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Blanca S. Bayo, Director
Division of Records & Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: Docket No. 020003-GU -- Purchased Gas Adjustment (PGA) Clause
True-Up Projections and Testimony for January 2003 - December 2003.

Dear Ms. Bayo:

Enclosed for filing in the above docket on behalf of Peoples Gas System ("Peoples"), please find the original and 10 copies of its Petition for Approval of PGA Factor for Application to Bills to be Rendered During the Period January 2003 through December 2003.

Enclosed also for filing on behalf of Peoples, please find 10 copies of Ed Elliott's testimony and 10 copies of Composite Exhibit EE-2 to Mr. Elliott's testimony.

Please acknowledge your receipt and filing of the enclosures by stamping the duplicate copy of this letter which is enclosed and returning the same to the undersigned. Thank you for your assistance.

Sincerely,

David M. Nicholson
Sr. Corporate Counsel
Peoples Gas System

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Enclosures

cc: Ms. Angie Llewellyn
Mr. W. Edward Elliott
All Parties of Record

Petition

DOCUMENT NUMBER - DATE

10363 SEP 27 02

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Ed Elliott's Testimony
DOCUMENT NUMBER - DATE
10364 SEP 27 02
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PEOPLES GAS
702 NORTH FRANKLIN STREET
P. O. BOX 2562
TAMPA, FL 33601-2562
AN EQUAL OPPORTUNITY COMPANY

1 (800) 282-4441
WWW.PEOPLES GAS.COM

1 BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

2 PREPARED DIRECT TESTIMONY OF

3 W. EDWARD ELLIOTT

4

5 Q. Please state your name and business address.

6

7 A. My name is W. Edward Elliott. My business address is
8 702 N. Franklin Street, P. O. Box 2562, Tampa, Florida
9 33601-2562.

10

11 Q. By whom are you employed and in what capacity?

12

13 A. I am Manager of Gas Accounting for Peoples Gas System,
14 a division of Tampa Electric Company. ("Peoples").

15

16 Q. Please summarize your educational background and
17 professional qualifications.

18

19 A. I graduated from the University of South Florida in
20 1972 with the degree of Bachelor of Arts in Accounting.
21 I have over 14 years of experience in the utility
22 field.

23

24 Q. What are your primary responsibilities in your present
25 position with Peoples?

DOCUMENT NUMBER DATE

10364 SEP 27 8

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1 A. As Manager of Gas Accounting, I am responsible for
2 recording the Company's costs for natural gas and
3 upstream pipeline capacity and preparing filings
4 associated with the recovery of these costs through the
5 Purchased Gas Adjustment ("PGA").

6

7 Q. Have you previously testified in regulatory
8 proceedings?

9

10 A. Yes. I have submitted testimony on several occasions
11 supporting Peoples' Purchased Gas Adjustment.

12

13 Q. What is the purpose of your testimony in this docket?

14

15 A. The purpose of my testimony is to describe generally
16 the components of Peoples' cost of purchased gas and
17 upstream pipeline capacity. In my testimony, I also
18 explain how Peoples' projected weighted average cost
19 of gas ("WACOG") for the January 2003 through December
20 2003 period was determined and the resulting requested
21 maximum PGA ("Cap").

22

23 Q. Please summarize your testimony.

24

25 A. I will address the following areas:

- 1 1. How Peoples will obtain its gas supplies during
- 2 the projected period.
- 3 2. Estimates and adjustments used to determine the
- 4 amount of gas to be purchased from Peoples'
- 5 various available sources of supply during the
- 6 projected period.
- 7 3. Projections and assumptions used to estimate the
- 8 purchase price to be paid by Peoples for such gas
- 9 supplies.
- 10 4. The components and assumptions used to develop
- 11 Peoples' projected WACOG.

12

13 Q. What is the appropriate final purchased gas adjustment

14 true-up amounts for the period January 2001 through

15 December 2001?

16

17 A. An underrecovery of \$2,948,202.

18

19 Q. What is the estimated purchased gas adjustment true-up

20 amounts for the period January 2002 through December

21 2002?

22

23 A. An overrecovery of \$6,783,915.

24

25 Q. What is the total purchased gas adjustment true-up amount

1 to be collected during the period January 2003 through
2 December 2003?

3
4 A. An overrecovery of \$3,835,711.

5
6 Q. Have you prepared or caused to be prepared certain
7 schedules for use in this proceeding?

8
9 A. Yes. Composite Exhibit EE-2 was prepared by me or under
10 my supervision.

11
12 Q. Please describe how Peoples will obtain its gas supplies
13 during the projected period of January 2003 through
14 December 2003.

15
16 A. All natural gas delivered through Peoples' distribution
17 system is received through three interstate pipelines.
18 Gas is delivered through Florida Gas Transmission Company
19 ("FGT"), in Peoples' Jacksonville Division, through
20 Southern Natural Gas Company ("SONAT") and South Georgia
21 Natural Gas Company ("South Georgia") and in Peoples'
22 Lakeland, Tampa, and Orlando Divisions, gas is expected
23 to be delivered through Gulfstream Pipeline Company
24 ("Gulfstream"). Receiving gas supply through multiple
25 interstate pipelines provides valuable flexibility and

1 reliability to serve customers.

2

3 Q. In general, how does Peoples determine its sources of
4 supply?

5

6 A. Peoples evaluates, selects and utilizes sources of
7 natural gas supply on the basis of its "best value" gas
8 acquisition strategy. For a source of supply to be
9 identified as a "best value," it must offer the best
10 combination of price, reliability of supply,
11 flexibility and dependable operations, consistent with
12 Peoples' obligation as a public utility to provide
13 safe, adequate and efficient service to the general
14 public. Through a competitive bidding process, Peoples
15 has a portfolio of supply sources from numerous third-
16 party suppliers that reflect a balance between cost,
17 reliability and operational flexibility.

18

19 Q. Could Peoples purchase all third party supplies in
20 advance for a long term at the lowest available fixed
21 price in order to provide increased stability to its
22 cost of gas?

23

24 A. No. Peoples' quantity requirement for system supply
25 gas varies significantly from year to year, season to

1 season, month to month, and, in particular, from day to
2 day. Often, the demand for gas on the Peoples system
3 can vary dramatically within a month from the lowest to
4 the highest requirement of its customers. In addition,
5 Peoples anticipates that the transportation throughput
6 will continue to increase during the projected period
7 as customers transfer from sales service to
8 transportation service under the NaturalChoice program.
9 The actual take of gas out of the Peoples system by
10 those same transporting customers varies significantly
11 from day to day. Since a significant portion of the
12 total transportation volumes is received by Peoples at
13 a uniform daily rate, Peoples is forced to increase or
14 decrease the purchases of its own system supply volumes
15 by significant increments in order to maintain a
16 balance between receipts and deliveries of gas each
17 day. As a consequence, Peoples must buy a portion of
18 its total system requirements under swing contract
19 arrangements, and meet extreme variations in delivered
20 volumes by relying on swing gas, peaking gas, pipeline
21 balancing charge volumes, pipeline penalty charge
22 volumes and pipeline no notice service at the
23 prevailing rates for such services.

24
25 Q. How did Peoples estimate the amount of gas to be

1 purchased from various sources during the projected
2 period of January 2003 through December 2003?

3
4 **A.** Peoples' projected amount of gas to be purchased is
5 based upon the Company's preliminary total throughput
6 of therms delivered to customers projected for 2003,
7 including both sales of Peoples' system supply and
8 transportation deliveries of third party gas purchased
9 by end-users of Peoples. Then, the throughput is
10 adjusted for the anticipated level of transportation
11 service, including the anticipated conversions under
12 the approved NaturalChoice program.

13
14 **Q.** How are Swing Service revenues accounted for through
15 the PGA?

16
17 **A.** Customers who participate in the NaturalChoice program
18 pay a Swing Service Charge. The Swing Service Charge
19 covers costs included in the PGA for balancing the
20 difference between marketer-supplied gas and the
21 customers' actual consumption. The revenues from the
22 Swing Service Charge are credited to the PGA to offset
23 this expense.

24
25 **Q.** How did you estimate the purchase price to be paid by

1 Peoples for each of its available sources of gas supply?
2
3 A. The price paid for natural gas is estimated based on an
4 evaluation of published prices for the last several years
5 for spot gas delivered to the FGT and SONAT systems,
6 futures contracts as reported on the New York Mercantile
7 Exchange and industry forecasts of market prices for the
8 projection period of January 2003 through December 2003.
9 These prices are then adjusted to reflect the potential
10 for unexpected increases particularly in the monthly and
11 daily market for natural gas prices in the projection
12 period.
13
14 Q. Referring to Schedules E-3 (A) through (G) of Composite
15 Exhibit EE-2, please explain the components of these
16 schedules and the assumptions that were made in
17 developing the Company's projections.
18
19 A. Schedule E-3 (G) is a compilation of the monthly data
20 that appears on Schedules E-3 (A) through (F) for the
21 corresponding months of January 2003 through December
22 2003.
23
24 In Schedules E-3 (A) through (F), Column (A) indicates
25 the applicable month for all data on the page.

1 In Column (B), "FGT" indicates that the volumes are to
2 be purchased from third party suppliers for delivery
3 via FGT interstate pipeline transportation.
4 "SONAT/SOUTH GEORGIA" indicates that the volumes are to
5 be purchased from a third party supplier for delivery
6 via SONAT and South Georgia interstate pipeline
7 transportation. "GULFSTREAM" indicates that the
8 volumes are to be purchased from a third party supplier
9 for delivery via Gulfstream interstate pipeline
10 transportation. "THIRD PARTY" indicates that the
11 volumes are to be purchased directly from various third
12 party suppliers for delivery into FGT, SONAT/South
13 Georgia, or Gulfstream.

14
15 In Column (C), "PGS" means the purchase will be for
16 Peoples' system supply and will become part of Peoples'
17 total WACOG. None of the costs of gas or
18 transportation for end-use purchases by end-use
19 customers of Peoples are included in Peoples' WACOG.

20 In Column (D), purchases of pipeline transportation
21 services from FGT under Rate Schedule FTS-1 and FTS-2 are
22 split into two components, commodity (or "usage") and
23 demand (or "reservation"). Both Peoples and end-users
24 pay the usage charge based on the actual amount of gas
25 transported. The FTS-1 and FTS-2 commodity costs shown

1 include all related transportation charges including
2 usage, fuel, ACA and Gas Technology Institute ("GTI")
3 charges. The FTS-1 and FTS-2 demand component is a fixed
4 charge based on the maximum daily quantity of FTS-1 and
5 FTS-2 firm transportation capacity reserved. End-users
6 reimburse Peoples or directly pay FGT for all pipeline
7 reservation charges associated with the transportation
8 capacity that Peoples reserves and uses on their behalf.
9 Similarly, the transportation rates of SONAT and South
10 Georgia and Gulfstream also consist of two components, a
11 usage charge and a reservation charge.

12
13 Also in Column (D), "NO NOTICE TRANSPORTATION SERVICE"
14 (or "NNTS") means FGT's no notice service provided to
15 Peoples on a fixed charge basis for use when Peoples'
16 actual use exceeds scheduled quantities. "SWING SERVICE"
17 means the demand and commodity component of the cost of
18 third party supplies purchased to meet Peoples "swing"
19 requirements for supply that fluctuate on a day-to-day
20 basis. "COMMODITY" means third party purchases of gas
21 transported on FGT, SONAT or South Georgia, or Gulfstream
22 and does not include any purchases of sales volumes from
23 FGT.

24
25 Column (E) shows the monthly quantity in therms of gas

1 purchased by Peoples for each category of system supply.
2 Column (F) shows the gas purchased by end-users for
3 transportation.

4
5 Column (G) is the total of Columns (E) and (F) in each
6 row.

7
8 Columns (H), (I), (J) and (K) show the corresponding
9 third party supplier commodity costs, pipeline
10 transportation commodity costs, pipeline transportation
11 reservation costs, and other charges (e.g., balancing
12 charges), respectively. These costs are determined using
13 the actual amounts paid by Peoples. In the case of end-
14 user transportation, these costs are reimbursed to
15 Peoples or paid directly to FGT. All ACA, GTI and fuel
16 charges are included in the commodity costs in Column (I)
17 and, therefore, are not shown in Column (K).

18
19 Column (L) in each row is the sum of Columns (H), (I),
20 (J) and (K) divided by Column (G).

