



6031 (02-14-08)

**ANNUAL REPORT**

OF

Name: WISCONSIN GAS LLC

Principal Office: 231 WEST MICHIGAN STREET  
MILWAUKEE, WI 53203

For the Year Ended: DECEMBER 31, 2010

**WATER, ELECTRIC, OR JOINT UTILITY  
TO  
PUBLIC SERVICE COMMISSION OF WISCONSIN**P.O. Box 7854  
Madison, WI 53707-7854  
(608) 266-3766

*This form is required under Wis. Stat. § 196.07. Failure to file the form by the statutory filing date can result in the imposition of a penalty under Wis. Stat. § 196.66. The penalty which can be imposed by this section of the statutes is a forfeiture of not less than \$25 nor more than \$5,000 for each violation. Each day subsequent to the filing date constitutes a separate and distinct violation. The filed form is available to the public and personally identifiable information may be used for purposes other than those related to public utility regulation.*

## GENERAL RULES FOR REPORTING

1. Prepare the report in conformity with the Uniform System of Accounts prescribed by the Public Service Commission of Wisconsin.
2. Numeric items shall contain digits (0-9). A minus sign "-" shall be entered in the software program to indicate negative values. Parentheses shall not be used for numeric items. The program will convert the minus sign to parentheses for hard copy annual report purposes. Negative values may not be allowed for certain entries in the annual report due to restrictions contained in the software program.
3. The annual report should be complete in itself in all particulars. Reference to reports of former years should not be made to take the place of required entries except as otherwise specifically authorized.
4. Whenever schedules call for data from the previous year, the data reported must be based upon those shown by the annual report of the previous year or an appropriate explanation given why different data is being reported for the current year. Where available, use an adjustment column.
5. All dollar amounts will be reported in whole dollars.
6. Wherever information is required to be shown as text, the information shall be shown in the space provided using other than account titles. In each case, the information shall be properly identified. Footnote capability is included in the annual report software program and shall be utilized where necessary to further explain particulars of a schedule.
7. The deadline for filing the Annual Report is April 1, 2011.

**SIGNATURE PAGE**

I FREDERICK D. KUESTER of  
(Person responsible for accounts)

WISCONSIN GAS LLC, certify that I  
(Utility Name)

am the person responsible for accounts; that I have examined the following report and, to the best of my knowledge, information and belief, it is a correct statement of the business and affairs of said utility for the period covered by the report in respect to each and every matter set forth therein.

/s/FREDERICK D. KUESTER  
(Signature of person responsible for accounts)

05/01/2011  
(Date)

CHIEF FINANCIAL OFFICER  
(Title)

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### IDENTIFICATION AND OWNERSHIP

**Exact Utility Name:** WISCONSIN GAS LLC

**Utility Address:** 231 WEST MICHIGAN STREET  
MILWAUKEE, WI 53203

**When was utility organized?** 3/27/1852

**Previous name:**

**Date of change:**

**Utility Web Site:** www.we-energies.com

**Telephone numbers for potential customers to contact company:**

**Business Customers:** (800) 714 - 7777

**Residential Customers:** (800) 242 - 9137

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**Primary Utility Contact (located at utility address):**

**Name:** FREDERICK D. KUESTER

**Title:** CHIEF FINANCIAL OFFICER

**Office Address:** WISCONSIN GAS LLC  
231 W MICHIGAN STREET  
MILWAUKEE, WI 53203

**Telephone:** (414) 221 - 2123

**Fax Number:**

**E-mail Address:**

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**Contact person for information contained in this annual report:**

**Same as Primary Address**

**Name:** BRANT J. MOORE

**Title:** BUSINESS CONSULTANT

**Office Address:** WISCONSIN GAS LLC  
231 W MICHIGAN STREET  
MILWAUKEE, WI 53203

**Telephone:** (414) 221 - 3106

**Fax Number:**

**E-mail Address:**

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**Contact person for Regulatory Inquiries and Complaints:**

**Same as Primary Address**

**Name:** ROMAN DRABA

**Title:** VP - REGULATORY AFFAIRS & POLICY

**Office Address:** WISCONSIN GAS LLC  
231 W. MICHIGAN STREET  
MILWAUKEE, WI 53203

**Telephone:** (414) 221 - 2285

**Fax Number:**

**E-mail Address:**

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## CONTROL OVER RESPONDENT

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If any corporation, business trust, or similar organization or a combination of such organizations jointly held control over the respondent at the end of the year, state name of controlling corporation or organization, manner in which control was held, and extent of control. If control was in a holding company organization, show the chain of ownership or control to the main parent company or organization. If control was held by a trustee(s), state name of trustee(s), name of beneficiary or beneficiaries for whom trust was maintained, and purpose of the trust.

Wisconsin Gas LLC is a single member limited liability company with Wisconsin Energy Corporation as the sole member.

### CORPORATIONS CONTROLLED BY RESPONDENT

1. Report below the names of all corporations, business trusts and similar organizations, controlled directly or indirectly by respondent at any time during the year. If control ceased prior to end of year, give particulars (details) in a footnote.
2. If control was by other means than a direct holding of voting rights, state in a footnote the manner in which control was held, naming any intermediaries involved.
3. If control was held jointly with one or more other interests, state the fact in a footnote and name the other interests.
4. If the above required information is available from the SEC 10-K Report Form filing, a specific reference to the report form (i.e. year and company title) may be listed in column (a) provided the fiscal years for both the 10-K report and this report are compatible.

#### DEFINITIONS

1. See the Uniform System of Accounts for a definition of control.
2. Direct control is that which is exercised without interposition of an intermediary.
3. Indirect control is that which is exercised by the interposition of an intermediary which exercises direct control.
4. Joint control is that in which neither interest can effectively control or direct action without the consent of the other, as where the voting control is equally divided between two holders, or each party holds a veto power over the other. Joint control may exist by mutual agreement or understanding between two or more parties who together have control within the meaning of the definition of control in the Uniform System of Accounts, regardless of the relative voting rights of each party.

Name of Company Controlled (a)	Kind of Business (b)	Percent Voting Stock Owned (c)
NONE		

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## GENERAL INFORMATION

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1. Provide name and title of officer having custody of the general corporate books of account and address of office where the general corporate books are kept, and address of office where any other corporate books of account are kept, if different from that where the general corporate books are kept.

Stephen P. Dickson  
Vice-President & Controller  
231 West Michigan Street  
Milwaukee, WI 53203

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2. Provide the name of the State under the laws of which respondent is incorporated, and date of incorporation. If incorporated under a special law, give reference to such law. If not incorporated, state that fact and give the type of organization and the date organized.

State of Wisconsin - March 27, 1852

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3. If at any time during the year the property of respondent was held by a receiver or trustee, give (a) the name of receiver or trustee, (b) date such receiver or trustee took possession, (c) the authority by which the receivership or trusteeship was created, and (d) date when possession by receiver or trustee ceased.

None

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4. State the classes or utility and other services furnished by respondent during the year in each State in which the respondent operated.

**Natural Gas**

Wisconsin Gas LLC is engaged in the purchase, distribution and sale of natural gas in Wisconsin.

**Water**

Wisconsin Gas LLC was engaged in the distribution and sale of water in Wisconsin. The water utility was sold in April 2009.

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5. Have you engaged as the principal accountant to audit your financial statements an accountant who is not the principal accountant for your previous year's certified financial statements?

Yes If yes, enter the date when such independent accountant was initially engaged:

No

## OFFICERS' SALARIES

1. Report below the name, title and salary for each executive officer whose salary is \$50,000 or more. An "executive officer" of a respondent includes its president, secretary, treasurer, and vice president in charge of a principal business unit, division or function (such as sales, administration or finance), and any other person who performs similar policy making functions.

2. If a change was made during the year in the incumbent of any position, show name and total remuneration of the previous incumbent, and the date the change in incumbency was made.

Title (a)	Name of Officer (b)	Salary for Year (c)	
Chairman of the Board, President and CEO	Gale E. Klappa (1)	360,522	1
Executive VP and COO	Frederick D. Kuester (1)	0	2
Executive VP and CFO	Allen L. Leverett (1)	117,638	3
Senior VP and CAO	Kristine A. Rappe (1)	117,387	4
Executive VP and General Counsel	James C. Fleming (1)	85,045	5
Senior VP - State Public Affairs	Walter J. Kunicki (1)	80,079	6
Senior VP	Charles R. Cole (1)	147,854	7
VP - Regulatory Affairs and Policy	Roman A. Draba (1)	50,972	8
VP - Federal Policy	Darnell DeMasters (1) (2)	0	9
VP - Customer Services	Joan M. Shafer (1)	91,498	10
VP, Corporate Secretary and Assoc. General Counsel	Susan H. Martin (1) (2)	0	11
			12
			13
(1) Officer received compensation from Wisconsin Energy Corporation and/or its other affiliated companies.			14
			15
(2) Officer received less than \$50,000 of compensation from WG.			16
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## DIRECTORS

1. Report below the information called for concerning each director of the respondent who held office at any time during the year. Include in column (a), abbreviated titles of the directors who are officers of the respondent.

2. Designate members of the Executive Committee by a triple asterisk and the Chairman of the Executive Committee by a double asterisk.

Name/Title and Principal Business Address (a)	Length Of Term (Years) (b)	Term Expires (c)	Meetings Attended (d)
GALE E. KLAPPA**/CHAIRMAN, PRESIDENT & CEO 231 W. MICHIGAN ST. MILWAUKEE, WI 53203	7		* 1
JOHN F. BERGSTROM***/DIRECTOR 231 W. MICHIGAN ST. MILWAUKEE, WI 53203	10		* 2
BARBARA L. BOWLES***/DIRECTOR 231 W. MICHIGAN ST. MILWAUKEE, WI 53203	10		* 3
PATRICIA W. CHADWICK/DIRECTOR 231 W. MICHIGAN ST. MILWAUKEE, WI 53203	4		* 4
ROBERT A. CORNOG***/DIRECTOR 231 W. MICHIGAN ST. MILWAUKEE, WI 53203	10		* 5
CURT S. CULVER/DIRECTOR 231 W. MICHIGAN ST. MILWAUKEE, WI 53203	6		* 6
THOMAS J. FISCHER/DIRECTOR 231 W. MICHIGAN ST. MILWAUKEE, WI 53203	5		* 7
ULICE PAYNE, JR./DIRECTOR 231 W. MICHIGAN ST. MILWAUKEE, WI 53203	7		* 8

## DIRECTORS

1. Report below the information called for concerning each director of the respondent who held office at any time during the year. Include in column (a), abbreviated titles of the directors who are officers of the respondent.

2. Designate members of the Executive Committee by a triple asterisk and the Chairman of the Executive Committee by a double asterisk.

Name/Title and Principal Business Address (a)	Length Of Term (Years) (b)	Term Expires (c)	Meetings Attended (d)
FREDERICK P. STRATTON, JR.***/DIRECTOR 231 W. MICHIGAN ST. MILWAUKEE, WI 53203	10		* 9
			10

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## DIRECTORS

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### Directors (Page ix)

#### General footnotes

Wisconsin Gas LLC has a declassified Board of Directors which requires directors to stand for election on an annual basis by its sole member, Wisconsin Energy Corporation.

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### COMMON STOCKHOLDERS

From the stockholder list nearest the end of the year report the greatest of: 1) the ten largest shareholders of voting securities or 2) all shareholders owning 5% or more of voting securities. List names, addresses and shareholdings. If any stock is held by a nominee, give known particulars as to the beneficial owner (see Wis. Stat. § 196.795(1)(c), for definition of beneficial owner).

**Date of stockholders' list nearest end of year:**

	Common	Preferred	Total
<b>Number of stockholders on above date:</b>			0
<b>Number of shareholders in Wisconsin:</b>			0
<b>Percent of outstanding stock owned by Wisconsin Stockholders:</b>			

**Stockholders:**

<b>Name:</b>	<b>1</b>
<b>Address:</b>	

**Number of Shares Held:**

**Beneficial Owner:** Wisconsin Gas LLC is a single member Limited Liability Company with Wisconsin Energy Corporation as the Sole Member; therefore, there are no shares of Common or Preferred Stock.

