62	15.62	15.62
Gross Receipts Tax	0.91	0.91	0.91	0.91	0.91	0.91	0.91	0.91	0.91	0.91
Total Bill with CI/BS Rider	\$ 37.60	\$ 37.69	\$ 37.78	\$ 37.87	\$ 37.96	\$ 38.04	\$ 38.12	\$ 38.20	\$ 38.28	\$ 38.35
Total Bill without CI/BSR	\$ 37.55	\$ 37.55	\$ 37.55	\$ 37.55	\$ 37.55	\$ 37.55	\$ 37.55	\$ 37.55	\$ 37.55	\$ 37.55
Average Total Monthly Increase	\$ 0.05	\$ 0.14	\$ 0.23	\$ 0.32	\$ 0.40	\$ 0.49	\$ 0.57	\$ 0.65	\$ 0.72	\$ 0.80
Average Total Annual Increase	\$ 0.56	\$ 1.66	\$ 2.75	\$ 3.81	\$ 4.84	\$ 5.84	\$ 6.81	\$ 7.75	\$ 8.67	\$ 9.55
Percent of Monthly Bill	0.12%	0.37%	0.61%	0.84%	1.07%	1.30%	1.51%	1.72%	1.92%	2.12%

*July 2012 PGA

PEOPLES GAS SYSTEM
DOCKET NO. 110320-GU
EXHIBIT E
FILED: DECEMBER 14, 2011
REVISED: JULY 30, 2012