21
22 Q. Referring to Schedule E-1 of Composite Exhibit EE-2,
23 please explain the components of these schedules and the
24 assumptions that were made in developing the Company's
25 projections.

1 A. Schedule E-1 is shown in three versions. Page 1 relates
2 to Cost of Gas Purchased, Therms Purchased, and Cents Per
3 Therm for Combined Rate Classes, Page 2 relates to
4 Residential Customers, and Page 3 relates to Commercial
5 Customers.

6
7 The costs associated with various categories or items are
8 shown on lines 1 through 14. The volumes consumed for
9 similar categories or items are shown on lines 15 through
10 27, the resulting effective cost per therm rate for each
11 similar category or item is contained on lines 28 through
12 45.

13
14 The data shown on Schedule E-1 are taken directly from
15 Schedules E-3 (A) through (F) for the months of January
16 2003 through December 2003.

17
18 Q. What information is presented on Schedule E-1/R of
19 Composite Exhibit EE-2?

20
21 A. Schedule E-1/R of Composite Exhibit EE-2 shows eight
22 months actual and four months estimated data for the
23 current period from January 2002 through December 2002
24 for all combined customer classes.

25

- 1 Q. What information is presented on Schedule E-2 of
2 Composite Exhibit EE-2?
3
- 4 A. Schedule E-2 of Composite Exhibit EE-2 shows the amount
5 of the prior period over/under recoveries of gas costs
6 that are included in the current PGA calculation.
7
- 8 Q. What is the purpose of Schedule E-4 of Composite
9 Exhibit EE-2?
10
- 11 A. Schedule E-4 of Composite Exhibit EE-2 simply shows the
12 calculation of the estimated true-up amount for the
13 January 2002 through December 2002 period. It is based
14 on actual data for eight months and projected data for
15 four months.
16
- 17 Q. What information is contained on Schedule E-5 of
18 Composite Exhibit EE-2?
19
- 20 A. Schedule E-5 of Composite Exhibit EE-2 is statistical
21 data that includes the projected therm sales and
22 numbers of customers by customer class for the period
23 from January 2003 through December 2003.
24
- 25 Q. How have you incorporated the Residential PGA factor and

1 the Commercial PGA factor in the derivation of the PGA
2 cap for which the company seeks approval?

3
4 **A.** On April 5, 1998, the Commission issued Order No. PSC-99-
5 0634-FOF-GU as a Proposed Agency Action in Docket No.
6 981698-GU. This Order approved Peoples Gas' request for
7 approval of a methodology for charging separate Purchased
8 Gas Adjustment factors for different customer classes.
9 Under the approved methodology, separate PGA factors are
10 derived by assigning the fixed, interstate pipeline
11 reservation costs to each customer class according to the
12 class' contribution to the company's peak month demand
13 for the winter season and the summer season. Exhibit EE-
14 2, Page 20 of 20, labeled Attachment, contains the
15 seasonal peak allocation factors based on the most recent
16 peak month data available, January 2002 and April 2002.
17 These allocation factors are then applied to Schedule E-1
18 to derive the separate version for Residential,
19 Commercial and Combined for All Rate Classes. The WACOG
20 for which Peoples seeks approval as the annual cap is the
21 Residential factor of \$0.97855 per therm as shown in
22 Schedule E-1.

23
24 **Q.** Does this conclude your testimony?

25

1 A. Yes, it does.

2

3

4

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ORIGINAL ESTIMATE FOR THE PROJECTED PERIOD: JANUARY '03 through DECEMBER '03

Combined For All Rate Classes

	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL PERIOD	
COST OF GAS PURCHASED														
1 COMMODITY Pipeline	\$195,215	\$185,153	\$175,841	\$200,638	\$140,467	\$142,652	\$139,480	\$140,539	\$139,822	\$151,310	\$164,218	\$151,420	\$1,926,755	
2 NO NOTICE SERVICE	\$60,787	\$51,461	\$42,067	\$23,895	\$39,324	\$38,055	\$39,324	\$39,324	\$38,055	\$21,948	\$41,595	\$61,383	\$497,217	
3 SWING SERVICE	\$3,160,628	\$2,814,910	\$3,064,365	\$2,899,528	\$2,984,146	\$2,899,528	\$3,012,223	\$3,012,223	\$2,911,172	\$3,016,233	\$2,973,278	\$3,134,556	\$35,882,789	
4 COMMODITY Other	\$16,543,856	\$15,284,185	\$12,097,839	\$10,136,169	\$8,075,399	\$7,070,846	\$6,377,081	\$6,051,594	\$6,410,802	\$6,466,070	\$8,065,808	\$11,334,870	\$113,914,518	
5 DEMAND	\$3,852,943	\$3,480,078	\$3,852,943	\$3,380,818	\$2,531,037	\$2,614,390	\$2,701,537	\$2,701,537	\$2,614,390	\$3,458,662	\$3,893,655	\$4,023,443	\$39,105,432	
6 OTHER	\$116,000	\$116,000	\$116,000	\$116,000	\$116,000	\$116,000	\$116,000	\$116,000	\$116,000	\$116,000	\$116,000	\$116,000	\$1,392,000	
LESS END-USE CONTRACT:														
7 COMMODITY Pipeline	\$80,157	\$77,132	\$87,773	\$119,276	\$77,380	\$80,350	\$81,795	\$85,549	\$82,749	\$93,461	\$97,935	\$64,352	\$1,027,910	
8 DEMAND	\$549,810	\$530,504	\$600,854	\$815,673	\$528,808	\$548,748	\$558,654	\$584,345	\$566,266	\$639,570	\$670,183	\$440,374	\$7,033,789	
9 SWING SERVICE REVENUE	\$162,534	\$146,805	\$162,534	\$157,291	\$162,534	\$157,291	\$162,534	\$162,534	\$157,291	\$162,534	\$157,291	\$162,534	\$1,913,707	
10														
11 TOTAL COST (1+2+3+4+5+6)-(7+8+9+10)	\$23,136,927	\$21,177,345	\$18,497,894	\$15,664,808	\$13,117,650	\$12,095,081	\$11,582,660	\$11,228,788	\$11,423,936	\$12,334,659	\$14,329,144	\$18,154,413	\$182,743,304	
12 NET UNBILLED	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
13 COMPANY USE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
14 TOTAL THERM SALES	\$23,136,927	\$21,177,345	\$18,497,894	\$15,664,808	\$13,117,650	\$12,095,081	\$11,582,660	\$11,228,788	\$11,423,936	\$12,334,659	\$14,329,144	\$18,154,413	\$182,743,304	
THERMS PURCHASED														
15 COMMODITY Pipeline	43,695,420	41,027,401	40,094,517	43,433,500	33,343,802	35,268,919	34,965,198	35,237,070	34,820,533	37,221,361	39,545,388	37,580,873	456,233,982	
16 NO NOTICE SERVICE	10,302,850	8,722,280	7,130,000	4,050,000	6,665,000	6,450,000	6,665,000	6,665,000	6,450,000	3,720,000	7,050,000	10,403,910	84,274,040	
17 SWING SERVICE	3,882,440	3,506,720	3,882,440	3,757,200	3,882,440	3,757,200	3,882,440	3,882,440	3,757,200	3,882,440	3,757,200	3,882,440	45,712,600	
18 COMMODITY Other	20,373,790	19,089,661	15,367,757	13,169,880	10,534,592	9,186,979	8,241,338	7,820,700	8,295,993	8,345,201	10,219,088	14,075,313	144,720,092	
19 DEMAND	86,508,600	78,136,800	86,508,600	77,519,400	52,297,310	53,610,300	55,397,310	55,397,310	53,610,300	75,810,500	86,718,000	89,608,600	851,123,030	
20 OTHER	0	0	0	0	0	0	0	0	0	0	0	0	0	
LESS END-USE CONTRACT:														
21 COMMODITY Pipeline	14,789,190	14,231,020	16,194,320	22,006,620	14,276,770	14,824,740	15,091,420	15,783,930	15,267,340	17,243,720	18,069,100	11,873,120	189,651,290	
22 DEMAND	14,823,660	14,303,160	16,199,900	21,991,730	14,257,430	14,795,040	15,062,130	15,754,790	15,267,340	17,243,720	18,069,100	11,873,120	189,641,120	
23 OTHER	0	0	0	0	0	0	0	0	0	0	0	0	0	
24 TOTAL PURCHASES (17+18)	24,256,230	22,596,381	19,250,197	16,926,880	14,417,032	12,944,179	12,123,778	11,703,140	12,053,193	12,227,641	13,976,288	17,957,753	190,432,692	
25 NET UNBILLED	0	0	0	0	0	0	0	0	0	0	0	0	0	
26 COMPANY USE	0	0	0	0	0	0	0	0	0	0	0	0	0	
27 TOTAL THERM SALES (24-26)	24,256,230	22,596,381	19,250,197	16,926,880	14,417,032	12,944,179	12,123,778	11,703,140	12,053,193	12,227,641	13,976,288	17,957,753	190,432,692	
CENTS PER THERM														
28 COMMODITY Pipeline (1/15)	0.00447	0.00451	0.00439	0.00462	0.00421	0.00404	0.00399	0.00399	0.00402	0.00407	0.00415	0.00403	0.00422	
29 NO NOTICE SERVICE (2/16)	0.00590	0.00590	0.00590	0.00590	0.00590	0.00590	0.00590	0.00590	0.00590	0.00590	0.00590	0.00590	0.00590	
30 SWING SERVICE (3/17)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	
31 COMMODITY Other (4/18)	0.81202	0.80065	0.78722	0.76966	0.76656	0.76966	0.77379	0.77379	0.77276	0.77483	0.78929	0.80530	0.78714	
32 DEMAND (5/19)	0.04454	0.04454	0.04454	0.04361	0.04840	0.04877	0.04877	0.04877	0.04877	0.04562	0.04490	0.04490	0.04595	
33 OTHER (6/20)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	
LESS END-USE CONTRACT:														
34 COMMODITY Pipeline (7/21)	0.00542	0.00542	0.00542	0.00542	0.00542	0.00542	0.00542	0.00542	0.00542	0.00542	0.00542	0.00542	0.00542	
35 DEMAND (8/22)	0.03709	0.03709	0.03709	0.03709	0.03709	0.03709	0.03709	0.03709	0.03709	0.03709	0.03709	0.03709	0.03709	
36 OTHER (9/23)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	
37 TOTAL COST OF PURCHASES (11/24)	0.95386	0.93720	0.96092	0.92544	0.90987	0.93440	0.95537	0.95947	0.94779	1.00875	1.02525	1.01095	0.95962	
38 NET UNBILLED (12/25)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	
39 COMPANY USE (13/26)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	
40 TOTAL COST OF THERMS SOLD (11/27)	0.95386	0.93720	0.96092	0.92544	0.90987	0.93440	0.95537	0.95947	0.94779	1.00875	1.02525	1.01095	0.95962	
41 TRUE-UP (E-4)	(0.02014)	(0.02014)	(0.02014)	(0.02014)	(0.02014)	(0.02014)	(0.02014)	(0.02014)	(0.02014)	(0.02014)	(0.02014)	(0.02014)	(0.02014)	
42 TOTAL COST OF GAS (40+41)	0.93371	0.91706	0.94078	0.90530	0.88973	0.91426	0.93523	0.93933	0.92765	0.98861	1.00510	0.99081	0.93948	
43 REVENUE TAX FACTOR	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	
44 PGA FACTOR ADJUSTED FOR TAXES (42x43)	0.93841	0.92167	0.94551	0.90985	0.89420	0.91886	0.93993	0.94405	0.93232	0.99358	1.01016	0.99579	0.94420	
45 PGA FACTOR ROUNDED TO NEAREST 001	93.841	92.167	94.551	90.985	89.420	91.886	93.993	94.405	93.232	99.358	101.016	99.579	94.420	

Composite Exhibit No. _____
 Docket No. 020003-GU
 Peoples Gas System
 (EE-2)
 Page 1 of 22