## INCOME STATEMENT

Particulars (a)	This Year (b)	Last Year (c)	
<b>UTILITY OPERATING INCOME</b>			
Operating Revenues (400)	708,583,756	804,723,925	1
<b>Operating Expenses:</b>			
Operating Expenses (401)	573,347,190	645,406,989	2
Maintenance Expenses (402)	13,952,333	14,996,377	3
Depreciation Expense (403)	35,133,499	48,104,643	4
Depreciation Expense for Asset Retirement Costs (403.1)	0	0	5
Amort. & Depl. Of Utility Plant (404-405)	49,132	44,958	6
Amort. Of Utility Plant Acq. Adj. (406)	0	0	7
Amort. Property Losses, Unrecov Plant and Regulatory Study Costs (407)	0	1,125	8
Amort. Of Conversion Expenses (407.2)	0	0	9
Regulatory Debits (407.3)	0	0	10
Less: Regulatory Credits (407.4)	0	0	11
Taxes Other Than Income Taxes (408.1)	11,328,361	13,702,266	12
Income Taxes - Federal (409.1)	7,631,555	(1,522,248)	13
Income Taxes - Other (409.1)	3,671,148	4,464,754	14
Provision for Deferred Income Taxes (410.1)	99,044,783	86,498,776	15
Less: Provision for Deferred Income Taxes-Cr. (411.1)	85,520,428	63,053,414	16
Investment Tax Credit Adj. - Net (411.4)	(298,483)	(321,723)	17
Less: Gains from Disp. Of Utility Plant (411.6)	0	0	18
Losses from Disp. Of Utility Plant (411.7)	0	0	19
Less: Gains from Disposition of Allowances (411.8)	0	0	20
Losses from Disposition of Allowances (411.9)	0	0	21
Accretion Expense (411.10)	0	0	22
<b>Total Utility Operating Expenses:</b>	<b>658,339,090</b>	<b>748,322,503</b>	
<b>Net Operating Income</b>	<b>50,244,666</b>	<b>56,401,422</b>	
<b>OTHER INCOME</b>			
Revenues From Merchandising, Jobbing and Contract Work (415)	0	0	23
Less: Costs and Exp. Of Merchandising, Job. & Contract Work (416)	(20)	8,265	24
Revenues From Nonutility Operations (417)	0	21,600	25
Less: Expenses of Nonutility Operations (417.1)	0	67	26
Nonoperating Rental Income (418)	12,800	13,600	27
Equity in Earnings of Subsidiary Companies (418.1)	0	0	28
Interest and Dividend Income (419)	18,057	1,771,558	29
Allowance for Other Funds Used During Construction (419.1)	116,509	144,411	30
Miscellaneous Nonoperating Income (421)	0	0	31
Gain on Disposition of Property (421.1)	0	0	32
<b>Total Other Income</b>	<b>147,386</b>	<b>1,942,837</b>	
<b>OTHER INCOME DEDUCTIONS</b>			
Loss on Disposition of Property (421.2)	120,794	0	33
Miscellaneous Amortization (425)	0	0	34
Donations (426.1)	15,998	17,316	35
Life Insurance (426.2)	(732,585)	(697,003)	36
Penalties (426.3)	529	0	37
Exp. For Certain Civic, Political & Related Activities (426.4)	104,477	102,365	38

## INCOME STATEMENT

Particulars (a)	This Year (b)	Last Year (c)	
<b>OTHER INCOME DEDUCTIONS</b>			
Other Deductions (426.5)	162,859	138,978	39
<b>Total Other Income Deductions</b>	<b>(327,928)</b>	<b>(438,344)</b>	
<b>TAXES APPLICABLE TO OTHER INCOME AND DEDUCTIONS</b>			
Taxes Other Than Income Taxes (408.2)			40
Income Taxes-Federal (409.2)	81,617	47,457	41
Income Taxes-Other (409.2)	(10,281)	45,803	42
Provision for Deferred Inc. Taxes (410.2)	1,419,732	3,262,966	43
Less: Provision for Deferred Inc. Taxes - Cr. (411.2)	1,442,736	3,277,107	44
Investment Tax Credit Adj.-Net (411.5)			45
Less: Investment Tax Credits (420)			46
<b>Total Taxes Applicable to Other Income and Deductions</b>	<b>48,332</b>	<b>79,119</b>	
<b>Net Other Income and Deductions</b>	<b>426,982</b>	<b>2,302,062</b>	
<b>INTEREST CHARGES</b>			
Interest on Long-Term Debt (427)	14,780,000	14,894,583	47
Amort. of Debt. Disc. And Expense (428)	202,123	207,347	48
Amortization of Loss on Reaquired Debt (428.1)	0	0	49
Less: Amort. of Premium on Debt-Credit (429)	0	0	50
Less: Amortization of Gain on Reaquired Debt-Credit (429.1)	0	0	51
Interest on Debt to Assoc. Companies (430)	0	0	52
Other Interest Expense (431)	753,353	1,564,011	53
Less: Allowance for Borrowed Funds Used During Construction-Cr. (432)	49,628	80,848	54
<b>Total Interest Charges</b>	<b>15,685,848</b>	<b>16,585,093</b>	
<b>Income Before Extraordinary Items</b>	<b>34,985,800</b>	<b>42,118,391</b>	
<b>EXTRAORDINARY ITEMS</b>			
Extraordinary Income (434)	0	0	55
Less: Extraordinary Deductions (435)	0	0	56
<b>Net Extraordinary Items:</b>	<b>0</b>	<b>0</b>	
Income Taxes-Federal and Other (409.3)			57
<b>Extraordinary Items After Taxes</b>	<b>0</b>	<b>0</b>	
<b>Net Income</b>	<b>34,985,800</b>	<b>42,118,391</b>	

## INCOME STATEMENT - REVENUES & EXPENSES BY UTILITY TYPE

Particulars (a)	TOTAL		
	This Year (b)	Last Year (c)	
Operating Revenues (400)	708,583,756	804,723,925	1
<b>Operating Expenses:</b>			
Operating Expenses (401)	573,347,190	645,406,989	2
Maintenance Expenses (402)	13,952,333	14,996,377	3
Depreciation Expense (403)	35,133,499	48,104,643	4
Depreciation Expense for Asset Retirement Costs (403.1)	0	0	5
Amort. & Depl. Of Utility Plant (404-405)	49,132	44,958	6
Amort. Of Utility Plant Acq. Adj. (406)	0	0	7
Amort. Property Losses, Unrecov Plant and Regulatory Study Costs (407)	0	1,125	8
Amort. Of Conversion Expenses (407.2)	0	0	9
Regulatory Debits (407.3)	0	0	10
Less: Regulatory Credits (407.4)	0	0	11
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Less: Gains from Disp. Of Utility Plant (411.6)	0	0	18
Losses from Disp. Of Utility Plant (411.7)	0	0	19
Less: Gains from Disposition of Allowances (411.8)	0	0	20
Losses from Disposition of Allowances (411.9)	0	0	21
Accretion Expense (411.10)	0	0	22
<b>Total Utility Operating Expenses:</b>	<b>658,339,090</b>	<b>748,322,503</b>	
<b>Net Operating Income:</b>	<b>50,244,666</b>	<b>56,401,422</b>	



**BALANCE SHEET**

Assets and Other Debits (a)	Balance End of Year (b)	Balance First of Year (c)	
<b>UTILITY PLANT</b>			
Utility Plant (101-106, 114)	1,379,969,522	1,324,072,998	1
Construction Work in Progress (107)	3,689,412	3,585,210	2
<b>Total Utility Plant:</b>	<b>1,383,658,934</b>	<b>1,327,658,208</b>	
Less: Accum. Prov. for Depr. Amort. Depl. (108, 111, 115)	752,207,322	732,581,439	3
<b>Net Utility Plant:</b>	<b>631,451,612</b>	<b>595,076,769</b>	
Nuclear Fuel in Process of Ref., Conv., Enrich., and Fab. (120.1)		0	4
Nuclear Fuel Materials and Assemblies-Stock Account (120.2)		0	5
Nuclear Fuel Assemblies in Reactor (120.3)		0	6
Spent Nuclear Fuel (120.4)		0	7
Nuclear Fuel Under Capital Leases (120.6)		0	8
Less: Accum. Prov. For Amort. Of Nucl. Fuel Assemblies (120.5)		0	9
<b>Net Nuclear Fuel:</b>	<b>0</b>	<b>0</b>	
<b>Net Utility Plant:</b>	<b>631,451,612</b>	<b>595,076,769</b>	
Utility Plant Adjustments (116)		0	10
Gas Stored Underground - Noncurrent (117)			11
<b>OTHER PROPERTY AND INVESTMENTS</b>			
Nonutility Property (121)	195,511	195,511	12
Less: Accum. Prov. for Depr. And Amort. (122)	185,204	185,203	13
Investments in Associated Companies (123)	0	0	14
Investments in Subsidiary Companies (123.1)	0	0	15
Noncurrent Portion of Allowances			16
Other Investments (124)	0	0	17
Sinking Funds (125)	0	0	18
Depreciation Fund (126)	0	0	19
Amortization Fund - Federal (127)	0	0	20
Other Special Finds (128)	14,612,664	14,108,115	21
Special Funds (129)	66,809,502	66,809,502	22
Long-Term Portion of Derivative Assets (175)	1,576,787	0	23
Long-Term Portion of Derivative Assets - Hedges (176)		0	24
<b>Total Other Property and Investments</b>	<b>83,009,260</b>	<b>80,927,925</b>	
<b>CURRENT AND ACCRUED ASSETS</b>			
Cash (131)	136,842	96,888	25
Special Deposits (132-134)	0	0	26
Working Fund (135)	0	0	27
Temporary Cash Investments (136)	0	0	28
Notes Receivable (141)	0	0	29
Customer Accounts Receivable (142)	104,186,778	102,945,072	30
Other Accounts Receivable (143)	2,986,775	4,381,637	31
Less: Accum. Prov. For Uncollectible Acct.-Credit (144)	23,792,838	26,342,090	32
Notes Receivable from Associated Companies (145)	0	0	33
Accounts Receivable from Assoc. Companies (146)	0	0	34
Fuel Stock (151)	98,205	102,455	35
Fuel Stock Expenses Undistributed (152)	0	0	36
Residuals (Elec) and Extracted Products (153)	0	0	37
Plant Materials and Operating Supplies (154)	3,813,251	4,123,434	38
Merchandise (155)	20,434	20,464	39
Other Materials and Supplies (156)	0	0	40

**BALANCE SHEET**

<b>Assets and Other Debits (a)</b>	<b>Balance End of Year (b)</b>	<b>Balance First of Year (c)</b>	
<b>CURRENT AND ACCRUED ASSETS</b>			
Nuclear Materials Held for Sale (157)	0	0	41
Allowances (158.1 and 158.2)	0	0	42
Less: Noncurrent Portion of Allowances		0	43
Stores Expense Undistributed (163)	390,000	299,497	44
Gas Stored Underground - Current (164.1)	52,835,333	51,992,109	45
Liquefied Natural Gas Stored and Held for Processing (164.2-164.3)	202,368	121,763	46
Prepayments (165)	18,101,158	11,917,164	47
Advances for Gas (166-167)	0	0	48
Interest and Dividends Receivable (171)	0	0	49
Rents Receivable (172)	0	0	50
Accrued Utility Revenues (173)	71,586,147	75,969,874	51
Miscellaneous Current and Accrued Assets (174)	7,584,830	2,710,455	52
Derivative Instrument Assets (175)		1,003,795	53
(Less) Long-Term Portion of Derivative Instrument Assets (175)		0	54
Derivative Instrument Assets - Hedges (176)		0	55
(Less) Long-Term Portion of Derivative Instrument Assets - Hedges (176)		0	56
<b>Total Current and Accrued Assets</b>	<b>238,149,283</b>	<b>229,342,517</b>	
<b>DEFERRED DEBITS</b>			
Unamortized Debt Expenses (181)	476,710	549,519	57
Extraordinary Property Losses (182.1)		0	58
Unrecovered Plant and Regulatory Study Costs (182.2)		0	59
Other Regulatory Assets (182.3)	239,734,636	260,146,115	60
Prelim. Survey and Investigation Charges (Electric) (183)		0	61
Preliminary Natural Gas Survey and Investigation Charges (183.1)		0	62
Other Preliminary Survey and Investigation Charges (183.2)		0	63
Clearing Accounts (184)	289,859	211,359	64
Temporary Facilities (185)		0	65
Miscellaneous Deferred Debits (186)	191,424,803	174,515,866	66
Def. Losses from Disposition of Utility Plt. (187)		0	67
Research, Devel. And Demonstration Expend. (188)	0	0	68
Unamortized Loss on Reaquired Debt (189)		0	69
Accumulated Deferred Income Taxes (190)	27,750,186	19,963,336	70
Unrecovered Purchased Gas Costs (191)		0	71
<b>Total Deferred Debits</b>	<b>459,676,194</b>	<b>455,386,195</b>	
<b>Total Assets and Other Debits</b>	<b>1,412,286,349</b>	<b>1,360,733,406</b>	