ORIGINAL ESTIMATE FOR THE PROJECTED PERIOD: JANUARY '03 through DECEMBER '03

For Residential Customers

	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection
COST OF GAS PURCHASED	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL PERIOD	
1 COMMODITY Pipeline	\$85,133	\$79,227	\$65,905	\$66,511	\$43,418	\$40,941	\$38,678	\$37,538	\$37,402	\$42,079	\$50,940	\$56,858	\$644,632	
2 NO NOTICE SERVICE	\$26,388	\$22,339	\$18,261	\$8,772	\$14,436	\$13,970	\$14,436	\$14,436	\$13,970	\$9,528	\$18,056	\$26,646	\$201,237	
3 SWING SERVICE	\$1,378,350	\$1,204,500	\$1,148,524	\$961,193	\$922,399	\$832,164	\$835,289	\$804,565	\$778,739	\$838,815	\$922,311	\$1,177,026	\$11,803,875	
4 COMMODITY Other	\$7,214,775	\$6,540,103	\$4,534,270	\$3,360,140	\$2,496,106	\$2,029,333	\$1,768,364	\$1,616,381	\$1,714,889	\$1,798,214	\$2,502,014	\$4,256,244	\$39,830,833	
5 DEMAND	\$1,672,563	\$1,510,702	\$1,672,563	\$1,241,098	\$929,144	\$959,743	\$991,734	\$991,734	\$959,743	\$1,501,405	\$1,690,235	\$1,746,577	\$15,867,240	
6 OTHER	\$50,588	\$49,636	\$43,477	\$38,454	\$35,856	\$33,292	\$32,167	\$30,984	\$31,030	\$32,260	\$35,983	\$43,558	\$457,284	
LESS END-USE CONTRACT:														
7 COMMODITY Pipeline	\$34,957	\$33,005	\$32,897	\$39,540	\$23,918	\$23,060	\$22,682	\$22,850	\$22,135	\$25,991	\$30,379	\$24,164	\$335,580	
8 DEMAND	\$238,672	\$230,292	\$260,831	\$299,434	\$194,125	\$201,445	\$205,082	\$214,513	\$207,876	\$277,637	\$290,926	\$191,166	\$2,812,001	
9 SWING SERVICE REVENUE	\$70,881	\$62,818	\$60,918	\$52,142	\$50,239	\$45,143	\$45,071	\$43,413	\$42,075	\$45,201	\$48,792	\$61,032	\$627,723	
10														
11 TOTAL COST (1+2+3+4+5+6)-(7+8+9+10)	\$10,083,286	\$9,080,392	\$7,128,354	\$5,285,054	\$4,173,076	\$3,639,794	\$3,407,834	\$3,214,861	\$3,263,686	\$3,873,471	\$4,849,442	\$7,030,547	\$65,029,797	
12 NET UNBILLED	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
13 COMPANY USE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
14 TOTAL THERM SALES	\$10,083,286	\$9,080,392	\$7,128,354	\$5,285,054	\$4,173,076	\$3,639,794	\$3,407,834	\$3,214,861	\$3,263,686	\$3,873,471	\$4,849,442	\$7,030,547	\$65,029,797	
THERMS PURCHASED														
15 COMMODITY Pipeline	19,055,573	17,555,625	15,027,425	14,398,205	10,306,569	10,122,180	9,695,849	9,411,821	9,314,493	10,351,260	12,266,979	14,111,618	151,617,598	
16 NO NOTICE SERVICE	4,472,467	3,786,342	3,095,133	1,486,755	2,446,722	2,367,795	2,446,722	2,446,722	2,367,795	1,614,852	3,060,405	4,516,337	34,108,046	
17 SWING SERVICE	1,693,132	1,500,525	1,455,139	1,245,512	1,200,062	1,078,316	1,076,601	1,037,000	1,005,051	1,079,707	1,165,483	1,457,856	14,994,384	
18 COMMODITY Other	8,885,010	8,168,466	5,759,835	4,365,749	3,256,242	2,636,663	2,285,323	2,088,909	2,219,178	2,320,800	3,169,961	5,285,280	50,441,417	
19 DEMAND	37,553,383	33,919,185	37,553,383	28,457,372	19,198,343	19,680,341	20,336,353	20,336,353	19,680,341	32,909,338	37,644,284	38,899,093	346,167,768	
20 OTHER	0	0	0	0	0	0	0	0	0	0	0	0	0	
LESS END-USE CONTRACT:														
21 COMMODITY Pipeline	6,449,566	6,089,453	6,069,631	7,295,195	4,412,950	4,254,700	4,184,851	4,215,888	4,084,013	4,795,479	5,605,035	4,458,357	61,915,117	
22 DEMAND	6,434,951	6,209,002	7,032,377	8,073,164	5,233,903	5,431,259	5,529,308	5,783,583	5,604,641	7,485,499	7,843,796	5,154,121	75,815,603	
23 OTHER	0	0	0	0	0	0	0	0	0	0	0	0	0	
24 TOTAL PURCHASES (17+18)	10,578,142	9,668,991	7,214,974	5,611,261	4,456,305	3,714,979	3,361,924	3,125,909	3,224,229	3,400,507	4,335,445	6,743,136	65,435,801	
25 NET UNBILLED	0	0	0	0	0	0	0	0	0	0	0	0	0	
26 COMPANY USE	0	0	0	0	0	0	0	0	0	0	0	0	0	
27 TOTAL THERM SALES (24-26)	10,578,142	9,668,991	7,214,974	5,611,261	4,456,305	3,714,979	3,361,924	3,125,909	3,224,229	3,400,507	4,335,445	6,743,136	65,435,801	
CENTS PER THERM														
28 COMMODITY Pipeline (1/15)	0.00447	0.00451	0.00439	0.00462	0.00421	0.00404	0.00399	0.00399	0.00402	0.00407	0.00415	0.00403	0.00425	
29 NO NOTICE SERVICE (2/18)	0.00590	0.00590	0.00590	0.00590	0.00590	0.00590	0.00590	0.00590	0.00590	0.00590	0.00590	0.00590	0.00590	
30 SWING SERVICE (3/17)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	
31 COMMODITY Other (4/18)	0.81202	0.80065	0.78722	0.76966	0.76656	0.76966	0.77379	0.77379	0.77276	0.77483	0.78929	0.80530	0.78965	
32 DEMAND (5/19)	0.04454	0.04454	0.04454	0.04361	0.04840	0.04877	0.04877	0.04877	0.04877	0.04562	0.04490	0.04490	0.04584	
33 OTHER (8/20)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	
LESS END-USE CONTRACT:														
34 COMMODITY Pipeline (7/21)	0.00542	0.00542	0.00542	0.00542	0.00542	0.00542	0.00542	0.00542	0.00542	0.00542	0.00542	0.00542	0.00542	
35 DEMAND (8/22)	0.03709	0.03709	0.03709	0.03709	0.03709	0.03709	0.03709	0.03709	0.03709	0.03709	0.03709	0.03709	0.03709	
36 OTHER (9/23)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	
37 TOTAL COST OF PURCHASES (11/24)	0.95322	0.93913	0.98799	0.94187	0.93644	0.97976	1.01366	1.02846	1.01224	1.13909	1.11856	1.04262	0.99380	
38 NET UNBILLED (12/25)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	
39 COMPANY USE (13/26)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	
40 TOTAL COST OF THERMS SOLD (11/27)	0.95322	0.93913	0.98799	0.94187	0.93644	0.97976	1.01366	1.02846	1.01224	1.13909	1.11856	1.04262	0.99380	
41 TRUE-UP (E-4)	(0.02014)	(0.02014)	(0.02014)	(0.02014)	(0.02014)	(0.02014)	(0.02014)	(0.02014)	(0.02014)	(0.02014)	(0.02014)	(0.02014)	(0.02014)	
42 TOTAL COST OF GAS (40+41)	0.93308	0.91898	0.96785	0.92172	0.91630	0.95962	0.99351	1.00831	0.99210	1.11894	1.09842	1.02248	0.97365	
43 REVENUE TAX FACTOR	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	
44 PGA FACTOR ADJUSTED FOR TAXES (42x43)	0.93777	0.92361	0.97272	0.92636	0.92091	0.96445	0.99851	1.01339	0.99709	1.12457	1.10394	1.02762	0.97855	
45 PGA FACTOR ROUNDED TO NEAREST .001	93.777	92.361	97.272	92.636	92.091	96.445	99.851	101.339	99.709	112.457	110.394	102.762	97.855	

ORIGINAL ESTIMATE FOR THE PROJECTED PERIOD: JANUARY '03 through DECEMBER '03

For Commercial Customers

	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection
COST OF GAS PURCHASED	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL PERIOD	
1 COMMODITY Pipeline	\$110,082	\$105,926	\$109,936	\$134,126	\$97,048	\$101,711	\$100,802	\$103,001	\$102,420	\$109,230	\$113,278	\$94,562	\$1,282,122	
2 NO NOTICE SERVICE	\$34,399	\$29,122	\$23,806	\$15,123	\$24,888	\$24,085	\$24,888	\$24,888	\$24,085	\$12,420	\$23,539	\$34,737	\$295,979	
3 SWING SERVICE	\$1,782,278	\$1,610,410	\$1,915,841	\$1,938,334	\$2,061,746	\$2,067,363	\$2,176,933	\$2,207,658	\$2,132,434	\$2,177,419	\$2,050,967	\$1,957,531	\$24,078,914	
4 COMMODITY Other	\$9,329,080	\$8,744,082	\$7,563,569	\$6,776,029	\$5,579,293	\$5,041,513	\$4,608,716	\$4,435,213	\$4,695,912	\$4,667,856	\$5,563,794	\$7,078,626	\$74,083,685	
5 DEMAND	\$2,180,380	\$1,969,376	\$2,180,380	\$2,139,720	\$1,601,893	\$1,654,648	\$1,709,803	\$1,709,803	\$1,654,648	\$1,957,257	\$2,203,419	\$2,276,866	\$23,238,193	
6 OTHER	\$65,412	\$66,364	\$72,523	\$77,546	\$80,144	\$82,708	\$83,833	\$85,016	\$84,970	\$83,740	\$80,017	\$72,442	\$934,716	
LESS END-USE CONTRACT:														
7 COMMODITY Pipeline	\$45,201	\$44,127	\$54,876	\$79,736	\$53,462	\$57,290	\$59,114	\$62,699	\$60,614	\$67,469	\$67,555	\$40,188	\$692,330	
8 DEMAND	\$311,137	\$300,212	\$340,023	\$516,240	\$334,683	\$347,303	\$353,572	\$369,832	\$358,390	\$361,932	\$379,257	\$249,208	\$4,221,788	
9 SWING SERVICE REVENUE	\$91,653	\$83,987	\$101,616	\$105,149	\$112,295	\$112,148	\$117,463	\$119,121	\$115,216	\$117,333	\$108,499	\$101,502	\$1,285,984	
10														
11 TOTAL COST (1+2+3+4+5+6)-(7+8+9+10)	\$13,053,641	\$12,096,953	\$11,369,540	\$10,379,754	\$8,944,574	\$8,455,287	\$8,174,826	\$8,013,927	\$8,160,250	\$8,461,188	\$9,479,702	\$11,123,866	\$117,713,507	
12 NET UNBILLED	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
13 COMPANY USE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
14 TOTAL THERM SALES	\$13,053,641	\$12,096,953	\$11,369,540	\$10,379,754	\$8,944,574	\$8,455,287	\$8,174,826	\$8,013,927	\$8,160,250	\$8,461,188	\$9,479,702	\$11,123,866	\$117,713,507	
THERMS PURCHASED														
15 COMMODITY Pipeline	24,639,847	23,471,776	25,067,092	29,035,295	23,037,233	25,146,739	25,269,349	25,825,249	25,506,040	26,870,101	27,278,409	23,469,255	304,616,384	
16 NO NOTICE SERVICE	5,830,383	4,935,938	4,034,867	2,563,245	4,218,279	4,082,205	4,218,279	4,218,279	4,082,205	2,105,148	3,989,595	5,887,573	50,165,994	
17 SWING SERVICE	2,189,308	2,006,195	2,427,301	2,511,688	2,682,378	2,678,884	2,805,839	2,845,440	2,752,149	2,802,733	2,591,717	2,424,584	30,718,216	
18 COMMODITY Other	11,488,780	10,921,195	9,607,922	8,803,931	7,278,350	6,550,316	5,956,015	5,731,791	6,076,815	6,024,401	7,049,127	8,790,033	94,278,675	
19 DEMAND	48,955,217	44,217,615	48,955,217	49,062,028	33,098,967	33,929,959	35,060,957	35,060,957	33,929,959	42,901,162	49,073,716	50,709,507	504,955,262	
20 OTHER	0	0	0	0	0	0	0	0	0	0	0	0	0	
LESS END-USE CONTRACT:														
21 COMMODITY Pipeline	8,339,624	8,141,567	10,124,689	14,711,425	9,863,820	10,570,040	10,906,569	11,568,042	11,183,327	12,448,241	12,464,065	7,414,763	127,736,173	
22 DEMAND	8,388,709	8,094,158	9,167,523	13,918,566	9,023,527	9,363,781	9,532,822	9,971,207	9,662,699	9,758,221	10,225,304	6,718,999	113,825,517	
23 OTHER	0	0	0	0	0	0	0	0	0	0	0	0	0	
24 TOTAL PURCHASES (17+18)	13,678,088	12,927,390	12,035,223	11,315,619	9,960,727	9,229,200	8,761,854	8,577,231	8,828,964	8,827,134	9,640,843	11,214,617	124,996,891	
25 NET UNBILLED	0	0	0	0	0	0	0	0	0	0	0	0	0	
26 COMPANY USE	0	0	0	0	0	0	0	0	0	0	0	0	0	
27 TOTAL THERM SALES (24-26)	13,678,088	12,927,390	12,035,223	11,315,619	9,960,727	9,229,200	8,761,854	8,577,231	8,828,964	8,827,134	9,640,843	11,214,617	124,996,891	
CENTS PER THERM														
28 COMMODITY Pipeline	(1/15)	0.00447	0.00451	0.00439	0.00462	0.00421	0.00404	0.00399	0.00402	0.00407	0.00415	0.00403	0.00421	
29 NO NOTICE SERVICE	(2/18)	0.00590	0.00590	0.00590	0.00590	0.00590	0.00590	0.00590	0.00590	0.00590	0.00590	0.00590	0.00590	
30 SWING SERVICE	(3/17)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	
31 COMMODITY Other	(4/18)	0.81202	0.80065	0.78722	0.76966	0.76656	0.76966	0.77379	0.77276	0.77483	0.78929	0.80530	0.78579	
32 DEMAND	(5/19)	0.04454	0.04454	0.04454	0.04361	0.04840	0.04877	0.04877	0.04877	0.04562	0.04490	0.04490	0.04602	
33 OTHER	(6/20)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	
LESS END-USE CONTRACT:														
34 COMMODITY Pipeline	(7/21)	0.00542	0.00542	0.00542	0.00542	0.00542	0.00542	0.00542	0.00542	0.00542	0.00542	0.00542	0.00542	
35 DEMAND	(8/22)	0.03709	0.03709	0.03709	0.03709	0.03709	0.03709	0.03709	0.03709	0.03709	0.03709	0.03709	0.03709	
36 OTHER	(9/23)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	
37 TOTAL COST OF PURCHASES	(11/24)	0.95435	0.93576	0.94469	0.91729	0.89798	0.91615	0.93300	0.93433	0.92426	0.95854	0.98329	0.94173	
38 NET UNBILLED	(12/25)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	
39 COMPANY USE	(13/26)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	
40 TOTAL COST OF THERMS SOLD	(11/27)	0.95435	0.93576	0.94469	0.91729	0.89798	0.91615	0.93300	0.93433	0.92426	0.95854	0.98329	0.94173	
41 TRUE-UP	(E-4)	(0.02014)	(0.02014)	(0.02014)	(0.02014)	(0.02014)	(0.02014)	(0.02014)	(0.02014)	(0.02014)	(0.02014)	(0.02014)	(0.02014)	
42 TOTAL COST OF GAS	(40+41)	0.93420	0.91562	0.92455	0.89715	0.87784	0.89600	0.91286	0.91418	0.90412	0.93840	0.96314	0.91777	
43 REVENUE TAX FACTOR		1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	
44 PGA FACTOR ADJUSTED FOR TAXES (42x43)		0.93890	0.92022	0.92920	0.90167	0.88226	0.90051	0.91745	0.91878	0.90866	0.94312	0.97665	0.92622	
45 PGA FACTOR ROUNDED TO NEAREST .001		93.890	92.022	92.920	90.167	88.226	90.051	91.745	91.878	90.866	94.312	97.665	92.622	