**BALANCE SHEET**

Liabilities and Other Credits (a)	Balance End of Year (b)	Balance First of Year (c)	
<b>PROPRIETARY CAPITAL</b>			
Common Stock Issued (201)	9,000	9,000	72
Preferred Stock Issued (204)	0	0	73
Capital Stock Subscribed (202, 205)		0	74
Stock Liability for Conversion (203, 206)		0	75
Premium on Capital Stock (207)		0	76
Other Paid-In Capital (208-211)	689,296,147	688,950,078	77
Installments Received on Capital Stock (212)		0	78
(Less) Discount on Capital Stock (213)	0	0	79
(Less) Capital Stock Expense (214)	0	0	80
Retained Earnings (215, 215.1, 216)	(138,519,510)	(140,505,310)	81
Unappropriated Undistributed Subsidiary Earnings (216.1)		0	82
Less: Required Capital Stock (217)		0	83
Accumulated Other Comprehensive Income (219)		0	84
<b>Total Proprietary Capital</b>	<b>550,785,637</b>	<b>548,453,768</b>	
<b>LONG-TERM DEBT</b>			
Bonds (221)	260,000,000	260,000,000	85
(Less) Required Bonds (222)	0	0	86
Advances from Associated Companies (223)	0	0	87
Other Long-Term Debt (224)	0	0	88
Unamortized Premium on Long-Term Debt (225)	0	0	89
(Less) Unamortized Discount on Long-Term Debt-Debit (226)	1,305,391	1,434,704	90
<b>Total Long-Term Debt</b>	<b>258,694,609</b>	<b>258,565,296</b>	
<b>OTHER NONCURRENT LIABILITIES</b>			
Obligations Under Capital Leases - Noncurrent (227)		0	91
Accumulated Provision for Property Insurance (228.1)		0	92
Accumulated Provision for Injuries and Damages (228.2)	1,498,905	1,377,141	93
Accumulated Provision for Pensions and Benefits (228.3)	63,803,463	70,619,016	94
Accumulated Miscellaneous Operating Provisions (228.4)	31,350,432	16,730,893	95
Accumulated Provision for Rate Refunds (229)		0	96
Long-Term Portion of Derivative Instrument Liabilities (244)		0	97
Long-Term Portion of Derivative Instrument Liabilities - Hedges (245)		0	98
Asset Retirement Obligations (230)		0	99
<b>Total Other Noncurrent Liabilities</b>	<b>96,652,800</b>	<b>88,727,050</b>	
<b>CURRENT AND ACCRUED LIABILITIES</b>			
Notes Payable (231)	184,394,307	155,496,152	100
Accounts Payable (232)	58,063,000	58,142,903	101
Notes Payable to Associated Companies (233)	0	0	102
Accounts Payable to Associated Companies (234)	14,107,404	17,424,198	103
Customer Deposits (235)	0	0	104
Taxes Accrued (236)	3,168,062	13,461,441	105
Interest Accrued (237)	1,850,417	1,850,417	106
Dividends Declared (238)	0	0	107
Matured Long-Term Debt (239)	0	0	108
Matured Interest (240)	0	0	109
Tax Collections Payable (241)	1,300,208	1,055,157	110
Miscellaneous Current and Accrued Liabilities (242)	36,197,270	34,730,291	111
Obligations Under Capital Leases-Current (243)		0	112
Derivative Instrument Liabilities (244)	5,076,944	0	113

**BALANCE SHEET**

<b>Liabilities and Other Credits (a)</b>	<b>Balance End of Year (b)</b>	<b>Balance First of Year (c)</b>	
<b>CURRENT AND ACCRUED LIABILITIES</b>			
(Less) Long-Term Portion of Derivative Instrument Liabilities (244)		0	114
Derivative Instrument Liabilities - Hedges (245)		0	115
(Less) Long-Term Portion of Derivative Instrument Liabilities - Hedges (245)		0	116
<b>Total Current and Accrued Liabilities</b>	<b>304,157,612</b>	<b>282,160,559</b>	
<b>DEFERRED CREDITS</b>			
Customer Advances for Construction (252)	7,424,525	9,231,391	117
Accumulated Deferred Investment Tax Credits (255)	1,700,774	1,999,257	118
Deferred Gains from Disposition of Utility Plant (256)			119
Other Deferred Credits (253)	1,024,231	3,661,517	120
Other Regulatory Liabilities (254)	66,723,122	65,497,667	121
Unamortized Gain on Reaquired Debt (257)	0	0	122
Accumulated Deferred Income Taxes-Accel. Amort. (281)	0	0	123
Accumulated Deferred Income Taxes-Other Property (282)	18,275,905	(733,197)	124
Accumulated Deferred Income Taxes-Other (283)	106,847,134	103,170,098	125
<b>Total Deferred Credits</b>	<b>201,995,691</b>	<b>182,826,733</b>	
<b>Total Liabilities and Other Credits</b>	<b>1,412,286,349</b>	<b>1,360,733,406</b>	

## IMPORTANT CHANGES DURING THE YEAR

Give particulars (details) concerning the matters indicated below. Make the statements explicit and precise. Each inquiry should be answered. Enter "none," "not applicable," or "NA" where applicable. If information which answers an inquiry is given elsewhere in the report, make a reference to the schedule in which it appears.

1. Changes in and important additions to franchise rights: Describe the actual consideration given therefore and state from whom the franchise rights were acquired. If acquired without the payment of consideration, state that fact.

None

2. Acquisition of ownership in other companies by reorganization, merger, or consolidation with other companies: Give names of companies involved, particulars concerning the transactions, name of the Commission authorizing the transaction, and reference to Commission authorization.

None

3. Purchase or sale of an operating unit or system: Give a brief description of the property, and of the transactions relating thereto, and reference to Commission authorization, if any was required. Give date journal entries called for by the Uniform System of Accounts were submitted to the Commission.

None

4. Important leaseholds (other than leaseholds for natural gas lands) that have been acquired or given, assigned or surrendered: Give effective dates, lengths of terms, names of parties, rents, and other condition. State name of Commission authorizing lease and give reference to such authorization.

None

5. Important extension or reduction of transmission or distribution system: State territory added or relinquished and date operations began or ceased and give reference to Commission authorization, if any was required. State also the approximate number of customers added or lost and approximate annual revenues of each class of service. Each natural gas company must also state major new continuing sources of gas made available to it from purchases, development, purchase contract or otherwise, giving location and approximate total gas volumes available, period of contracts, and other parties to such arrangements, etc.

None

6. Obligations incurred as a result of issuance of securities or assumption of liabilities or guarantees including issuance of short-term debt and commercial paper having a maturity date of one year or less. Give reference to FERC or State Commission authorization, as appropriate, and the amount of obligation or guarantee.

Wisconsin Gas Company LLC issued commercial paper during 2010. An amount of \$184,400,000 was outstanding on December 31, 2010.

7. Changes in articles of incorporation or amendments to charter. Explain the nature and purpose of such changes or amendments.

There have been no changes to the Wisconsin Gas LLC Articles of Organization (Effective as of July 28, 2004) or Limited Liability Operating Agreement (As Amended and Restated March 1, 2005).

8. State the estimated annual effect and nature of any important wage scale changes during the year.

Local 2006 Unit 5 USW - 3.1% effective 1-01-2010 and 3.0% effective 11-01-2010  
 Local 2006 Unit 1 USW - 3.1% effective 1-01-2010  
 Local 2006 Unit 2 USW - 3.1% effective 1-01-2010  
 Local 2006 Unit 3 USW - 3.0% effective 3-01-2010

Management - No broad based salary increase

9. State briefly the status of any materially important legal proceedings pending at the end of the year, and the results of any such proceedings completed during the year.

None

10. Describe briefly any materially important transactions of the respondent not disclosed elsewhere in this report in which an officer, director, security holder, voting trustee, associated company or known associate of any of these persons was a party or in which any such person had a material interest.

No material transactions to report.

11. (Reserved)

12. If the important changes during the year relating to the respondent company appearing in the annual report to stockholders are applicable in every respect and furnish the data required by Instructions 1 to 11 above, such notes may be included on this page or in the Appendix.

Nothing to report

13. Describe fully any changes in officers, directors, major security holders and voting powers of the respondent that may have occurred during the reporting period.

Kristine Krause and Arthur Zintek both retired and are no longer officers of Wisconsin Gas LLC; Bruce Ramme was appointed as an officer of Wisconsin Gas LLC.

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## IMPORTANT CHANGES DURING THE YEAR

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Give particulars (details) concerning the matters indicated below. Make the statements explicit and precise. Each inquiry should be answered. Enter "none," "not applicable," or "NA" where applicable. If information which answers an inquiry is given elsewhere in the report, make a reference to the schedule in which it appears.

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14. In the event that the respondent participates in a cash management program(s) and its proprietary capital ratio is less than 30 percent please describe the significant events or transactions causing the proprietary capital ratio to be less than 30 percent, and the extent to which the respondent has amounts loaned or money advanced to its parent, subsidiary, or affiliated companies through a cash management program(s). Additionally, please describe plans, if any to regain at least a 30 percent proprietary ratio.

Not applicable

## STATEMENT OF RETAINED EARNINGS

1. Report all changes in appropriated retained earnings, unappropriated retained earnings, and unappropriated undistributed subsidiary earnings for the year.
2. Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436 - 439 inclusive). Show the contra primary account affected in column (b).
3. State the purpose and amount of each reservation or appropriation of retained earnings.
4. List first account 439, Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items in that order.
5. Show dividends for each class and series of capital stock.
6. Show separately the State and Federal income tax effect of items shown in account 439, Adjustments to Retained Earnings.
7. Explain in a footnote the basis for determining the amount reserved or appropriated. If such reservation or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated.

Item (a)	Contra Primary Account Affected (b)	Amount (c)	
<b>UNAPPROPRIATED RETAINED EARNINGS (Account 216)</b>			
Balance Beginning of Year		(140,505,310)	1
Changes			2
Adjustments to Retained Earnings (Account 439)			3
			4
			5
			6
			7
			8
<b>TOTAL Credits to Retained Earnings (Acct. 439)</b>			9
			10
			11
			12
			13
			14
<b>TOTAL Debits to Retained Earnings (Acct. 439)</b>			15
Balance Transferred from Income (Account 433 less Account 418.1)		34,985,800	16
Appropriations of Retained Earnings (Acct. 436)			17
			18
			19
			20
			21
<b>TOTAL Appropriations of Retained Earnings (Acct. 436)</b>			22
Dividends Declared-Preferred Stock (Account 437)			23
			24
			25
			26
			27
			28
<b>TOTAL Dividends Declared-Preferred Stock (Account 437)</b>			29
Dividends Declared-Common Stock (Account 438)			30
Quarterly Distribution		(33,000,000)	31
			32
			33
			34
			35
<b>TOTAL Dividends Declared-Common Stock (Account 438)</b>		<b>(33,000,000)</b>	<b>36</b>

## STATEMENT OF RETAINED EARNINGS

1. Report all changes in appropriated retained earnings, unappropriated retained earnings, and unappropriated undistributed subsidiary earnings for the year.
2. Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436 - 439 inclusive). Show the contra primary account affected in column (b).
3. State the purpose and amount of each reservation or appropriation of retained earnings.
4. List first account 439, Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items in that order.
5. Show dividends for each class and series of capital stock.
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7. Explain in a footnote the basis for determining the amount reserved or appropriated. If such reservation or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated.