COMPANY: PEOPLES GAS SYSTEM		PURCHASED GAS ADJUSTMENT											SCHEDULE E-1/R	
		COST RECOVERY CLAUSE CALCULATION												
REVISED ESTIMATE FOR THE PROJECTED PERIOD:		JANUARY '02 Through DECEMBER '02											1 of 3	
Combined For All Rate Classes														
COST OF GAS PURCHASED	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	REV.PROJ.	REV.PROJ.	REV.PROJ.	REV.PROJ.	REV.PROJ.
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	
COMMODITY P/L (FGT)(Incls. Sonat/So. Ga. Jan-Aug)	\$183,972	\$156,959	\$205,558	\$295,287	\$68,100	\$257,362	\$129,950	\$213,808	\$113,647	\$131,234	\$130,455	\$119,932	\$2,006,264	
COMMODITY P/L (SONAT)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$55,185	\$57,024	\$55,185	\$57,024	\$224,418	
COMMODITY P/L (SO. GA.)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$14,493	\$14,976	\$14,493	\$14,976	\$58,938	
NO NOTICE SERVICE	\$60,787	\$51,461	\$42,067	\$23,895	\$39,324	\$38,055	\$39,324	\$39,324	\$38,055	\$21,948	\$41,595	\$61,383	\$497,217	
SWING SERVICE	\$0	\$0	\$0	\$0	\$1,249,792	\$870,031	\$2,431,138	\$1,201,678	\$0	\$0	\$0	\$0	\$5,752,641	
COMMODITY Other (THIRD PARTY)	\$8,519,461	\$5,050,244	\$10,707,932	\$11,601,230	\$6,285,741	\$6,585,688	\$4,434,748	\$9,274,923	\$3,011,511	\$3,396,445	\$3,872,324	\$5,528,321	\$78,268,567	
DEMAND (FGT)(Incls. Sonat/So. Ga. Jan-Aug)	\$3,474,130	\$3,159,082	\$3,650,925	\$3,200,949	\$2,249,273	\$2,244,978	\$2,093,187	\$2,643,786	\$2,031,978	\$2,856,170	\$3,311,243	\$3,420,951	\$34,336,652	
DEMAND (SONAT)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$291,535	\$291,535	\$291,535	\$291,535	\$1,166,140	
DEMAND (SO. GA.)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$169,740	\$169,740	\$169,740	\$169,740	\$678,960	
OTHER	\$127,278	\$155,378	\$116,669	\$143,477	\$77,117	\$92,070	\$101,987	\$116,297	\$116,000	\$116,000	\$116,000	\$116,000	\$1,394,272	
COMMODITY Pipeline (FGT)	\$60,488	\$58,205	\$66,235	\$119,276	\$77,380	\$80,350	\$81,796	\$85,549	\$82,596	\$100,931	\$94,586	\$64,976	\$972,368	
DEMAND (FGT)	\$549,809	\$530,504	\$428,478	\$485,307	\$528,808	\$548,748	\$558,654	\$584,345	\$565,218	\$446,469	\$426,368	\$444,644	\$6,097,352	
SWING SERVICE REVENUE	\$197,747	\$184,660	\$200,621	\$191,808	\$170,623	\$166,294	\$163,676	\$162,534	\$157,291	\$162,534	\$157,291	\$162,534	\$2,077,613	
TOTAL COST(1+1a+1b+2+3+4+5+5a+5b+6)-(7+8+9+10)	\$11,557,584	\$7,799,755	\$14,027,817	\$14,468,448	\$9,192,535	\$9,292,791	\$8,426,207	\$12,657,388	\$5,037,039	\$6,345,138	\$7,324,325	\$9,107,708	\$115,236,734	
NET UNBILLED	\$1,380,848	(\$820,149)	(\$278,422)	\$77,924	(\$713,049)	(\$187,543)	(\$167,172)	\$36,408	\$0	\$0	\$0	\$0	(\$671,155)	
COMPANY USE	\$4,544	\$4,112	\$4,417	\$7,471	\$9,485	\$7,927	\$10,472	\$9,690	\$0	\$0	\$0	\$0	\$58,118	
TOTAL THERM SALES	\$12,173,335	\$8,042,517	\$12,825,245	\$16,421,349	\$9,444,433	\$9,965,424	\$8,626,359	\$13,495,916	\$5,747,514	\$5,724,470	\$6,437,968	\$9,407,855	\$118,312,385	

COMPANY: PEOPLES GAS SYSTEM		PURCHASED GAS ADJUSTMENT											SCHEDULE E-1/R	
		COST RECOVERY CLAUSE CALCULATION												
REVISED ESTIMATE FOR THE PROJECTED PERIOD:		JANUARY '02 Through DECEMBER '02											2 of 3	
Combined For All Rate Classes														
THERMS PURCHASED	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	REV.PROJ.	REV.PROJ.	REV.PROJ.	REV.PROJ.	REV.PROJ.
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	
COMMODITY P/L (FGT)(Incls. Sonat/So. Ga. Jan-Aug)	45,877,189	38,674,810	50,348,903	59,164,745	33,666,567	40,615,254	30,833,286	42,340,862	24,481,737	27,843,699	27,992,188	26,181,472	448,020,712	
COMMODITY P/L (SONAT)	0	0	0	0	0	0	0	0	11,276,787	11,652,680	11,276,787	11,652,680	45,858,934	
COMMODITY P/L (SO. GA.)	0	0	0	0	0	0	0	0	10,239,145	10,580,450	10,239,145	10,580,450	41,639,190	
NO NOTICE SERVICE	10,302,850	8,722,280	7,130,000	4,050,000	6,665,000	6,450,000	6,665,000	6,665,000	6,450,000	3,720,000	7,050,000	10,403,910	84,274,040	
SWING SERVICE	0	0	0	0	3,537,900	2,713,530	7,814,940	3,882,440	0	0	0	0	17,948,810	
COMMODITY Other (THIRD PARTY)	33,752,491	22,788,195	38,165,048	31,431,353	17,955,572	20,015,026	14,215,506	30,192,995	9,242,656	9,221,759	10,540,867	14,193,232	251,714,700	
DEMAND (FGT)(Incls. Sonat/So. Ga. Jan-Aug)	79,653,085	71,666,087	82,859,750	74,621,035	49,384,250	48,713,315	44,244,068	56,271,821	39,900,300	61,643,500	73,008,000	75,441,600	757,406,811	
DEMAND (SONAT)	0	0	0	0	0	0	0	0	10,797,600	11,157,520	10,797,600	11,157,520	43,910,240	
DEMAND (SO. GA.)	0	0	0	0	0	0	0	0	10,720,500	11,077,850	10,720,500	11,077,850	43,596,700	
OTHER	0	0	0	0	0	0	0	0	0	0	0	0	0	
COMMODITY Pipeline (FGT)	14,789,190	14,231,020	16,194,320	22,006,620	14,276,770	14,824,740	15,091,420	15,783,930	15,239,081	18,621,940	17,451,321	11,988,240	190,498,592	
DEMAND (FGT)	14,823,660	14,303,160	16,199,900	21,991,730	14,257,430	14,795,040	15,062,130	15,754,790	15,239,081	18,621,940	17,451,321	11,988,240	190,488,422	
OTHER	0	0	0	0	0	0	0	0	0	0	0	0	0	
TOTAL PURCHASES (17+18)	33,752,491	22,788,195	38,165,048	31,431,353	21,493,472	22,728,556	22,030,446	34,075,435	9,242,656	9,221,759	10,540,867	14,193,232	269,663,510	
NET UNBILLED	3,795,095	(1,993,877)	(36,610)	(1,597,406)	(1,401,339)	(442,050)	(448,275)	(221,001)	0	0	0	0	(2,345,463)	
COMPANY USE	10,667	9,652	11,860	15,896	20,181	16,865	22,279	19,483	0	0	0	0	126,883	
TOTAL THERM SALES (24-26)	29,693,457	23,148,768	37,037,897	40,034,553	20,852,826	26,712,612	21,472,061	34,895,067	9,242,656	9,221,759	10,540,867	14,193,232	277,045,755	

COMPANY: PEOPLES GAS SYSTEM		PURCHASED GAS ADJUSTMENT											SCHEDULE E-1/R		
		COST RECOVERY CLAUSE CALCULATION													
REVISED ESTIMATE FOR THE PROJECTED PERIOD.		JANUARY '02 Through DECEMBER '02											3 of 3		
Combined For All Rate Classes															
		ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	REV.PROJ.	REV.PROJ.	REV.PROJ.	REV.PROJ.	REV.PROJ.
CENTS PER THERM		JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	
COMM. P/L(FGT)(Incls. Sonal/So. Ga. Jan-Aug)	(1/15)	0.00401	0.00406	0.00408	0.00499	0.00202	0.00634	0.00421	0.00505	0.00464	0.00471	0.00466	0.00458	0.00448	
COMM. P/L (SONAT)	(1a/15a)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00489	0.00489	0.00489	0.00489	0.00489	
COMM. P/L (SO. GA.)	(1b/15b)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00142	0.00142	0.00142	0.00142	0.00142	
NO NOTICE SERVICE	(2/16)	0.00590	0.00590	0.00590	0.00590	0.00590	0.00590	0.00590	0.00590	0.00590	0.00590	0.00590	0.00590	0.00590	
SWING SERVICE	(3/17)	0.00000	0.00000	0.00000	0.00000	0.35326	0.32063	0.31109	0.30952	0.00000	0.00000	0.00000	0.00000	0.32050	
COMM. Other (THIRD PARTY)	(4/18)	0.25241	0.22162	0.28057	0.36910	0.35007	0.32904	0.31197	0.30719	0.32583	0.36831	0.36736	0.38950	0.31094	
DEMAND(FGT)(Incls. Sonal/So. Ga. Jan-Aug)	(5/19)	0.04362	0.04408	0.04406	0.04290	0.04555	0.04609	0.04731	0.04698	0.05093	0.04633	0.04535	0.04535	0.04533	
DEMAND (SONAT)	(5a/19a)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.02700	0.02613	0.02700	0.02613	0.02656	
DEMAND (SO. GA.)	(5b/19b)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.01583	0.01532	0.01583	0.01532	0.01557	
OTHER	(6/20)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	
COMMODITY Pipeline (FGT)	(7/21)	0.00409	0.00409	0.00409	0.00542	0.00542	0.00542	0.00542	0.00542	0.00542	0.00542	0.00542	0.00542	0.00510	
DEMAND (FGT)	(8/22)	0.03709	0.03709	0.02645	0.02207	0.03709	0.03709	0.03709	0.03709	0.03709	0.02398	0.02443	0.03709	0.03201	
OTHER	(9/23)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	
TOTAL COST OF PURCHASES	(11/24)	0.34242	0.34227	0.36756	0.46032	0.42769	0.40886	0.38248	0.37145	0.54498	0.68806	0.69485	0.64169	0.42734	
NET UNBILLED	(12/25)	0.36385	0.41133	7.60508	(0.04878)	0.50883	0.42426	0.37292	(0.16474)	0.00000	0.00000	0.00000	0.00000	0.28615	
COMPANY USE	(13/26)	0.42597	0.42602	0.37242	0.46999	0.47000	0.47002	0.47004	0.49736	0.00000	0.00000	0.00000	0.00000	0.45804	
TOTAL COST OF THERMS SOLD	(11/27)	0.38923	0.33694	0.37874	0.36140	0.44083	0.34788	0.39243	0.36273	0.54498	0.68806	0.69485	0.64169	0.41595	
TRUE-UP	(E-4)	(0.01340)	(0.01340)	(0.01340)	(0.01340)	(0.01340)	(0.01340)	(0.01340)	(0.01340)	(0.01340)	(0.01340)	(0.01340)	(0.01340)	0.02635	
TOTAL COST OF GAS	(40+41)	0.37583	0.32354	0.36534	0.34800	0.42743	0.33448	0.37903	0.34933	0.53158	0.67466	0.68145	0.62829	0.44230	
REVENUE TAX FACTOR		1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	
PGA FACTOR ADJUSTED FOR TAXES	(42x43)	0.37772	0.32517	0.36718	0.34975	0.42958	0.33616	0.38093	0.35108	0.53425	0.67806	0.68488	0.63145	0.44452	
PGA FACTOR ROUNDED TO NEAREST .001		37.772	32.517	36.718	34.975	42.958	33.616	38.093	35.108	53.425	67.806	68.488	63.145	44.452	

COMPANY: PEOPLES GAS SYSTEM		CALCULATION OF TRUE-UP AMOUNT												SCHEDULE E-2	
FOR THE CURRENT PERIOD:		JANUARY '02 Through DECEMBER '02													
		ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	REV.PROJ.	REV.PROJ.	REV.PROJ.	REV.PROJ.	REV. PROJ.
		JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL PERIOD	
TRUE-UP CALCULATION															
1	PURCHASED GAS COST	\$8,317,170	\$4,861,472	\$10,502,893	\$11,401,951	\$7,355,425	\$7,281,498	\$6,691,738	\$10,304,377	\$2,854,220	\$3,233,911	\$3,715,033	\$5,365,787	\$81,885,475	
2	TRANSPORTATION COST	3,235,870	2,934,171	3,520,507	3,059,029	1,827,625	2,003,366	1,723,997	2,343,321	2,182,819	3,111,227	3,609,292	3,741,921	33,293,145	
3	TOTAL	11,553,040	7,795,643	14,023,400	14,460,979	9,183,050	9,284,864	8,415,735	12,647,698	5,037,039	6,345,138	7,324,325	9,107,708	115,178,619	
4	FUEL REVENUES (NET OF REVENUE TAX)	12,173,335	8,042,517	12,825,245	16,421,349	9,444,433	9,965,424	8,626,359	13,495,916	5,747,514	5,724,470	6,437,968	9,407,855	118,312,385	
5	TRUE-UP REFUNDED/(COLLECTED)	300,076	300,076	300,076	300,076	300,076	300,076	300,076	300,076	300,076	300,076	300,076	300,079	3,600,915	
6	FUEL REVENUE APPLICABLE TO PERIOD (LINE 4 + LINE 5)	12,473,411	8,342,593	13,125,321	16,721,425	9,744,509	10,265,500	8,926,435	13,795,992	6,047,590	6,024,546	6,738,044	9,707,934	121,913,300	
7	TRUE-UP PROVISION - THIS PERIOD (LINE 6 - LINE 3)	920,370	546,950	(898,079)	2,260,445	561,459	980,636	510,699	1,148,294	1,010,551	(320,592)	(586,281)	600,226	6,734,678	
8	INTEREST PROVISION-THIS PERIOD (21)	1,424	2,050	1,367	1,933	3,549	4,245	4,849	5,559	6,645	6,718	5,654	5,245	49,237	
9	BEGINNING OF PERIOD TRUE-UP AND INTEREST	652,710	1,274,429	1,523,353	326,565	2,288,867	2,553,799	3,238,604	3,454,076	4,307,852	5,024,972	4,411,022	3,530,320	652,710	
10	TRUE-UP COLLECTED OR (REFUNDED) (REVERSE OF LINE 5)	(300,076)	(300,076)	(300,076)	(300,076)	(300,076)	(300,076)	(300,076)	(300,076)	(300,076)	(300,076)	(300,076)	(300,079)	(3,600,915)	
10a	ENVIRONMENTAL RESERVE REFUND	0	0	0	0	0	0	0	0	0	0	0	0	0	
11	TOTAL ESTIMATED/ACTUAL TRUE-UP (7+8+9+10+10a)	1,274,429	1,523,353	326,565	2,288,867	2,553,799	3,238,604	3,454,076	4,307,852	5,024,972	4,411,022	3,530,320	3,835,711	3,835,711	
11a	FPSC AUDIT ENTRY/REFUNDS&ADJS-PIPELINES	0	0	0	0	0	0	0	0	0	0	0	0	0	
12	ADJ TOTAL EST/ACT TRUE-UP(11+11a)	1,274,429	1,523,353	326,565	2,288,867	2,553,799	3,238,604	3,454,076	4,307,852	5,024,972	4,411,022	3,530,320	3,835,711	\$3,835,711	
INTEREST PROVISION															
12	BEGINNING TRUE-UP AND INTEREST PROVISION (9)	652,710	1,274,429	1,523,353	326,565	2,288,867	2,553,799	3,238,604	3,454,076	4,307,852	5,024,972	4,411,022	3,530,320		
13	ENDING TRUE-UP BEFORE INTEREST (12+7-5+10a)	1,273,004	1,521,303	325,198	2,286,934	2,550,250	3,234,359	3,449,227	4,302,293	5,018,327	4,404,304	3,524,665	3,830,467		
14	TOTAL (12+13)	1,925,714	2,795,731	1,848,550	2,613,499	4,839,118	5,788,158	6,687,831	7,756,369	9,326,178	9,429,275	7,935,687	7,360,785		
15	AVERAGE (50% OF 14)	962,857	1,397,866	924,275	1,306,750	2,419,559	2,894,079	3,343,915	3,878,184	4,663,089	4,714,638	3,967,843	3,680,393		
16	INTEREST RATE - FIRST DAY OF MONTH	1.78	1.77	1.75	1.80	1.75	1.77	1.75	1.73	1.71	1.71	1.71	1.71		
17	INTEREST RATE - FIRST DAY OF SUBSEQUENT MONTH	1.77	1.75	1.80	1.75	1.77	1.75	1.73	1.71	1.71	1.71	1.71	1.71		
18	TOTAL (16+17)	3.550	3.520	3.550	3.550	3.520	3.520	3.480	3.440	3.420	3.420	3.420	3.420		
19	AVERAGE (50% OF 18)	1.775	1.760	1.775	1.775	1.760	1.760	1.740	1.720	1.710	1.710	1.710	1.710		
20	MONTHLY AVERAGE (19/12 Months)	0.148	0.147	0.148	0.14792	0.14667	0.14667	0.14500	0.14333	0.14250	0.14250	0.14250	0.14250		
21	INTEREST PROVISION (15x20)	\$1,424	\$2,050	\$1,367	\$1,933	\$3,549	\$4,245	\$4,849	\$5,559	\$6,645	\$6,718	\$5,654	\$5,245		

Composite Exhibit No. _____
 Docket No. 020003-GU
 Peoples Gas System
 (EE-2)
 Page 7 of 22

COMPANY: PEOPLES GAS SYSTEM

TRANSPORTATION PURCHASES
SYSTEM SUPPLY AND END USE

SCHEDULE E-3

ESTIMATED FOR THE PROJECTED PERIOD OF:

JANUARY '03 Through DECEMBER '03

(A) MONTH	(B) PURCHASED FROM	(C) PURCHASE FOR	(D) SCH TYPE	(E) SYSTEM SUPPLY	(F) END USE	(G) TOTAL PURCHASED	COMMODITY COST		(J) DEMAND COST	(K) OTHER CHARGES ACA/GRI/FUEL	(L) TOTAL CENTS PER THERM
							(H) THIRD PARTY	(I) PIPELINE			
							1 JAN 2003	FGT			
2	FGT	PGS	FTS-1 COMM		14,789,190	14,789,190		\$80,157		\$0.542	
3	FGT	PGS	FTS-2 COMM	12,924,210		12,924,210		\$48,078		\$0.372	
4	FGT	PGS	FTS-1 DEMAND	57,867,390		57,867,390			\$2,146,301	\$3.709	
5	FGT	PGS	FTS-1 DEMAND		14,823,660	14,823,660			\$549,810	\$3.709	
6	FGT	PGS	FTS-2 DEMAND	12,924,210		12,924,210			\$987,410	\$7.640	
7	FGT	PGS	NO NOTICE	10,302,850		10,302,850			\$60,787	\$0.590	
8	THIRD PARTY	PGS	SWING SERVICE	3,882,440		3,882,440	\$3,152,606		\$8,022	\$0.000	
9	SONAT/SOUTH GEORGIA	PGS	SONAT TRANS COMM	8,487,083		8,487,083		\$32,081		\$0.378	
10	SONAT/SOUTH GEORGIA	PGS	SO GA TRANS COMM	8,291,880		8,291,880		\$9,121		\$0.110	
11	SONAT/SOUTH GEORGIA	PGS	SONAT DEMAND	11,157,375		11,157,375			\$293,907	\$2.634	
12	SONAT/SOUTH GEORGIA	PGS	SO GA DEMAND	11,067,000		11,067,000			\$169,575	\$1.532	
13	GULFSTREAM	PGS	GULFSTREAM COMM	4,650,000		4,650,000		\$9,300		\$0.200	
14	GULFSTREAM	PGS	GULFSTREAM DEMAN	4,650,000		4,650,000			\$255,750	\$5.500	
15	THIRD PARTY	PGS	COMMODITY	20,373,790		20,373,790	\$16,543,856			\$81.202	
16	FGT	PGS	BAL. CHGS./OTHER	0		0				\$116,000	\$0.000
17	FGT	PGS	SWING SERVICE REV.		0	0				\$162,534	\$0.000
18 JANUARY TOTAL				184,407,558	29,612,850	214,020,408	\$19,696,461	\$275,373	\$4,471,561	\$278,534	\$11.551