Item (a)	Contra Primary Account Affected (b)	Amount (c)	
Transfers from Acct 216.1, Unapprop. Undistrib. Subsidiary Earnings	216.1		37
Balance - End of Year (Total 1, 9, 15, 16, 22, 29, 36, 37)		(138,519,510)	38
<b>APPROPRIATED RETAINED EARNINGS (Account 215)</b>			<b>39</b>
			40
			41
			42
			43
			44
<b>TOTAL Appropriated Retained Earnings (Account 215)</b>			<b>45</b>
<b>APPROP. RETAINED EARNINGS - AMORT. Reserve, Federal (Account 215.1)</b>			<b>46</b>
<b>TOTAL Approp. Retained Earnings-Amort. Reserve, Federal (Acct. 215.1)</b>			<b>47</b>
<b>TOTAL Approp. Retained Earnings (Acct. 215, 215.1) (Total 45, 46)</b>			<b>48</b>
<b>TOTAL Retained Earnings (Acct. 215, 215.1, 216) (Total 38, 47)</b>		<b>(138,519,510)</b>	<b>49</b>
<b>UNAPPROPRIATED UNDISTRIBUTED SUBSIDIARY EARNINGS (Account 216.1)</b>			<b>50</b>
Balance-Beginning of Year (Debit or Credit)			51
Equity in Earnings for Year (Credit) (Account 418.1)			52
Less: Dividends Received (Debit)			53
<b>Balance-End of Year (Total lines 49 thru 52)</b>			<b>53</b>

## STATEMENT OF CASH FLOWS

1. Codes to be used: (a) Net Proceeds or Payments; (b) Bonds, debentures and other long-term debt; (c) Include commercial paper; and (d) Identify separately such items as investments, fixed assets, intangibles, etc.
2. Information about noncash investing and financing activities must be provided in the Notes to the Financial statements. Also provide a reconciliation between "Cash and Cash Equivalents at End of Period" with related amounts on the Balance Sheet.
3. Operating Activities - Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show in the Notes to the Financials the amounts of interest paid (net of amount capitalized) and income taxes paid.
4. Investing Activities: Include at Other (line 31) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed in the Notes to the Financial Statements. Do not include on this statement the dollar amount of leases capitalized per the USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost.

Description (a)	Amount (b)	
<b>Net Cash Flow from Operating Activities:</b>		<b>1</b>
Net Income	34,985,801	2
Noncash Charges (Credits) to Income:		3
Depreciation and Depletion	35,182,100	4
Amortization (footnote details)	1,405,822 *	5
		6
		7
Deferred Income Taxes (Net)	13,501,351	8
Investment Tax Credit Adjustment (Net)	(298,483)	9
Net (Increase) Decrease in Receivables	1,987,630	10
Net (Increase) Decrease in Inventory	(699,867)	11
Net (Increase) Decrease in Allowances Inventory	0	12
Net Increase (Decrease) in Payables and Accrued Expenses	(5,651,712)	13
Net (Increase) Decrease in Other Regulatory Assets	24,915,430	14
Net (Increase) Decrease in Other Regulatory Liabilities	1,225,455	15
(Less) Allowance for Other Funds Used During Construction	116,509	16
(Less) Undistributed Earnings from Subsidiary Companies		17
Other (provide details in footnote):	(27,417,153) *	18
		19
		20
		21
<b>Net Cash Provided by (Used in) Operating Activities (Total 2 thru 21)</b>	<b>79,019,865</b>	<b>22</b>
		23
<b>Cash Flows from Investment Activities:</b>		<b>24</b>
Construction and Acquisition of Plant (including land):		25
Gross Additions to Utility Plant (less nuclear fuel)	(70,239,716)	26
Gross Additions to Nuclear Fuel		27
Gross Additions to Common Utility Plant		28
Gross Additions to Nonutility Plant		29
(Less) Allowance for Other Funds Used During Construction	49,628	30
Other (provide details in footnote):		31
		32
		33
<b>Cash Outflows for Plant (Total of lines 26 thru 33)</b>	<b>(70,289,344)</b>	<b>34</b>
		35
Acquisition of Other Noncurrent Assets (d)		36
Proceeds from Disposal of Noncurrent Assets (d)		37
		38

## STATEMENT OF CASH FLOWS

1. Codes to be used: (a) Net Proceeds or Payments; (b) Bonds, debentures and other long-term debt; (c) Include commercial paper; and (d) Identify separately such items as investments, fixed assets, intangibles, etc.
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4. Investing Activities: Include at Other (line 31) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed in the Notes to the Financial Statements. Do not include on this statement the dollar amount of leases capitalized per the USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost.

Description (a)	Amount (b)	
Investments in and Advances to Assoc. and Subsidiary Companies		39
Contributions and Advances from Assoc. and Subsidiary Companies		40
Disposition of Investments in (and Advances to)		41
Associated and Subsidiary Companies		42
		43
Purchase of Investment Securities (a)		44
Proceeds from Sales of Investment Securities (a)		45
Loans Made or Purchased		46
Collections on Loans		47
		48
Net (Increase) Decrease in Receivables		49
Net (Increase ) Decrease in Inventory		50
Net (Increase) Decrease in Allowances Held for Speculation		51
Net Increase (Decrease) in Payables and Accrued Expenses		52
Other (provide details in footnote):	(4,816,816)	* 53
		54
		55
<b>Net Cash Provided by (Used in) Investing Activities</b>		<b>56</b>
<b>Total of lines 34 thru 55)</b>	<b>(75,106,160)</b>	<b>57</b>
		58
<b>Cash Flows from Financing Activities:</b>		<b>59</b>
Proceeds from Issuance of:		60
Long-Term Debt (b)		61
Preferred Stock		62
Common Stock		63
Other (provide details in footnote):		64
		65
Net Increase in Short-Term Debt (c)	28,898,155	66
Other (provide details in footnote):	228,094	* 67
		68
		69
<b>Cash Provided by Outside Sources (Total 61 thru 69)</b>	<b>29,126,249</b>	<b>70</b>
		71
<b>Payments for Retirement of:</b>		<b>72</b>
Long-term Debt (b)		73
Preferred Stock		74
Common Stock		75
Other (provide details in footnote):		76
Distributions to Wisconsin Energy	(33,000,000)	77

## STATEMENT OF CASH FLOWS

1. Codes to be used: (a) Net Proceeds or Payments; (b) Bonds, debentures and other long-term debt; (c) Include commercial paper; and (d) Identify separately such items as investments, fixed assets, intangibles, etc.
2. Information about noncash investing and financing activities must be provided in the Notes to the Financial statements. Also provide a reconciliation between "Cash and Cash Equivalents at End of Period" with related amounts on the Balance Sheet.
3. Operating Activities - Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show in the Notes to the Financials the amounts of interest paid (net of amount capitalized) and income taxes paid.
4. Investing Activities: Include at Other (line 31) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed in the Notes to the Financial Statements. Do not include on this statement the dollar amount of leases capitalized per the USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost.

Description (a)	Amount (b)	
Net Decrease in Short-Term Debt (c)		78
Dividends on Preferred Stock		79
Dividends on Common Stock		81
<b>Net Cash Provided by (Used in) Financing Activities</b>		<b>82</b>
<b>(Total of lines 70 thru 81)</b>	<b>(3,873,751)</b>	<b>83</b>
		<b>84</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>		<b>85</b>
<b>(Total of lines 22, 57 and 83)</b>	<b>39,954</b>	<b>86</b>
		<b>87</b>
Cash and Cash Equivalents at Beginning of Year	96,888	<b>88</b>
		<b>89</b>
Cash and Cash Equivalents at End of Year	136,842	<b>90</b>

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## STATEMENT OF CASH FLOWS

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### Statement of Cash Flows (Page F-07)

#### General footnotes

Amortization of includes the following:

Clearing account depreciation	\$ 1,203,700
Debt premium, discount and expense	202,122
	-----
	\$ 1,405,822

Other Operating Activities include the following:

Other current assets	(\$17,131,747)
Other deferred liabilities	(9,520,001)
Prepaid and accrued taxes	(4,220,000)
Other deferred assets	(1,074,577)
Refundable gas costs	4,037,662
Net pension and other postretirement benefits	1,475,120
Other	(983,610)
	-----
Sub-total	\$ (27,417,153)

Other Investing Activities Include the Following:

Gross removal	\$ (2,781,000)
Customer advances for construction	(1,806,866)
Cash surrender value	(504,550)
Gross salvage	253,800
Land retirements	21,800
	-----
	\$ (4,816,816)

The cash inflows from other financing activities of \$228,094 reflects the excess tax benefits realized from stock option exercises during the year.

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## STATEMENTS OF ACCUMULATED COMPREHENSIVE INCOME, COMPREHENSIVE INCOME, AND HEDGING ACTIVITIES

1. Report in columns (b) (c) and (e) the amounts of accumulated other comprehensive income items, on a net-of-tax basis, where appropriate.
2. Report in columns (f) and (g) the amounts of other categories of other cash flow hedges.
3. For each category of hedges that have been accounted for as "fair value hedges," report the accounts affected and the related amounts in a footnote.

Item (a)	Unrealized Gains and Losses on Available-for-Sale Securities (b)	Minimum Pension Liability Adjustment (net amount) (c)	Foreign Currency Hedges (d)	
Balance of Account 219 at Beginning of Preceding Year	0	0	0	1
Preceding Year Reclassification from Account 219 to Net Income	0	0	0	2
Preceding Year Changes in Fair Value	0	0	0	3
Total (lines 2 and 3)	<b>0</b>	<b>0</b>	<b>0</b>	<b>4</b>
Balance of Account 219 at End of Preceding Year	<b>0</b>	<b>0</b>	<b>0</b>	<b>5</b>
Balance of Account 219 at Beginning of Current Year	0	0	0	6
Current Year Reclassifications from Account 219 to Net Income				7
Current Year Changes in Fair Value				8
Total (lines 7 and 8)	<b>0</b>	<b>0</b>	<b>0</b>	<b>9</b>
Balance of Account 219 at End of Current Year	<b>0</b>	<b>0</b>	<b>0</b>	<b>10</b>

**STATEMENTS OF ACCUMULATED COMPREHENSIVE INCOME, COMPREHENSIVE INCOME, AND HEDGING ACTIVITIES (cont.)**

Other Adjustments (e)	Other Cash Flow Hedges (Financial Swaps for Gas) (f)	Other Cash Flow Hedges (Specify in Footnote) (g)	Totals for each category of items recorded in Account 219 (h)	Net Income (i)	Total Comprehensive Income (j)	
0	0	0	0			1
0	0	0	0			2
0	0	0	0			3
<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>42,118,391</b>	<b>42,118,391</b>	4
<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>			5
0	0	0	0			6
			0			7
			0			8
<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	34,985,801	34,985,801	9
<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>			10

## RETURN ON COMMON EQUITY AND COMMON STOCK EQUITY PLUS ITC COMPUTATIONS

1. Report data on a corporate basis only; not a consolidated basis.
2. If you file monthly rate of return forms with the PSC, use the same method for completing this form.
3. Use the average of the 12 monthly averages when computing average common equity.
4. If monthly averages are not available, use average of first of year and end of year.

Description (a)	Common Equity (b)	Common Equity Plus ITC (c)	
<b>Average Common Equity</b>			
Common Stock Outstanding	9,000	9,000	1
Premium on Capital Stock	based on monthly 689,099,351	689,099,351	2
Capital Stock Expense	averages if available		3
Retained Earnings	(137,527,650)	(137,527,650)	4
Deferred Investment Tax Credit		1,055,500	5
(Only common equity portion if Form PSC-AF6 is filed on monthly basis with the Commission)			
<b>Other (Specify):</b>			
NONE			6
<b>Average Common Stock Equity</b>	<b>551,580,701</b>	<b>552,636,201</b>	
<b>Net Income</b>			
<b>Add:</b>			
Net Income (or Loss)	34,985,801	34,985,801	7
<b>Other (Specify):</b>			
NONE			8
<b>Less:</b>			
Preferred Dividends			9
<b>Other (Specify):</b>			
(If Form PSC-AF6 is filed with the Commission, net income must be reduced by that portion of net income representing debt cost of deferred investment tax credit as shown on the form.)			
DEFERRED ITC - AS NOTED ABOVE		29,906	10
<b>Adjusted Net Income (Loss)</b>	<b>34,985,801</b>	<b>34,955,895</b>	
<b>Percent Return on Common Stock Equity</b>	<b>6.34%</b>	<b>6.33%</b>	

## RETURN ON RATE BASE COMPUTATION

1. Report data on a corporate basis only; not a consolidated basis.
2. The data used in calculating average rate base are based on monthly averages, if available.
3. If you file monthly rate of return forms (PSC-AF4) with the PSC, use the same method for completing this schedule.
4. If monthly averages are not available, use average of the first-of-year and the end-of-year figures for each account.
5. Do not include property held for future use or construction work in progress with utility plant in service.  
These are not rate base components.

Average Rate Base (a)	Electric (b)	Gas (c)	Water (d)	Other (e)	Total (f)	
<b>Add Average:</b>						
Utility Plant in Service		1,348,051,011			1,348,051,011	1
Allocation of Common Plant					0	2
Completed Construction Not Classified					0	3
Gas Stored Underground					0	4
Nuclear Fuel					0	5
Materials and Supplies		51,306,793			51,306,793	6
<b>Other (Specify):</b>						
ACCUMULATED DEFERRED INCOME TAXES		3,249,723			3,249,723	7
<b>Less Average:</b>						
Reserve for Depreciation		742,770,745			742,770,745	8
Amortization Reserves					0	9
Customer Advances for Construction		8,096,982			8,096,982	10
Contribution in Aid of Construction					0	11
Accumulated Deferred Income Taxes		80,779,673			80,779,673	12
<b>Other (Specify):</b>						
NONE					0	13
<b>Average Net Rate Base</b>	<b>0</b>	<b>570,960,127</b>	<b>0</b>	<b>0</b>	<b>570,960,127</b>	
Total Operating Income (or Loss)	0	50,244,666	0		50,244,666	14
<b>Less (Specify):</b>						
NONE					0	15
<b>Adjusted Operating Income</b>	<b>0</b>	<b>50,244,666</b>	<b>0</b>	<b>0</b>	<b>50,244,666</b>	
<b>Adjusted Operating Income as a percent of</b>						
<b>Average Net Rate Base</b>	<b>N/A</b>	<b>8.80%</b>	<b>N/A</b>	<b>N/A</b>	<b>8.80%</b>	

## REVENUES SUBJECT TO WISCONSIN REMAINDER ASSESSMENT

1. Report data necessary to calculate revenue subject to Wisconsin remainder assessment.
2. Wholesale and retail out-of-state energy and water sales revenues are considered assessable due to the strong nexus to Wisconsin founded on the location of the generation facilities in the state and significant regulatory oversight by the Commission.
3. Exclude retail out-of-state energy sales where energy is both produced and sold out-of-state.

Description (a)	Electric Utility (b)	Gas Utility (c)	Water Utility (d)	Other Utility (e)	Total (f)	
Operating revenues	0	708,583,756	0		708,583,756	1
Less: out-of-state operating revenues					0	2
Less: in-state interdepartmental sales					0	3
Less: current year write-offs of uncollectible accounts (Wisconsin utility customers only)		45,672,150			45,672,150	4
Plus: current year collection of Wisconsin utility customer accounts previously written off		22,483,480			22,483,480	5
<b>Other Increases or (Decreases) to Operating Revenues - Specify:</b>						
NONE					0	6
<b>Revenues subject to Wisconsin</b>						
<b>Remainder Assessment</b>	<b>0</b>	<b>685,395,086</b>	<b>0</b>	<b>0</b>	<b>685,395,086</b>	

## AFFILIATED INTEREST TRANSACTIONS

**Intercompany Transactions from utility to Wisconsin Electric Power Company**

Department (a)	Hours Paid (b)	Total Costs (including Overheads) (c)	Total Billing (d)	Markup for Fair Market Value (e)	
<b>Other</b>					
Total Labor and Non-Labor	0	19,363,034	19,363,034	0	1
<b>Total Other</b>	<b>0</b>	<b>19,363,034</b>	<b>19,363,034</b>	<b>0</b>	
<b>Total:</b>	<b>0</b>	<b>19,363,034</b>	<b>19,363,034</b>	<b>0</b>	

## AFFILIATED INTEREST TRANSACTIONS

**Intercompany Transactions to utility from SSS Holdings, LLC**

Department (a)	Hours Paid (b)	Total Costs (including Overheads) (c)	Total Billing (d)	Markup for Fair Market Value (e)	
<b>Other</b>					
Vouchers	0	18,833	18,833	0	2
<b>Total Other</b>	<b>0</b>	<b>18,833</b>	<b>18,833</b>	<b>0</b>	
<b>Total:</b>	<b>0</b>	<b>18,833</b>	<b>18,833</b>	<b>0</b>	

## AFFILIATED INTEREST TRANSACTIONS

**Intercompany Transactions to utility from Wisconsin Electric Power Company**

Department (a)	Hours Paid (b)	Total Costs (including Overheads) (c)	Total Billing (d)	Markup for Fair Market Value (e)	
<b>Other</b>					
Total Labor and Non-Labor	0	84,175,619	84,175,619	0	3
<b>Total Other</b>	<b>0</b>	<b>84,175,619</b>	<b>84,175,619</b>	<b>0</b>	
<b>Total:</b>	<b>0</b>	<b>84,175,619</b>	<b>84,175,619</b>	<b>0</b>	

## AFFILIATED INTEREST TRANSACTIONS

### Intercompany Transactions to utility from Wisconsin Energy Corporation

Department (a)	Hours Paid (b)	Total Costs (including Overheads) (c)	Total Billing (d)	Markup for Fair Market Value (e)	
<b>Other</b>					
Services Provided Under Article VIII				0	4
General & Administrative	0	480,719	480,719	0	5
Consolidated Accounting Information-General	0	40,826	40,826	0	6
Stockholder-Annual Meeting	0	27,274	27,274	0	7
Stockholder-Reports	0	14,923	14,923	0	8
Common Stock Plans	0	279	279	0	9
Proxy Operations	0	62,753	62,753	0	10
Stock Fees & Related Expenses	0	35	35	0	11
Stock Transfer Office Operations	0	66,100	66,100	0	12
Investor Relations	0	53,550	53,550	0	13
Board of Directors' Activities	0	264,245	264,245	0	14
Corporate Secretary-Administrative	0	6,744	6,744	0	15
SEC-Reports & Filings	0	86,464	86,464	0	16
Communications	0	1,198	1,198	0	17
Sarbanes-Oxley	0	10,632	10,632	0	18
				0	19
Services Provided Other Than Under Article VIII				0	20
Vouchers	0	566,378	566,378	0	21
Other	0	1,200,830	1,200,830	0	22
<b>Total Other</b>	<b>0</b>	<b>2,882,950</b>	<b>2,882,950</b>	<b>0</b>	
<b>Total:</b>	<b>0</b>	<b>2,882,950</b>	<b>2,882,950</b>	<b>0</b>	

## SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION

Classification (a)	Total (b)	Electric (c)	
			1
<b>Utility Plant in Service</b>			2
Plant in Service(101,101.1)/Unclassified Completed Construction(106,major only)	1,379,969,522	0	3
Property Under Capital Leases	0		4
Plant Purchased or Sold	0		5
Completed Construction not Classified	0		6
Experimental Plant Unclassified	0		7
<b>Total In Service</b>	<b>1,379,969,522</b>	<b>0</b>	<b>8</b>
Leased to Others	0		9
Held for Future Use	0	0	10
Construction Work in Progress	3,689,412		11
Acquisition Adjustments	0		12
<b>Total Utility Plant</b>	<b>1,383,658,934</b>	<b>0</b>	<b>13</b>
Accum Prov for Depr, Amort, & Depl	0		14
<b>Net Utility Plant</b>	<b>1,383,658,934</b>	<b>0</b>	<b>15</b>
			16
<b>Detail of Accum Prov for Depr, Amort &amp; Depl in Service</b>			<b>17</b>
Depreciation	751,971,169	0	18
Amort & Depl of Producing Nat Gas Land/land Right	0		19
Amort of Underground Storage Land/Land Rights	0		20
Amort of Other Utility Plant	236,153	0	21
<b>Total In Service</b>	<b>752,207,322</b>	<b>0</b>	<b>22</b>
<b>Leased to Others</b>			<b>23</b>
Depreciation	0		24
Amortization and Depletion	0		25
<b>Total Leased to Others</b>	<b>0</b>	<b>0</b>	<b>26</b>
<b>Held for Future Use</b>			<b>27</b>
Depreciation	0		28
Amortization	0		29
<b>Total Held for Future Use</b>	<b>0</b>	<b>0</b>	<b>30</b>
Abandonment of Leases (Natural Gas)	0		31
Amort of Plant Acquisition Adj	0		32
<b>Total Accum Prov</b>	<b>752,207,322</b>	<b>0</b>	<b>33</b>

**SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION (cont.)**

Gas (d)	Other (Specify) (e)	Other (Specify) (f)	Other (Specify) (g)	Common (h)	
					1
					2
1,379,969,522					3
					4
					5
					6
					7
<b>1,379,969,522</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	8
					9
0					10
3,689,412					11
					12
<b>1,383,658,934</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	13
					14
<b>1,383,658,934</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	15
					16
					17
751,971,169					18
					19
					20
236,153					21
<b>752,207,322</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	22
					23
					24
					25
<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	26
					27
					28
					29
<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	30
					31
					32
<b>752,207,322</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	33

**UTILITY PLANT HELD FOR FUTURE USE (ACCOUNT 105)**

Description and Location of Property (a)	Date Originally Included in This Account (b)	Date Expected to Be Used in Utility Service (c)	Balance at End of Year (d)
<b>Gas</b>			
NONE			1
			<u>0</u>
<b>Total</b>			<u><u>0</u></u>

## CONSTRUCTION WORK IN PROGRESS (ACCT. 107)

1. Report below descriptions and balances at beginning and end of year of projects in process of construction (107).
2. Minor projects under \$1,000,000 major and under \$500,000 nonmajor should be grouped by utility department and function.

Project Description (a)	Balance First of Year (b)	Balance End of Year (c)	
<b>Electric</b>			
NONE	0	0	1
<b>Subtotal - Electric:</b>		<b>0</b>	<b>0</b>
<b>Gas</b>			
Transmission Plant	2,712	0	2
Distribution Plant	2,970,802	2,781,631	3
General Plant	611,696	907,781	4
Production Plant	0	0	5
<b>Subtotal - Gas:</b>		<b>3,585,210</b>	<b>3,689,412</b>
<b>Water</b>			
NONE	0	0	6
<b>Subtotal - Water:</b>		<b>0</b>	<b>0</b>
<b>Steam</b>			
NONE	0	0	7
<b>Subtotal - Steam:</b>		<b>0</b>	<b>0</b>
<b>Common</b>			
	0	0	8
<b>Subtotal - Unknown:</b>		<b>0</b>	<b>0</b>
<b>Other</b>			
NONE	0	0	9
<b>Subtotal - Other:</b>		<b>0</b>	<b>0</b>
<b>Total:</b>		<b>3,585,210</b>	<b>3,689,412</b>

### CONSTRUCTION ACTIVITY FOR YEAR

Report below the total overheads and the total direct cost of construction for the year. Projects under \$1,000,000 for major utilities and \$500,000 for nonmajor utilities should be grouped by utility department and function.