COMPANY: PEOPLES GAS SYSTEM

TRANSPORTATION PURCHASES
SYSTEM SUPPLY AND END USE

SCHEDULE E-3

ESTIMATED FOR THE PROJECTED PERIOD OF:

JANUARY '03 Through DECEMBER '03

(A) MONTH	(B) PURCHASED FROM	(C) PURCHASE FOR	(D) SCH TYPE	(E) SYSTEM SUPPLY	(F) END USE	(G) TOTAL PURCHASED	(H) (I) COMMODITY COST		(J) DEMAND COST	(K) OTHER CHARGES ACA/GRI/FUEL	(L) TOTAL CENTS PER THERM
							THIRD	PIPELINE			
							PARTY				
1 FEB 2003	FGT	PGS	FTS-1 COMM	18,487,841		18,487,841		\$100,204			\$0.542
2	FGT	PGS	FTS-1 COMM		14,231,020	14,231,020		\$77,132			\$0.542
3	FGT	PGS	FTS-2 COMM	11,673,480		11,673,480		\$43,425			\$0.372
4	FGT	PGS	FTS-1 DEMAND	52,267,320		52,267,320			\$1,938,595		\$3.709
5	FGT	PGS	FTS-1 DEMAND		14,303,160	14,303,160			\$530,504		\$3.709
6	FGT	PGS	FTS-2 DEMAND	11,673,480		11,673,480			\$891,854		\$7.640
7	FGT	PGS	NO NOTICE	8,722,280		8,722,280			\$51,461		\$0.590
8	THIRD PARTY	PGS	SWING SERVICE	3,506,720		3,506,720	\$2,807,664		\$7,246		\$0.000
9	SONAT/SOUTH GEORGIA	PGS	SONAT TRANS COMM	6,823,009		6,823,009		\$25,791			\$0.378
10	SONAT/SOUTH GEORGIA	PGS	SO GA TRANS COMM	6,666,080		6,666,080		\$7,333			\$0.110
11	SONAT/SOUTH GEORGIA	PGS	SONAT DEMAND	10,077,629		10,077,629			\$265,464		\$2.634
12	SONAT/SOUTH GEORGIA	PGS	SO GA DEMAND	9,996,000		9,996,000			\$153,165		\$1.532
13	GULFSTREAM	PGS	GULFSTREAM COMM	4,200,000		4,200,000		\$8,400			\$0.200
14	GULFSTREAM	PGS	GULFSTREAM DEMAN	4,200,000		4,200,000			\$231,000		\$5.500
15	THIRD PARTY	PGS	COMMODITY	19,089,661		19,089,661	\$15,284,185				\$80.065
16	FGT	PGS	BAL. CHGS./OTHER	0		0				\$116,000	\$0.000
17	FGT	PGS	SWING SERVICE REV.		0	0				\$146,805	\$0.000
18 FEBRUARY TOTAL				167,383,500	28,534,180	195,917,680	\$18,091,849	\$262,285	\$4,069,289	\$262,805	\$11.579

COMPANY: PEOPLES GAS SYSTEM

TRANSPORTATION PURCHASES
SYSTEM SUPPLY AND END USE

SCHEDULE E-3

ESTIMATED FOR THE PROJECTED PERIOD OF:

JANUARY '03 Through DECEMBER '03

(A) MONTH	(B) PURCHASED FROM	(C) PURCHASE FOR	(D) SCH TYPE	(E) SYSTEM SUPPLY	(F) END USE	(G) TOTAL PURCHASED	(H) (I) COMMODITY COST		(J) DEMAND COST	(K) OTHER CHARGES ACA/GRI/FUEL	(L) TOTAL CENTS PER THERM
							THIRD PARTY	PIPELINE			
1 MAR 2003	FGT	PGS	FTS-1 COMM	14,544,257		14,544,257		\$78,830			\$0.542
2	FGT	PGS	FTS-1 COMM		16,194,320	16,194,320		\$87,773			\$0.542
3	FGT	PGS	FTS-2 COMM	12,924,210		12,924,210		\$48,078			\$0.372
4	FGT	PGS	FTS-1 DEMAND	57,867,390		57,867,390			\$2,146,301		\$3.709
5	FGT	PGS	FTS-1 DEMAND		16,199,900	16,199,900			\$600,854		\$3.709
6	FGT	PGS	FTS-2 DEMAND	12,924,210		12,924,210			\$987,410		\$7.640
7	FGT	PGS	NO NOTICE	7,130,000		7,130,000			\$42,067		\$0.590
8	THIRD PARTY	PGS	SWING SERVICE	3,882,440		3,882,440	\$3,056,343		\$8,022		\$0.000
9	SONAT/SOUTH GEORGIA	PGS	SONAT TRANS COMM	8,163,818		8,163,818		\$30,859			\$0.378
10	SONAT/SOUTH GEORGIA	PGS	SO GA TRANS COMM	7,976,050		7,976,050		\$8,774			\$0.110
11	SONAT/SOUTH GEORGIA	PGS	SONAT DEMAND	11,157,375		11,157,375			\$293,907		\$2.634
12	SONAT/SOUTH GEORGIA	PGS	SO GA DEMAND	11,067,000		11,067,000			\$169,575		\$1.532
13	GULFSTREAM	PGS	GULFSTREAM COMM	4,650,000		4,650,000		\$9,300			\$0.200
14	GULFSTREAM	PGS	GULFSTREAM DEMAN	4,650,000		4,650,000			\$255,750		\$5.500
15	THIRD PARTY	PGS	COMMODITY	15,367,757		15,367,757	\$12,097,839				\$78.722
16	FGT	PGS	BAL. CHGS./OTHER	0		0				\$116,000	\$0.000
17	FGT	PGS	SWING SERVICE REV.		0	0				\$162,534	\$0.000
18 MARCH TOTAL				172,304,507	32,394,220	204,698,727	\$15,154,182	\$263,614	\$4,503,886	\$278,534	\$9.868

COMPANY: PEOPLES GAS SYSTEM

TRANSPORTATION PURCHASES
SYSTEM SUPPLY AND END USE

SCHEDULE E-3

ESTIMATED FOR THE PROJECTED PERIOD OF:

JANUARY '03 Through DECEMBER '03

(A) MONTH	(B) PURCHASED FROM	(C) PURCHASE FOR	(D) SCH TYPE	(E) SYSTEM SUPPLY	(F) END USE	(G) TOTAL PURCHASED	(H) (I) COMMODITY COST		(J) DEMAND COST	(K) OTHER CHARGES ACA/GRI/FUEL	(L) TOTAL CENTS PER THERM
							THIRD PARTY	PIPELINE			
1 APR 2003	FGT	PGS	FTS-1 COMM	22,287,760		22,287,760		\$120,800			\$0.542
2	FGT	PGS	FTS-1 COMM		22,006,620	22,006,620		\$119,276			\$0.542
3	FGT	PGS	FTS-2 COMM	9,507,300		9,507,300		\$35,367			\$0.372
4	FGT	PGS	FTS-1 DEMAND	52,802,100		52,802,100			\$1,958,430		\$3.709
5	FGT	PGS	FTS-1 DEMAND		21,991,730	21,991,730			\$815,673		\$3.709
6	FGT	PGS	FTS-2 DEMAND	9,507,300		9,507,300			\$726,358		\$7.640
7	FGT	PGS	NO NOTICE	4,050,000		4,050,000			\$23,895		\$0.590
8	THIRD PARTY	PGS	SWING SERVICE	3,757,200		3,757,200	\$2,891,765		\$7,763		\$0.000
9	SONAT/SOUTH GEORGIA	PGS	SONAT TRANS COMM	7,306,489		7,306,489		\$27,619			\$0.378
10	SONAT/SOUTH GEORGIA	PGS	SO GA TRANS COMM	7,138,440		7,138,440		\$7,852			\$0.110
11	SONAT/SOUTH GEORGIA	PGS	SONAT DEMAND	10,797,459		10,797,459			\$284,426		\$2.634
12	SONAT/SOUTH GEORGIA	PGS	SO GA DEMAND	10,710,000		10,710,000			\$164,105		\$1.532
13	GULFSTREAM	PGS	GULFSTREAM COMM	4,500,000		4,500,000		\$9,000			\$0.200
14	GULFSTREAM	PGS	GULFSTREAM DEMAN	4,500,000		4,500,000			\$247,500		\$5.500
15	THIRD PARTY	PGS	COMMODITY	13,169,680		13,169,680	\$10,136,169				\$76.966
16	FGT	PGS	BAL. CHGS./OTHER	0		0				\$116,000	\$0.000
17	FGT	PGS	SWING SERVICE REV.		0	0				\$157,291	\$0.000
18 APRIL TOTAL				160,033,729	43,998,350	204,032,079	\$13,027,934	\$319,914	\$4,228,150	\$273,291	\$8.748

COMPANY: PEOPLES GAS SYSTEM

TRANSPORTATION PURCHASES
SYSTEM SUPPLY AND END USE

SCHEDULE E-3

ESTIMATED FOR THE PROJECTED PERIOD OF:

JANUARY '03 Through DECEMBER '03

(A) MONTH	(B) PURCHASED FROM	(C) PURCHASE FOR	(D) SCH TYPE	(E) SYSTEM SUPPLY	(F) END USE	(G) TOTAL PURCHASED	(H) (I) COMMODITY COST		(J) DEMAND COST	(K) OTHER CHARGES ACA/GRI/FUEL	(L) TOTAL CENTS PER THERM
							THIRD PARTY	PIPELINE			
1 MAY 2003	FGT	PGS	FTS-1 COMM	6,752,682		6,752,682		\$36,600			\$0.542
2	FGT	PGS	FTS-1 COMM		14,276,770	14,276,770		\$77,380			\$0.542
3	FGT	PGS	FTS-2 COMM	11,575,710		11,575,710		\$43,062			\$0.372
4	FGT	PGS	FTS-1 DEMAND	25,004,600		25,004,600			\$927,421		\$3.709
5	FGT	PGS	FTS-1 DEMAND		14,257,430	14,257,430			\$528,808		\$3.709
6	FGT	PGS	FTS-2 DEMAND	11,575,710		11,575,710			\$884,384		\$7.640
7	FGT	PGS	NO NOTICE	6,665,000		6,665,000			\$39,324		\$0.590
8	THIRD PARTY	PGS	SWING SERVICE	3,882,440		3,882,440	\$2,976,124		\$8,022		\$0.000
9	SONAT/SOUTH GEORGIA	PGS	SONAT TRANS COMM	10,609,427		10,609,427		\$40,104			\$0.378
10	SONAT/SOUTH GEORGIA	PGS	SO GA TRANS COMM	10,365,410		10,365,410		\$11,402			\$0.110
11	SONAT/SOUTH GEORGIA	PGS	SONAT DEMAND	11,157,375		11,157,375			\$293,907		\$2.634
12	SONAT/SOUTH GEORGIA	PGS	SO GA DEMAND	11,067,000		11,067,000			\$169,575		\$1.532
13	GULFSTREAM	PGS	GULFSTREAM COMM	4,650,000		4,650,000		\$9,300			\$0.200
14	GULFSTREAM	PGS	GULFSTREAM DEMAN	4,650,000		4,650,000			\$255,750		\$5.500
15	THIRD PARTY	PGS	COMMODITY	10,534,592		10,534,592	\$8,075,399				\$76.656
16	FGT	PGS	BAL. CHGS./OTHER	0		0				\$116,000	\$0.000
17	FGT	PGS	SWING SERVICE REV.		0	0				\$162,534	\$0.000
18 MAY TOTAL				128,489,946	28,534,200	157,024,146	\$11,051,523	\$217,847	\$3,107,190	\$278,534	\$9.333