Project Description (a)	Direct Charges				
	Company Labor (b)	Company Materials (c)	Contractor Payments (d)	Other (e)	
<b>Electric</b>					
NONE					1
<b>Subtotal Electric:</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>% of Subtotal Direct Charges:</b>					
<b>Gas</b>					
FOX VALLEY LATERAL	1,344	3,315	109	(5,373)	2
WEST BEND HARTFORD LATERAL	1,582	0	(73,733)	235,624	3
TRANSMISSION PLANT	399	5,457	13,974	194	4
DISTRIBUTION PLANT	8,587,296	17,845,550	29,275,708	(550,930)	5
GENERAL PLANT	249,245	2,854,494	1,653,118	(20,351)	6
<b>Subtotal Gas:</b>		<b>8,839,866</b>	<b>20,708,816</b>	<b>30,869,176</b>	<b>(340,836)</b>
<b>% of Subtotal Direct Charges:</b>					
<b>Water</b>					
NONE					7
<b>Subtotal Water:</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>% of Subtotal Direct Charges:</b>					
<b>Steam</b>					
NONE					8
<b>Subtotal Steam:</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>% of Subtotal Direct Charges:</b>					
<b>Common</b>					
NONE					9
<b>Subtotal Common:</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>% of Subtotal Direct Charges:</b>					
<b>Other</b>					
NONE					10
<b>Subtotal Other:</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>% of Subtotal Direct Charges:</b>					
<b>Grand Totals:</b>		<b>8,839,866</b>	<b>20,708,816</b>	<b>30,869,176</b>	<b>(340,836)</b>
<b>% of Total Direct Charges:</b>					

### CONSTRUCTION ACTIVITY FOR YEAR (cont.)

Total Direct Charges (f)	Overheads				Total Direct Charges and Overheads (k)	
	Engineering & Supervision (g)	Administration & General (h)	Allowance for Funds Used (i)	Taxes & Other (j)		
0					0	1
0	0	0	0	0	0	
(605)	0	67	0	554	16	2
163,473	0	1,644	0	652	165,769	3
20,024	0	506	615	164	21,309	4
55,157,624	3,790,462	2,547,356	132,721	3,537,107	65,165,270	5
4,736,506	0	110,822	32,800	102,664	4,982,792	6
60,077,022	3,790,462	2,660,395	166,136	3,641,141	70,335,156	
	6.31%	4.43%	0.28%	6.06%		
0					0	7
0	0	0	0	0	0	
0					0	8
0	0	0	0	0	0	
0					0	9
0	0	0	0	0	0	
0					0	10
0	0	0	0	0	0	
60,077,022	3,790,462	2,660,395	166,136	3,641,141	70,335,156	
	6.31%	4.43%	0.28%	6.06%		

## CONSTRUCTION COMPLETED DURING YEAR

Report below the total cost of completed construction projects cleared from account 107 during the year. Projects under \$1,000,000 for major utilities and \$500,000 for nonmajor utilities should be grouped by utility department and function.

Project Description (a)	Direct Charges				
	Company Labor (b)	Company Materials (c)	Contractor Payments (d)	Other (e)	
<b>Electric</b>					
NONE					1
<b>Subtotal Electric:</b>	0	0	0	0	
<b>% of Subtotal Direct Charges:</b>					
<b>Gas</b>					
FOX VALLEY LATERAL	1,344	3,315	109	(5,373)	2
WEST BEND HARTFORD LATERAL	1,582	0	(73,733)	235,624	3
TRANSMISSION PLANT	1,134	7,026	13,974	194	4
DISTRIBUTION PLANT	8,593,384	17,729,101	29,282,829	(523,752)	5
GENERAL PLANT	251,491	2,853,703	1,383,442	(17,680)	6
<b>Subtotal Gas:</b>	<b>8,848,935</b>	<b>20,593,145</b>	<b>30,606,621</b>	<b>(310,987)</b>	
<b>% of Subtotal Direct Charges:</b>					
<b>Water</b>					
NONE					7
<b>Subtotal Water:</b>	0	0	0	0	
<b>% of Subtotal Direct Charges:</b>					
<b>Steam</b>					
NONE					8
<b>Subtotal Steam:</b>	0	0	0	0	
<b>% of Subtotal Direct Charges:</b>					
<b>Common</b>					
NONE					9
<b>Subtotal Common:</b>	0	0	0	0	
<b>% of Subtotal Direct Charges:</b>					
<b>Other</b>					
NONE					10
<b>Subtotal Other:</b>	0	0	0	0	
<b>% of Subtotal Direct Charges:</b>					
<b>Grand Totals:</b>	<b>8,848,935</b>	<b>20,593,145</b>	<b>30,606,621</b>	<b>(310,987)</b>	
<b>% of Total Direct Charges:</b>					

### CONSTRUCTION COMPLETED DURING YEAR (cont.)

Total Direct Charges (f)	Overheads				Total Direct Charges and Overheads (k)	
	Engineering & Supervision (g)	Administration & General (h)	Allowance for Funds Used (i)	Taxes & Other (j)		
0					0	1
0	0	0	0	0	0	
(605)	0	67	0	554	16	2
163,473	0	1,644	0	652	165,769	3
22,328	0	610	617	467	24,022	4
55,081,562	3,994,334	2,586,273	152,655	3,539,615	65,354,439	5
4,470,956	0	108,513	3,651	103,589	4,686,709	6
59,737,714	3,994,334	2,697,107	156,923	3,644,877	70,230,955	
	6.69%	4.51%	0.26%	6.10%		
0					0	7
0	0	0	0	0	0	
0					0	8
0	0	0	0	0	0	
0					0	9
0	0	0	0	0	0	
0					0	10
0	0	0	0	0	0	
59,737,714	3,994,334	2,697,107	156,923	3,644,877	70,230,955	
	6.69%	4.51%	0.26%	6.10%		

**INVESTMENTS AND FUNDS (ACCTS. 123-128, INCL.)**

1. Report with separate descriptions for each amount, the securities owned by the utility; include date of issue and date of maturity in description of any debt securities owned.
2. Designate any securities pledged and explain purpose of pledge in footnote.
3. Investments less than \$1,000 may be grouped by classes.
4. Report separately each fund account showing nature of assets included therein and list any securities included in fund accounts.

Description (a)	Date Acquired (b)	Maturity Date (c)
<b>Acct. 123 - Investment in Associated Companies</b>		1
<b>Acct. 123.1 - Investment in Subsidiary Companies</b>		2
<b>Acct. 124 - Other Investments</b>		3
<b>Acct. 125 - Sinking Funds</b>		4
<b>Acct. 126 - Depreciation Fund</b>		5
<b>Acct. 127 - Amortization Fund - Federal</b>		6
<b>Acct. 128 - Other Special Funds</b>		
CSV Keyman Life Insurance		7

**INVESTMENTS AND FUNDS (ACCTS. 123-128, INCL.) (cont.)**

	Amount of Investment at Beginning Of Year (d)	Equity in Subsidiary Earnings Of Year (e)	Revenues For Year (f)	Amount of Investment at End Of Year (g)	Gain or Loss From Investment Disposed Of (h)	
<b>Acct. 123 - Investment in Associated Companies</b>						
				0		1
<b>Acct. 123 Subtotal:</b>	0	0	0	0	0	
<b>Acct. 123.1 - Investment in Subsidiary Companies</b>						
				0		2
<b>Acct. 123.1 Subtotal:</b>	0	0	0	0	0	
<b>Acct. 124 - Other Investments</b>						
				0		3
<b>Acct. 124 Subtotal:</b>	0	0	0	0	0	
<b>Acct. 125 - Sinking Funds</b>						
				0		4
<b>Acct. 125 Subtotal:</b>	0	0	0	0	0	
<b>Acct. 126 - Depreciation Fund</b>						
				0		5
<b>Acct. 126 Subtotal:</b>	0	0	0	0	0	
<b>Acct. 127 - Amortization Fund - Federal</b>						
				0		6
<b>Acct. 127 Subtotal:</b>	0	0	0	0	0	
<b>Acct. 128 - Other Special Funds</b>						
	14,108,115		504,549	14,612,664		7
<b>Acct. 128 Subtotal:</b>	14,108,115	0	504,549	14,612,664	0	
<b>Total:</b>	14,108,115	0	504,549	14,612,664	0	

**ACCOUNTS RECEIVABLE (ACCTS. 142-143)**

Particulars (a)	Amount End of Year (b)	
<b>Customer Accounts Receivable (142)</b>		
Electric department		1
Gas department	88,680,224	2
Water department		3
Steam department		4
Other	15,506,554 *	5
	<b>Total Utility Service:</b>	<b>104,186,778</b>
Merchandising, jobbing and contract work		6
Other		7
	<b>Total (Acct. 142):</b>	<b>104,186,778</b>
<b>Other Accounts Receivable (143)</b>		
Officers and employees	269,725	8
Subscriptions to capital stock		9
<b>All other (list separately items in excess of \$250,000; group remaining items as Miscellaneous):</b>		
Gas Capacity Sales	1,223,673	10
Contributions in Aid of Construction - Main Extension	1,414,675	11
Miscellaneous	78,702	12
	<b>Total (Acct. 143):</b>	<b>2,986,775</b>

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## ACCOUNTS RECEIVABLE (ACCTS. 142-143)

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### Accounts Receivable (Accts. 142-143) (Page F-24)

Explain any non-zero amounts under "Other," line 5.

Reclass of credit balance mainly from Budget Billing.

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## ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS - CR (ACCT. 144)

Particulars (a)	Electric Utility Customers (b)	Gas Utility Customers (c)	Water Utility Customers (d)	Steam Utility Customers (e)	Other Utility Customers (f)	
Balance First of Year	0	26,166,972	175,118	0	0	1
<b>Add: provision for uncollectibles during year</b>						
Provision for uncollectibles during year		20,814,536				2
Collection of accts prev written off: Utility Customers		22,483,480				3
Other credits (explain in footnotes)			(175,118)			* 4
<b>Total Credits:</b>	<b>0</b>	<b>43,298,016</b>	<b>(175,118)</b>	<b>0</b>	<b>0</b>	
<b>Less: Accounts written off</b>						
Accounts written off during the year: Utility Customers		45,672,150				5
Other debits (explain in footnotes)						6
<b>Total Debits:</b>	<b>0</b>	<b>45,672,150</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Balance End of Year:</b>	<b>0</b>	<b>23,792,838</b>	<b>0</b>	<b>0</b>	<b>0</b>	

Particulars (a)	Total Utility Customers (g)	Officers & Employees (h)	Other (i)	Total (j)	
Balance First of Year	26,342,090	0	0	26,342,090	1
<b>Add: provision for uncollectibles during year</b>					
Provision for uncollectibles during year	20,814,536			20,814,536	2
Collection of accts prev written off: Utility Customers	22,483,480			22,483,480	3
Other credits (explain in footnotes)	(175,118)			(175,118)	* 4
<b>Total Credits:</b>	<b>43,122,898</b>	<b>0</b>	<b>0</b>	<b>43,122,898</b>	
<b>Less: Accounts written off</b>					
Accounts written off during the year: Utility Customers	45,672,150			45,672,150	5
Other debits (explain in footnotes)	0			0	6
<b>Total Debits:</b>	<b>45,672,150</b>	<b>0</b>	<b>0</b>	<b>45,672,150</b>	
<b>Balance End of Year:</b>	<b>23,792,838</b>	<b>0</b>	<b>0</b>	<b>23,792,838</b>	
<b>Loss on Wisconsin utility accounts</b>					
Accounts written off	0			45,672,150	7
Collection of such accounts	0			22,483,480	8
<b>Net Loss:</b>				<b>23,188,670</b>	

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## ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS - CR (ACCT. 144)

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Accumulated Provision for Uncollectible Accounts - CR (Acct. 144) (Page F-25)

Explain any non-zero amounts under "Other credits," line 4

To close the Water Customer A/R and Allowance account.

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### NOTES RECEIVABLE FROM ASSOCIATED COMPANIES (ACCT. 145)

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Name of Company (a)	Issue Date (b)	Maturity Date (c)	Interest Rate (d)	Amount End of Year (e)	1
NONE					
			Total:	<u>0</u>	

## MATERIALS AND SUPPLIES (ACCTS. 151-157, 163)

1. For Account 154, report the amount of plant materials and operating supplies under the primary functional classifications as indicated in column (a); estimates for amounts by function are acceptable. In column (d), designate the departments which use the class of material.
2. Give an explanation of important inventory adjustments during the year (in a footnote) showing general classes of material and supplies and the various accounts (operating systems, clearing accounts, plant, etc.) affected debited or credited. Show separately debit or credits to stores expense clearing, if applicable.

Account (a)	Balance First of Year (b)	Balance End of Year (c)	Department or Departments which Use Material (d)	
Fuel Stock (Account 151)	102,455	98,205	Gas	1
Fuel Stock Expenses Undistributed (Account 152)	0	0		2
Residuals and Extracted Products (Account 153)	0	0		3
<b>Plant Materials and Operating Supplies (Account 154)</b>				<b>4</b>
Assigned to Construction (Estimated)	3,296,273	3,048,313	Gas	5
Assigned to Operations and Maintenance	0			6
Production Plant (Estimated)	0			7
Transmission Plant (Estimated)	0			8
Distribution Plant (Estimated)	827,161	764,938	Gas	9
<b>Other Account 154 (specify):</b>				
	0		Gas	10
	0			11
	0			12
	0			13
	0			14
<b>Total Account 154:</b>	<b>4,123,434</b>	<b>3,813,251</b>		
Merchandise (Account 155)	20,464	20,434	Gas	15
Other Materials and Supplies (Account 156)	0	0		16
Nuclear Materials Held for Sale (Account 157)	0	0		17
Stores Expense Undistributed (Account 163)	299,497	390,000	Gas	18
<b>Total Materials and Supplies:</b>	<b>4,545,850</b>	<b>4,321,890</b>		

## ALLOWANCES (ACCOUNTS 158.1 AND 158.2)

1. Report below the particulars (details) called for concerning allowances.
2. Report all acquisitions of allowances at cost.
3. Report allowances in accordance with a weighted average cost allocation method and other accounting as prescribed by General Instruction No. 21 in the Uniform System of Accounts.
4. Report the allowances transactions by the period they are first eligible for use: the current year's allowances in columns (b)-(c), allowances for the three succeeding years in columns (d)-(i), starting with the following year, and allowances for the remaining succeeding years in columns (j)-(k).
5. Report on Line 2 the Environmental Protection Agency (EPA) issued allowances. Report withheld portions Lines 21-25.

Activity (a)	2010		2011		
	No. (b)	Amt. (c)	No. (d)	Amt. (e)	
<b>Allowances Inventory (Account 158.1)</b>					
<b>Transactions:</b>					
Balance-Beginning of Year					1
<b>Acquired During Year:</b>					
Issued (Less Withheld Allow)					2
Returned by EPA					3
<b>Purchases/Transfers:</b>					
					4
					5
					6
					7
					8
					9
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Relinquished During Year:</b>					
Charges to Account 509					10
					11
<b>Cost of Sales/Transfers:</b>					
					12
					13
					14
					15
					16
					17
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Balance-End of Year</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Sales:</b>					
Net Sales Proceeds (Assoc. Co.)					18
Net Sales Proceeds (Other)					19
Gains					20
Losses					21
<b>Allowances Withheld (Account 158.2)</b>					
<b>Transactions:</b>					
Balance-Beginning of Year					22
Add: Withheld by EPA					23
Deduct: Returned by EPA					24
Cost of Sales					25
<b>Balance-End of Year</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Sales:</b>					
Net Sales Proceeds (Assoc. Co.)					26
Net Sales Proceeds (Other)					27
Gains					28
Losses					29

### ALLOWANCES (ACCOUNTS 158.1 AND 158.2) (cont.)

6. Report on Line 3 allowances returned by the EPA. Report on Line 25 the EPA's sales of the withheld allowances. Report on Lines 26-29 the net sales proceeds and gains/losses resulting from the EPA's sale or auction of the withheld allowances.
7. Report on Lines 4-9 the names of the vendors/transferrers of allowances acquired and identify associated companies (See "associated company" under "Definitions" in the Uniform System of Accounts).
8. Report on Lines 12-17 the name of purchasers/transferees of allowances disposed of and identify associated companies.
9. Report the net costs and benefits of hedging transactions on a separate line under purchases/transfers and sales/transfers.
10. Report on Lines 18-21 and 26-29 the net sales proceeds and gains or losses from allowance sales.

2012		2013		Future Years		Totals		
No. (f)	Amt. (g)	No. (h)	Amt. (i)	No. (j)	Amt. (k)	No. (l)	Amt. (m)	
						0	0	1
						0	0	2
						0	0	3
						0	0	4
						0	0	5
						0	0	6
						0	0	7
						0	0	8
						0	0	9
0	0	0	0	0	0	0	0	
						0	0	10
						0	0	11
						0	0	12
						0	0	13
						0	0	14
						0	0	15
						0	0	16
						0	0	17
0	0	0	0	0	0	0	0	
0	0	0	0	0	0	0	0	
						0	0	18
						0	0	19
						0	0	20
						0	0	21
						0	0	22
						0	0	23
						0	0	24
						0	0	25
0	0	0	0	0	0	0	0	
						0	0	26
						0	0	27
						0	0	28
						0	0	29

## UNAMORTIZED DEBT DISCOUNT AND EXPENSE AND UNAMORTIZED PREMIUM ON DEBT (ACCTS. 181, 225, 226 AND 257)

1. Report below the particulars called for with respect to the unamortized debt discount and expense or net premium applicable to each class and series of long-term debt. Show separately any unamortized debt discount and expense or call premiums applicable to refunded issues. Show in column (a) the series, due date and method of amortization for each amount of debt discount and expense or premium. In column (b) show principal amount of debt on which the total discount and expense or premium, shown in column (c), was incurred.

2. Explain any charges or credits in column (f) and (g) other than amortization in Acct. 428 or 429.

Debt to Which Related (a)	Prin. Amt. of Debt to which Disc. and Exp. or Net Premiums Relate (b)	Total Discount and Expense or (net premiums) (c)	
<b>Unamortized Debt Discount and Expense (181)</b>			
Series	Due		1
5.20 % Note	2015 Staight Line Over Life of Series	125,000,000	2
5.50 % Note	2009 Staight Line Over Life of Series	50,000,000	3
5.90 % Note	2035 Staight Line Over Life of Series	90,000,000	4
6.60 % Note	2013 Staight Line Over Life of Series	45,000,000	5
Bond Payable -Purchase Accounting		(10,323,336)	6
<b>Total (Acct. 181):</b>		<b>299,676,664</b>	<b>7</b>
<b>Unamortized Premium on Long-Term Debt (225)</b>			
NONE			8
<b>Total (Acct. 225):</b>		<b>0</b>	<b>0</b>
<b>Unamortized Discount on Long-Term Debt - Debit (226)</b>			
5.20 % Note	2015 Staight Line Over Life of Series	125,000,000	9
5.50 % Note	2009 Staight Line Over Life of Series	50,000,000	10
5.90 % Note	2035 Staight Line Over Life of Series	90,000,000	11
6.60 % Note	2013 Staight Line Over Life of Series	45,000,000	12
Bond Payable -Purchase Accounting		(10,323,336)	13
<b>Total (Acct. 226):</b>		<b>299,676,664</b>	<b>2,528,400</b>
<b>Unamortized Gain on Reacquired Debt (257)</b>			
NONE		0	14
<b>Total (Acct. 257):</b>		<b>0</b>	<b>0</b>

**UNAMORTIZED DEBT DISCOUNT AND EXPENSE AND UNAMORTIZED PREMIUM ON DEBT (ACCTS. 181, 225, 226 AND 257) (cont.)**

	Balance First of Year (d)	Account Charged or Credited (e)	Charges During Year (f)	Credits During Year (g)	Balance End of Year (h)	
	0				0	1
	0				0	2
	178,803			30,220	148,583	3
	0				0	4
	246,702			9,519	237,183	5
	124,014			33,070	90,944	6
	0				0	7
	<b>549,519</b>		<b>0</b>	<b>72,809</b>	<b>476,710</b>	
	0				0	8
	<b>0</b>		<b>0</b>	<b>0</b>	<b>0</b>	
	567,014			95,833	471,181	9
	0				0	10
	867,690			33,480	834,210	11
	0				0	12
	0				0	13
	<b>1,434,704</b>		<b>0</b>	<b>129,313</b>	<b>1,305,391</b>	
	0				0	14
	<b>0</b>		<b>0</b>	<b>0</b>	<b>0</b>	

**OTHER REGULATORY ASSETS (ACCOUNT 182.3)**

1. Report below the particulars (details) called for concerning other regulatory assets which are created through the rate making process of regulatory agencies (and not includable in other accounts).
2. For regulatory assets being amortized, show the period of amortization in column (a).
3. Minor items (5% of the Balance End of Year for Account 182.3 or amounts less than \$50,000, whichever is less) may be grouped by classes.

Description and Purpose of Other Regulatory Assets (a)	Balance First of Year (b)	Debit Amount (c)	Credits		Balance End of Year (f)	
			Account Charged (d)	Amount (e)		
FAS Regulatory Asset - Federal	2,818,432	97,538	282	159,252	<b>2,756,718</b>	1
FAS Regulatory Asset - State	409,488	37,642	282	65,564	<b>381,566</b>	2
Tax/Interest Assessments	246,362		408 & 431	19,000	<b>227,362</b>	3
Post Retirement Benefits	43,434,301	(5,558,581)	926	2,778,072	<b>35,097,648</b>	4
Pensions	170,662,772	(16,295,340)			<b>154,367,432</b>	5
FAS 133	7,518,690	30,094,355	Various	26,581,986	<b>11,031,059</b>	6
Deferred Residential Uncollectibles	12,677,031	33,886,969	904	46,564,000	<b>0</b>	7
Environmental	23,348,596	15,240,817	735	2,139,019	<b>36,450,394</b>	8
SDC - Milwaukee WRAP Program	139,207		908	69,996	<b>69,211</b>	9
Energy Efficiency Gas Program	(2,724,804)	3,032,629	908	2,535,000	<b>(2,227,175)</b>	10
Act 141 Payments and Large Customer Refund	1,616,040	10,199,385	908	10,235,004	<b>1,580,421</b>	11
<b>Total:</b>	<b>260,146,115</b>	<b>70,735,414</b>		<b>91,146,893</b>	<b>239,734,636</b>	

**MISCELLANEOUS DEFERRED DEBITS (ACCT. 186)**

1. Report below the particulars (details) called for concerning miscellaneous deferred debits.
2. For any deferred debit being amortized, show the period of amortization in column (a).
3. Minor items (5% of the Balance End of Year for Account 186 or amounts less than \$50,000, whichever is less) may be grouped by classes.

Description (a)	Balance First of Year (b)	Debit Amount (c)	Credits		Balance End of Year (f)	
			Account Charged (d)	Amount (e)		
Goodwill	95,888,545	0	various	0	<b>95,888,545</b>	1
Post Retirement Benefits	0		various		<b>0</b>	2
Pensions	78,606,064	189,853,015	various	173,940,155	<b>94,518,924</b>	3
FAS 133	0		various		<b>0</b>	4
Cost of Gas Offset	0		various		<b>0</b>	5
Distribution of Property Gains/Losses	13,276	577,253	various	584,296	<b>6,233</b>	6
Jobbing Accounts	(150,147)	4,022,766	various	4,061,062	<b>(188,443)</b>	7
Deferred Commercial Syndication Fees	118,947	1,519,605	various	457,033	<b>1,181,519</b>	8
Omnibus Stock Incentive Plan	35,744	9,880	various	25,767	<b>19,857</b>	9
FAS 106	0		various		<b>0</b>	10
Misc. Deferred Stock Option Taxes	0		various		<b>0</b>	11
Misc. Deferred Debt Expense	0		various		<b>0</b>	12
Misc Deferred	0		various		<b>0</b>	13
Misc Deferred Union Business	3,437	105,721	various	110,990	<b>(1,832)</b>	14
<b>Total:</b>	<b>174,515,866</b>	<b>196,088,240</b>		<b>179,179,303</b>	<b>191,424,803</b>	

## RESEARCH AND DEVELOPMENT EXPENDITURES (ACCT. 188)

1. Explain below and show the cost incurred during the year for technological research and development projects including amounts paid to others during the year for jointly sponsored projects and other payments made as a result of the company's membership in trade or technical associations and subscriptions or assessments for such projects.
2. Items under \$5,000 incurred for similar projects may be grouped.
3. For any R&D work carried on by the company in which there is a sharing of costs with others, show separately the company's cost for the year and cost chargeable to others.

Description (a)	Balance First of Year (b)	Debit Amount (c)	Credits		Balance End of Year (f)	
			Account Charged (d)	Amount (e)		
Not Applicable	0				0	1
<b>Total:</b>	<b>0</b>	<b>0</b>			<b>0</b>	

### DISCOUNT ON CAPITAL STOCK (ACCOUNT 213)

- |   |
|---|
| <ol style="list-style-type: none"> <li>1. Report the balance at end of year of discount on capital stock for each class and series of capital stock.</li> <li>2. If any change occurred during the year in the balance with respect to any class or series of stock, explain in footnote giving particulars (details) of the change. State the reason for any charge-off during the year and specify the amount charged.</li> </ol> |
|---|

Class and Series of Stock (a)	Balance End of Year (b)	
NONE		1
<b>Total:</b>		<u><u>0</u></u>

## ACCUMULATED DEFERRED INCOME TAXES (ACCT. 190)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes.  
 2. At Other (Specify in Footnote), include deferrals relating to other income and deductions.