COMPANY: PEOPLES GAS SYSTEM

TRANSPORTATION PURCHASES
SYSTEM SUPPLY AND END USE

SCHEDULE E-3

ESTIMATED FOR THE PROJECTED PERIOD OF:

JANUARY '03 Through DECEMBER '03

(A) MONTH	(B) PURCHASED FROM	(C) PURCHASE FOR	(D) SCH TYPE	(E) SYSTEM SUPPLY	(F) END USE	(G) TOTAL PURCHASED	(H) COMMODITY COST		(I) PIPELINE	(J) DEMAND COST	(K) OTHER CHARGES ACA/GRI/FUEL	(L) TOTAL CENTS PER THERM
							THIRD PARTY	PIPELINE				
1 JUN 2003	FGT	PGS	FTS-1 COMM	8,114,409		8,114,409			\$43,980			\$0.542
2	FGT	PGS	FTS-1 COMM		14,824,740	14,824,740			\$80,350			\$0.542
3	FGT	PGS	FTS-2 COMM	11,202,300		11,202,300			\$41,673			\$0.372
4	FGT	PGS	FTS-1 DEMAND	24,198,000		24,198,000				\$897,504		\$3.709
5	FGT	PGS	FTS-1 DEMAND		14,795,040	14,795,040				\$548,748		\$3.709
6	FGT	PGS	FTS-2 DEMAND	11,202,300		11,202,300				\$855,856		\$7.640
7	FGT	PGS	NO NOTICE	6,450,000		6,450,000				\$38,055		\$0.590
8	THIRD PARTY	PGS	SWING SERVICE	3,757,200		3,757,200	\$2,891,765			\$7,763		\$0.000
9	SONAT/SOUTH GEORGIA	PGS	SONAT TRANS COMM	8,651,187		8,651,187			\$32,701			\$0.378
10	SONAT/SOUTH GEORGIA	PGS	SO GA TRANS COMM	8,452,210		8,452,210			\$9,297			\$0.110
11	SONAT/SOUTH GEORGIA	PGS	SONAT DEMAND	10,797,459		10,797,459				\$284,426		\$2.634
12	SONAT/SOUTH GEORGIA	PGS	SO GA DEMAND	10,710,000		10,710,000				\$164,105		\$1.532
13	GULFSTREAM	PGS	GULFSTREAM COMM	7,500,000		7,500,000			\$15,000			\$0.200
14	GULFSTREAM	PGS	GULFSTREAM DEMAN	7,500,000		7,500,000				\$412,500		\$5.500
15	THIRD PARTY	PGS	COMMODITY	9,186,979		9,186,979	\$7,070,846					\$76.966
16	FGT	PGS	BAL. CHGS./OTHER	0		0					\$116,000	\$0.000
17	FGT	PGS	SWING SERVICE REV.		0	0					\$157,291	\$0.000
18 JUNE TOTAL				127,722,045	29,619,780	157,341,825	\$9,962,610	\$223,002	\$3,208,957	\$273,291		\$8.687

COMPANY: PEOPLES GAS SYSTEM

TRANSPORTATION PURCHASES
SYSTEM SUPPLY AND END USE

SCHEDULE E-3

ESTIMATED FOR THE PROJECTED PERIOD OF:

JANUARY '03 Through DECEMBER '03

(A) MONTH	(B) PURCHASED FROM	(C) PURCHASE FOR	(D) SCH TYPE	(E) SYSTEM SUPPLY	(F) END USE	(G) TOTAL PURCHASED	(H) (I) COMMODITY COST		(J) DEMAND COST	(K) OTHER CHARGES ACA/GRI/FUEL	(L) TOTAL CENTS PER THERM
							THIRD PARTY	PIPELINE			
1 JUL 2003	FGT	PGS	FTS-1 COMM	7,108,658		7,108,658		\$38,529			\$0.542
2	FGT	PGS	FTS-1 COMM		15,091,420	15,091,420		\$81,795			\$0.542
3	FGT	PGS	FTS-2 COMM	11,575,710		11,575,710		\$43,062			\$0.372
4	FGT	PGS	FTS-1 DEMAND	25,004,600		25,004,600			\$927,421		\$3.709
5	FGT	PGS	FTS-1 DEMAND		15,062,130	15,062,130			\$558,654		\$3.709
6	FGT	PGS	FTS-2 DEMAND	11,575,710		11,575,710			\$884,384		\$7.640
7	FGT	PGS	NO NOTICE	6,665,000		6,665,000			\$39,324		\$0.590
8	THIRD PARTY	PGS	SWING SERVICE	3,882,440		3,882,440	\$3,004,201		\$8,022		\$0.000
9	SONAT/SOUTH GEORGIA	PGS	SONAT TRANS COMM	8,731,658		8,731,658		\$33,006			\$0.378
10	SONAT/SOUTH GEORGIA	PGS	SO GA TRANS COMM	8,530,830		8,530,830		\$9,384			\$0.110
11	SONAT/SOUTH GEORGIA	PGS	SONAT DEMAND	11,157,375		11,157,375			\$293,907		\$2.634
12	SONAT/SOUTH GEORGIA	PGS	SO GA DEMAND	11,067,000		11,067,000			\$169,575		\$1.532
13	GULFSTREAM	PGS	GULFSTREAM COMM	7,750,000		7,750,000		\$15,500			\$0.200
14	GULFSTREAM	PGS	GULFSTREAM DEMAN	7,750,000		7,750,000			\$426,250		\$5.500
15	THIRD PARTY	PGS	COMMODITY	8,241,338		8,241,338	\$6,377,081				\$77.379
16	FGT	PGS	BAL. CHGS./OTHER	0		0				\$116,000	\$0.000
17	FGT	PGS	SWING SERVICE REV.		0	0				\$162,534	\$0.000
18 JULY TOTAL				129,040,319	30,153,550	159,193,869	\$9,381,281	\$221,276	\$3,307,537	\$278,534	\$8.285

COMPANY: PEOPLES GAS SYSTEM

TRANSPORTATION PURCHASES
SYSTEM SUPPLY AND END USE

SCHEDULE E-3

ESTIMATED FOR THE PROJECTED PERIOD OF:

JANUARY '03 Through DECEMBER '03

(A) MONTH	(B) PURCHASED FROM	(C) PURCHASE FOR	(D) SCH TYPE	(E) SYSTEM SUPPLY	(F) END USE	(G) TOTAL PURCHASED	(H) & (I) COMMODITY COST		(J) DEMAND COST	(K) OTHER CHARGES ACA/GRI/FUEL	(L) TOTAL CENTS PER THERM
							THIRD PARTY	PIPELINE			
1 AUG 2003	FGT	PGS	FTS-1 COMM	6,460,950		6,460,950		\$35,018			\$0.542
2	FGT	PGS	FTS-1 COMM		15,783,930	15,783,930		\$85,549			\$0.542
3	FGT	PGS	FTS-2 COMM	11,575,710		11,575,710		\$43,062			\$0.372
4	FGT	PGS	FTS-1 DEMAND	25,004,600		25,004,600			\$927,421		\$3.709
5	FGT	PGS	FTS-1 DEMAND		15,754,790	15,754,790			\$584,345		\$3.709
6	FGT	PGS	FTS-2 DEMAND	11,575,710		11,575,710			\$884,384		\$7.640
7	FGT	PGS	NO NOTICE	6,665,000		6,665,000			\$39,324		\$0.590
8	THIRD PARTY	PGS	SWING SERVICE	3,882,440		3,882,440	\$3,004,201		\$8,022		\$0.000
9	SONAT/SOUTH GEORGIA	PGS	SONAT TRANS COMM	9,672,886		9,672,886		\$36,564			\$0.378
10	SONAT/SOUTH GEORGIA	PGS	SO GA TRANS COMM	9,450,410		9,450,410		\$10,395			\$0.110
11	SONAT/SOUTH GEORGIA	PGS	SONAT DEMAND	11,157,375		11,157,375			\$293,907		\$2.634
12	SONAT/SOUTH GEORGIA	PGS	SO GA DEMAND	11,067,000		11,067,000			\$169,575		\$1.532
13	GULFSTREAM	PGS	GULFSTREAM COMM	7,750,000		7,750,000		\$15,500			\$0.200
14	GULFSTREAM	PGS	GULFSTREAM DEMAN	7,750,000		7,750,000			\$426,250		\$5.500
15	THIRD PARTY	PGS	COMMODITY	7,820,700		7,820,700	\$6,051,594				\$77.379
16	FGT	PGS	BAL. CHGS./OTHER	0		0				\$116,000	\$0.000
17	FGT	PGS	SWING SERVICE REV.		0	0				\$162,534	\$0.000
18	AUGUST TOTAL			129,832,781	31,538,720	161,371,501	\$9,055,795	\$226,088	\$3,333,227	\$278,534	\$7.990

COMPANY: PEOPLES GAS SYSTEM

TRANSPORTATION PURCHASES
SYSTEM SUPPLY AND END USE

SCHEDULE E-3

ESTIMATED FOR THE PROJECTED PERIOD OF:

JANUARY '03 Through DECEMBER '03

(A) MONTH	(B) PURCHASED FROM	(C) PURCHASE FOR	(D) SCH TYPE	(E) SYSTEM SUPPLY	(F) END USE	(G) TOTAL PURCHASED	(H) & (I) COMMODITY COST		(J) DEMAND COST	(K) OTHER CHARGES ACA/GRI/FUEL	(L) TOTAL CENTS PER THERM
							THIRD PARTY	PIPELINE			
1 SEP 2003	FGT	PGS	FTS-1 COMM	6,780,823		6,780,823		\$36,752			\$0.542
2	FGT	PGS	FTS-1 COMM		15,267,340	15,267,340		\$82,749			\$0.542
3	FGT	PGS	FTS-2 COMM	11,202,300		11,202,300		\$41,673			\$0.372
4	FGT	PGS	FTS-1 DEMAND	24,198,000		24,198,000			\$897,504		\$3.709
5	FGT	PGS	FTS-1 DEMAND		15,267,340	15,267,340			\$566,266		\$3.709
6	FGT	PGS	FTS-2 DEMAND	11,202,300		11,202,300			\$855,856		\$7.640
7	FGT	PGS	NO NOTICE	6,450,000		6,450,000			\$38,055		\$0.590
8	THIRD PARTY	PGS	SWING SERVICE	3,757,200		3,757,200	\$2,903,409		\$7,763		\$0.000
9	SONAT/SOUTH GEORGIA	PGS	SONAT TRANS COMM	9,557,226		9,557,226		\$36,126			\$0.378
10	SONAT/SOUTH GEORGIA	PGS	SO GA TRANS COMM	9,337,410		9,337,410		\$10,271			\$0.110
11	SONAT/SOUTH GEORGIA	PGS	SONAT DEMAND	10,797,459		10,797,459			\$284,426		\$2.634
12	SONAT/SOUTH GEORGIA	PGS	SO GA DEMAND	10,710,000		10,710,000			\$164,105		\$1.532
13	GULFSTREAM	PGS	GULFSTREAM COMM	7,500,000		7,500,000		\$15,000			\$0.200
14	GULFSTREAM	PGS	GULFSTREAM DEMAN	7,500,000		7,500,000			\$412,500		\$5.500
15	THIRD PARTY	PGS	COMMODITY	8,295,993		8,295,993	\$6,410,802				\$77.276
16	FGT	PGS	BAL. CHGS./OTHER	0		0				\$116,000	\$0.000
17	FGT	PGS	SWING SERVICE REV.		0	0				\$157,291	\$0.000
18	SEPTEMBER TOTAL			127,288,712	30,534,680	157,823,392	\$9,314,211	\$222,571	\$3,226,474	\$273,291	\$8.260

COMPANY: PEOPLES GAS SYSTEM

TRANSPORTATION PURCHASES
SYSTEM SUPPLY AND END USE

SCHEDULE E-3

ESTIMATED FOR THE PROJECTED PERIOD OF:

JANUARY '03 Through DECEMBER '03

(A) MONTH	(B) PURCHASED FROM	(C) PURCHASE FOR	(D) SCH TYPE	(E) SYSTEM SUPPLY	(F) END USE	(G) TOTAL PURCHASED	(H) COMMODITY COST		(I) PIPELINE	(J) DEMAND COST	(K) OTHER CHARGES ACA/GRI/FUEL	(L) TOTAL CENTS PER THERM
							THIRD					
							PARTY					
1 OCT 2003	FGT	PGS	FTS-1 COMM	8,480,381		8,480,381			\$45,964			\$0.542
2	FGT	PGS	FTS-1 COMM		17,243,720	17,243,720			\$93,461			\$0.542
3	FGT	PGS	FYS-2 COMM	11,575,710		11,575,710			\$43,062			\$0.372
4	FGT	PGS	FTS-1 DEMAND	45,417,790		45,417,790				\$1,684,546		\$3.709
5	FGT	PGS	FTS-1 DEMAND		17,243,720	17,243,720				\$639,570		\$3.709
6	FGT	PGS	FTS-2 DEMAND	11,575,710		11,575,710				\$884,384		\$7.640
7	FGT	PGS	NO NOTICE	3,720,000		3,720,000				\$21,948		\$0.590
8	THIRD PARTY	PGS	SWING SERVICE	3,882,440		3,882,440	\$3,008,212			\$8,022		\$0.000
9	SONAT/SOUTH GEORGIA	PGS	SONAT TRANS COMM	9,636,919		9,636,919			\$36,428			\$0.378
10	SONAT/SOUTH GEORGIA	PGS	SO GA TRANS COMM	9,415,270		9,415,270			\$10,357			\$0.110
11	SONAT/SOUTH GEORGIA	PGS	SONAT DEMAND	11,157,375		11,157,375				\$293,907		\$2.634
12	SONAT/SOUTH GEORGIA	PGS	SO GA DEMAND	11,067,000		11,067,000				\$169,575		\$1.532
13	GULFSTREAM	PGS	GULFSTREAM COMM	7,750,000		7,750,000			\$15,500			\$0.200
14	GULFSTREAM	PGS	GULFSTREAM DEMAN	7,750,000		7,750,000				\$426,250		\$5.500
15	THIRD PARTY	PGS	COMMODITY	8,345,201		8,345,201	\$6,466,070					\$77.483
16	FGT	PGS	BAL. CHGS./OTHER	0		0					\$116,000	\$0.000
17	FGT	PGS	SWING SERVICE REV.		0	0					\$162,534	\$0.000
18	OCTOBER TOTAL			149,773,796	34,487,440	184,261,236	\$9,474,282	\$244,771	\$4,128,201	\$278,534		\$7.666

COMPANY: PEOPLES GAS SYSTEM

TRANSPORTATION PURCHASES
SYSTEM SUPPLY AND END USE

SCHEDULE E-3

ESTIMATED FOR THE PROJECTED PERIOD OF:

JANUARY '03 Through DECEMBER '03

(A) MONTH	(B) PURCHASED FROM	(C) PURCHASE	(D)	(E) SYSTEM SUPPLY	(F) END USE	(G) TOTAL PURCHASED	(H) COMMODITY COST		(I) PIPELINE	(J) DEMAND COST	(K) OTHER CHARGES ACA/GRI/FUEL	(L) TOTAL CENTS PER THERM
							THIRD PARTY	PIPELINE				
1 NOV 2003	FGT	PGS	FTS-1 COMM	12,430,758		12,430,758		\$67,375			\$0.542	
2	FGT	PGS	FTS-1 COMM		18,069,100	18,069,100		\$97,935			\$0.542	
3	FGT	PGS	FTS-2 COMM	12,507,300		12,507,300		\$46,527			\$0.372	
4	FGT	PGS	FTS-1 DEMAND	56,000,700		56,000,700			\$2,077,066		\$3.709	
5	FGT	PGS	FTS-1 DEMAND		18,069,100	18,069,100			\$670,183		\$3.709	
6	FGT	PGS	FTS-2 DEMAND	12,507,300		12,507,300			\$955,558		\$7.640	
7	FGT	PGS	NO NOTICE	7,050,000		7,050,000			\$41,595		\$0.590	
8	THIRD PARTY	PGS	SWING SERVICE	3,757,200		3,757,200	\$2,965,514		\$7,763		\$0.000	
9	SONAT/SOUTH GEORGIA	PGS	SONAT TRANS COMM	7,274,647		7,274,647		\$27,498			\$0.378	
10	SONAT/SOUTH GEORGIA	PGS	SO GA TRANS COMM	7,107,330		7,107,330		\$7,818			\$0.110	
11	SONAT/SOUTH GEORGIA	PGS	SONAT DEMAND	10,797,459		10,797,459			\$284,426		\$2.634	
12	SONAT/SOUTH GEORGIA	PGS	SO GA DEMAND	10,710,000		10,710,000			\$164,105		\$1.532	
13	GULFSTREAM	PGS	GULFSTREAM COMM	7,500,000		7,500,000		\$15,000			\$0.200	
14	GULFSTREAM	PGS	GULFSTREAM DEMAN	7,500,000		7,500,000			\$412,500		\$5.500	
15	THIRD PARTY	PGS	COMMODITY	10,219,088		10,219,088	\$8,065,808				\$78.929	
16	FGT	PGS	BAL. CHGS./OTHER	0		0				\$116,000	\$0.000	
17	FGT	PGS	SWING SERVICE REV.		0	0				\$157,291	\$0.000	
18 NOVEMBER TOTAL				165,361,782	36,138,200	201,499,982	\$11,031,322	\$262,153	\$4,613,196	\$273,291	\$8.030	

COMPANY: PEOPLES GAS SYSTEM

TRANSPORTATION PURCHASES
SYSTEM SUPPLY AND END USE

SCHEDULE E-3

ESTIMATED FOR THE PROJECTED PERIOD OF:

JANUARY '03 Through DECEMBER '03

(A) MONTH	(B) PURCHASED FROM	(C) PURCHASE FOR	(D) SCH TYPE	(E) SYSTEM SUPPLY	(F) END USE	(G) TOTAL PURCHASED	(H) & (I) COMMODITY COST		(J) DEMAND COST	(K) OTHER CHARGES ACA/GRI/FUEL	(L) TOTAL CENTS PER THERM
							THIRD PARTY	PIPELINE			
1 DEC 2003	FGT	PGS	FTS-1 COMM	8,499,523		8,499,523		\$46,067			\$0.542
2	FGT	PGS	FTS-1 COMM		11,873,120	11,873,120		\$64,352			\$0.542
3	FGT	PGS	FTS-2 COMM	12,924,210		12,924,210		\$48,078			\$0.372
4	FGT	PGS	FTS-1 DEMAND	57,867,390		57,867,390			\$2,146,301		\$3.709
5	FGT	PGS	FTS-1 DEMAND		11,873,120	11,873,120			\$440,374		\$3.709
6	FGT	PGS	FTS-2 DEMAND	12,924,210		12,924,210			\$987,410		\$7.640
7	FGT	PGS	NO NOTICE	10,403,910		10,403,910			\$61,383		\$0.590
8	THIRD PARTY	PGS	SWING SERVICE	3,882,440		3,882,440	\$3,126,535		\$8,022		\$0.000
9	SONAT/SOUTH GEORGIA	PGS	SONAT TRANS COMM	8,605,056		8,605,056		\$32,527			\$0.378
10	SONAT/SOUTH GEORGIA	PGS	SO GA TRANS COMM	8,407,140		8,407,140		\$9,248			\$0.110
11	SONAT/SOUTH GEORGIA	PGS	SONAT DEMAND	11,157,375		11,157,375			\$293,907		\$2.634
12	SONAT/SOUTH GEORGIA	PGS	SO GA DEMAND	11,067,000		11,067,000			\$169,575		\$1.532
13	GULFSTREAM	PGS	GULFSTREAM COMM	7,750,000		7,750,000		\$15,500			\$0.200
14	GULFSTREAM	PGS	GULFSTREAM DEMAN	7,750,000		7,750,000			\$426,250		\$5.500
15	THIRD PARTY	PGS	COMMODITY	14,075,313		14,075,313	\$11,334,870				\$80.530
16	FGT	PGS	BAL. CHGS./OTHER	0		0				\$116,000	\$0.000
17	FGT	PGS	SWING SERVICE REV.		0	0				\$162,534	\$0.000
18 DECEMBER TOTAL				175,313,567	23,746,240	199,059,807	\$14,461,405	\$215,773	\$4,533,222	\$278,534	\$9.790

COMPANY: PEOPLES GAS SYSTEM	CALCULATION OF TRUE-UP AMOUNT PROJECTED PERIOD			SCHEDULE E-4	
ESTIMATED FOR THE PROJECTED PERIOD: JANUARY '03 through DECEMBER '03					
	PRIOR PERIOD: JAN '01 - DEC '01			CURRENT PERIOD: JAN '02 - DEC '02	
	(1) 8 MOS. ACT. 4 MOS. REVISED EST.	(2) ACTUAL	(3) (2)-(1) DIFFERENCE	(4) 8 MOS. ACT. 4 MOS. REVISED EST.	(5) (3)+(4) TOTAL TRUE-UP
1 TOTAL THERM SALES \$	\$162,891,177	\$173,864,915	\$10,973,738	\$121,913,300	\$132,887,038
2 TRUE-UP PROVISION FOR THIS PERIOD OVER (UNDER) COLLECTION	\$17,501,998	\$14,577,150	(\$2,924,848)	\$6,734,678	\$3,809,830
2a MISCELLANEOUS ADJUSTMENTS	\$0	\$0	\$0	\$0	\$0
3 INTEREST PROVISION FOR THIS PERIOD	(\$239,571)	(\$262,925)	(\$23,354)	\$49,237	\$25,883
3a TRUE-UP (COLLECTED) OR REFUNDED	\$0	\$0	\$0	\$0	\$0
4 END OF PERIOD TOTAL NET TRUE-UP	\$17,262,427	\$14,314,225	(\$2,948,202)	\$6,783,915	\$3,835,711
NOTE: FIVE MONTHS ACTUAL FOUR MONTHS REVISED ESTIMATE DATA OBTAINED FROM CURRENT PERIOD SCHEDULE (E-2).					
COL.(1)SAME AS COL. (4 Less Line 3a) PRIOR PER. SCH.(E-4)					
COL.(2)DATA OBTAINED FROM DEC'01 SCHEDULE (A-2)					
LINE 4 COLUMN (2) SAME AS LINE 7 SCHEDULE (A-7), Dec'01					
LINE 4 COLUMN (3) SAME AS LINE 9 SCHEDULE (A-7),Dec'01					
LINE 2 COLUMN (4) SAME AS LINE 7 SCHEDULE (E-2)					
LINE 2a COLUMN (4) SAME AS LINES 10a+11a SCHEDULE (E-2)					
LINE 3 COLUMN (4) SAME AS LINE 8 SCHEDULE (E-2)					
		<u>TOTAL TRUE-UP \$</u>	equals	<u>CENTS PER THERM TRUE-UP</u>	
		PROJ. TH. SALES			
		\$3,835,711	equals	0.02014	
		<u>190,432,692</u>			

COMPANY: PEOPLES GAS SYTEM

PURCHASED GAS ADJUSTMENT
COST RECOVERY CLAUSE CALCULATION

ORIGINAL ESTIMATE FOR THE PROJECTED PERIOD: JANUARY '03 through DECEMBER '03

Attachment

	<u>Demand Allocation Factors-Winter Season</u>		<u>Demand Allocation Factors-Summer Season</u>	
	Peak Month January 2002 <u>Actual Sales</u>	Percent of <u>Total</u>	Current Month April 2002 <u>Actual Sales</u>	Percent of <u>Total</u>
<u>Residential</u>	9,134,717.1		5,074,865.8	
Residential PGA Factor	9,134,717.1	43.41%	5,074,865.8	36.71%
Small General Service	365,578.1		236,425.1	
Gen. Svc.-Comm.	7,780,622.5		5,919,312.5	
Gen. Svc.-Comm. Lg. Vol.-1	3,566,217.9		2,497,354.2	
Gen. Svc.-Comm. Lg. Vol.-2	100,312.1		22,220.3	
Natural Gas Vehicle Sales	46,476.0		45,156.4	
Comm. Street Lighting	38,266.2		18,741.9	
Wholesale	8,842.0		8,656.8	
Small Interruptible	0.0		0.0	
Interruptible Lg. Vol.-1	0.0		0.0	
Interruptible Lg. Vol.-2	0.0		0.0	
Commercial PGA Factor	11,906,314.8	56.59%	8,747,867.2	63.29%
Total System	21,041,031.9	100.00%	13,822,733.0	100.00%