Description and Location (a)	Balance First of Year (b)	Balance End of Year (c)	
<b>Electric</b>			
None	0		1
<b>Total Electric:</b>	<u>0</u>	<u>0</u>	
<b>Gas</b>			
Gas	19,994,108	27,799,848 *	2
<b>Total Gas:</b>	<u>19,994,108</u>	<u>27,799,848</u>	
<b>Water</b>			
Water	0	0 *	3
<b>Total Water:</b>	<u>0</u>	<u>0</u>	
<b>Other (Specify in footnote)</b>			
Non-Operating & Purchase Accounting Adj.	(30,772)	(49,662)	4
<b>Total Other (Specify in footnote):</b>	<u>(30,772)</u>	<u>(49,662)</u>	
<b>Common</b>			
None	0		5
<b>Total Common:</b>	<u>0</u>	<u>0</u>	
<b>Non-Utility</b>			
None	0		6
<b>Total Non-Utility:</b>	<u>0</u>	<u>0</u>	
<b>Total Account 190:</b>	<u><u>19,963,336</u></u>	<u><u>27,750,186</u></u>	

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## ACCUMULATED DEFERRED INCOME TAXES (ACCT. 190)

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### Accumulated Deferred Income Taxes (Acct. 190) (Page F-36)

#### General footnotes

Wisconsin Gas LLC

Accumulated Deferred Income Taxes (Acct. 190)

#### Line 2: Gas

The \$19,994,108 amount reported on column (b) "Balance First of Year" includes a \$69,475 increase when compared to the December 31, 2009 amount on column (c) "Balance End of Year". The 2010 beginning balance has been adjusted from \$19,924,633 to \$19,994,108 to reflect the corrected balance.

#### Line 3: Water

The \$0 amount reported on column (b) "Balance First of Year" includes a \$69,475 decrease when compared to the December 31, 2009 amount on column (c) "Balance End of Year". The 2010 beginning balance has been adjusted from \$69,475 to \$0 to reflect the corrected balance.

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**CAPITAL STOCKS (ACCTS. 201 AND 204)**

1. Report below the particulars (details) called for concerning common and preferred stock at end of year, distinguishing separate series of any general class. Show separate totals for common and preferred stock. If information to meet the stock exchange reporting requirement outlined in column (a) is available from the SEC 10-K Report Form filing, a specific reference to report form (i.e., year and company title) may be reported in column (a) provided the fiscal years for both the 10-K report and this report are compatible.
2. Entries in column (b) should represent the number of shares authorized by the articles of incorporation as amended to end of year.

Class and Series of Stock and Name of Stock Series (a)	Number of Shares Authorized by Charter (b)	Par or Stated Value per share (c)	Call Price at End of Year (d)	
<b>Common Stock</b>				
See Footnote	0	0.00	0	* 1
<b>Total Common:</b>	<u>0</u>			
<b>Preferred Stock</b>				
NONE	0	0.00	0	2
<b>Total Preferred:</b>	<u>0</u>			

**CAPITAL STOCKS (ACCTS. 201 AND 204) (cont.)**

- 3. Give particulars (details) concerning shares of any class and series of stock authorized to be issued by a regulatory commission which have not yet been issued.
- 4. The identification of each class of preferred stock should show the dividend rate and whether the dividends are cumulative or non-cumulative.
- 5. State in a footnote if any capital stock which has been nominally issued is nominally outstanding at end of year. Give particulars (details) in column (a) of any nominally issued capital stock, reacquired stock, or stock in sinking and other funds which is pledged, stating name of pledgee and purposes of pledge.

Outstanding per Balance Sheet (Total amount outstanding without reduction for amounts held by respondent)		Held by Respondent				
		As Reacquired Stock (Account 217)		In Sinking and Other Funds		
Shares (e)	Amount (f)	Shares (g)	Cost (h)	Shares (i)	Amount (j)	
0	9,000	0	0	0	0	* 1
<b>0</b>	<b>9,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
0	0	0	0	0	0	2
<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	

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## CAPITAL STOCKS (ACCTS. 201 AND 204)

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### Capital Stocks (Accts. 201 and 204) (Page F-37)

#### General footnotes

##### General Footnotes-

Effective July 28, 2004, Wisconsin Gas Company converted from a corporation to a limited liability company and changed its name to Wisconsin Gas LLC. As a result of this change, the common stock of the company has been converted into member's equity as Wisconsin Gas LLC has become a direct wholly owned subsidiary of Wisconsin Energy Corporation. See a more detailed explanation in the Footnote section under MEMBER'S EQUITY.

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**CAPITAL STOCKS (ACCTS. 201 AND 204) (cont.)**

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**OTHER PAID-IN CAPITAL (ACCTS. 206-211, INCL.)**

Report below the balance at the end of the year and the information specified below for the respective Other Paid-In-Capital accounts. Provide a subheading for each account and show a total for the account, as well as total for all accounts for reconciliation with Balance Sheet. Explain changes made in any account during the year and give the accounting entries effecting such change.

(a) Donations Received from Stockholders (Account 208): State amount and give brief explanation of the origin and purpose of each donation.

(b) Reduction in Par or Stated Value of Capital Stock (Account 209): State amount and give brief explanation of the capital change which gave rise to amounts reported under this caption including identification with the class and series of stock to which related.

(c) Gain on Resale or Cancellation of Reacquired Capital Stock (Account 210): Report balance at beginning of year, credits, debits, and balance at end of year with a designation of the nature of each credit and debit identified by the class and series of stock to which related.

(d) Miscellaneous Paid-in Capital (Account 211): Classify amounts included in this account according to captions which, together with brief explanations, disclose the general nature of the transactions which gave rise to the reported amounts.

Item (a)	Amount (b)	
	0	1
Account 208 - Donations from Stockholders	146,644,057	2
	0	3
Account 209 - Reduction in Par Value	43,667,896	4
	0	5
Account 211 - Miscellaneous Paid-in-Capital	0	6
Beg of Year                      Credits                      Debits	0	7
\$498,638,125                      \$346,069	498,984,194	8
	0	9
Credits for 2010 relate to Wisconsin Gas' portion of tax benefits associated with:	0	10
Non-qualified stock option exercises - \$253,931	0	11
Restricted stock vesting                      - \$ 17,296	0	12
Stock-based compensation                      - \$ 74,842	0	13
	0	14
	0	15
<b>Total</b>	<b>689,296,147</b>	<b>16</b>

## LONG-TERM DEBT (ACCTS. 221-224, INCL.)

1. Report by balance sheet account the particulars (details) concerning long-term debt included in Accounts 221 (Bonds), 222 (Reacquired Bonds), 223 (Advances from Associated Companies), and 224 (Other Long-Term Debt).
2. In column (a), for new issues, give Commission authorization numbers and dates.
3. For bonds assumed by the respondent, include in column (a) the name of the issuing company as well as a description of the bonds.
4. For advances from Associated Companies, report separately advances on notes and advances on open accounts. Designate demand notes as such. Include in column (a) names of associated companies from which advances were received.
5. For receivers, certificates, show in column(a) the name of the court and date of court order under which such certificates were issued.
6. In column (b) show the interest or dividend rate of the debt issued.
7. In column (c) show the principal amount of bonds or other long-term debt originally issued.
8. In column (d) show the expense amount with respect to the amount of bonds or other long-term debt originally issued.
9. In column (e) show the premium amount with respect to the amount of bonds or other long-term debt originally issued.
10. In column (f) show the discount amount with respect to the amount of bonds or other long-term debt originally issued.
11. Furnish in a footnote particulars (details) regarding the treatment of unamortized debt expense, premium or discount associated with issues redeemed during the year. Also, give in a footnote the date of the Commission's authorization of treatment other than as specified by the Uniform System of Accounts.

Class and Series of Obligation, Coupon Rate (For new issue, give commission authorization numbers and dates) (a)	Interest or Dividend Rate (b)	Principal Amount of Debt Issued (c)	
<b>Account 221</b>			
<b>Series: Bond Payable -Purchase Accounting</b>			
<b>Subtotal Bond Payable -Purchase Accounting:</b>		<b>0</b>	1
<b>Series: NONE</b>			
FIRST MORTGAGE BONDS			
<hr/>			
5.50% Series	5.500000%	50,000,000	2
6.60% Series (221051)	6.600000%	45,000,000	3
5.20% Series (221053)	5.200000%	125,000,000	4
5.90% Series (221054)	5.900000%	90,000,000	5
Bond Payable -Purchase Accounting		(10,323,336)	6
<b>Subtotal NONE:</b>		<b>299,676,664</b>	7
<b>Subtotal Account 221:</b>		<b>299,676,664</b>	8
<b>Account 222</b>			
<b>Series: NONE</b>			
NONE			
<b>Subtotal NONE:</b>		<b>0</b>	9
<b>Subtotal Account 222:</b>		<b>0</b>	
<b>Account 223</b>			
<b>Series: NONE</b>			
NONE			
<b>Subtotal NONE:</b>		<b>0</b>	10
<b>Subtotal Account 223:</b>		<b>0</b>	

**LONG-TERM DEBT (ACCTS. 221-224, INCL.) (cont.)**

- 12. Identify separate undisposed amounts applicable to issues which were redeemed in prior years.
- 13. Explain any debits and credits other than debited to Account 428, Amortization and Expense, or credited to Account 429, Premium on Debt - Credit.
- 14. In a footnote, give explanatory details for Accounts 223 and 224 of net changes during the year. With respect to long-term advances, show for each company: (a) principal advanced during the year, (b) interest added to principal amount, and (c) principal repaid during year. Give Commission authorization numbers and dates.
- 15. If the respondent has pledged any of its long-term debt securities give particulars (details) in a footnote including name of pledgee and purpose of the pledge.
- 16. If the respondent has any long-term debt securities which have been nominally issued and are nominally outstanding at end of year, describe such securities in a footnote.
- 17. If interest expense was incurred during the year on any obligations retired or reacquired before end of year, include such interest expense in column (j). Explain in a footnote any difference between the total of column (j) and the total of Account 427, Interest on Long-Term Debt and Account 430, Interest on Debt to Associated Companies.
- 18. Give particulars (details) concerning any long-term debt authorized by a regulatory commission but not yet issued.

Total Expense Amount (d)	Total Premium Amount (e)	Total Discount Amount (f)	Nominal Date of Issue (g)	Date of Maturity (h)	Outstanding Amount (i)	Interest for Year Amount (j)
0	0	0			0	0
434,633	0	374,000	01/15/1999	01/15/2009		
633,846	0	0	09/15/1993	09/15/2013	45,000,000	2,970,000
362,642	0	1,150,000	12/10/2003	12/01/2015	125,000,000	6,500,000
275,000	0	1,004,400	11/18/2005	12/01/2035	90,000,000	5,310,000
0	0	0				
<b>1,706,121</b>	<b>0</b>	<b>2,528,400</b>			<b>260,000,000</b>	<b>14,780,000</b>
<b>1,706,121</b>	<b>0</b>	<b>2,528,400</b>			<b>260,000,000</b>	<b>14,780,000</b>
0	0	0			0	0
0	0	0			0	0
0	0	0			0	0
0	0	0			0	0

**LONG-TERM DEBT (ACCTS. 221-224, INCL.)**

1. Report by balance sheet account the particulars (details) concerning long-term debt included in Accounts 221 (Bonds), 222 (Reacquired Bonds), 223 (Advances from Associated Companies), and 224 (Other Long-Term Debt).
2. In column (a), for new issues, give Commission authorization numbers and dates.
3. For bonds assumed by the respondent, include in column (a) the name of the issuing company as well as a description of the bonds.
4. For advances from Associated Companies, report separately advances on notes and advances on open accounts. Designate demand notes as such. Include in column (a) names of associated companies from which advances were received.
5. For receivers, certificates, show in column(a) the name of the court and date of court order under which such certificates were issued.
6. In column (b) show the interest or dividend rate of the debt issued.
7. In column (c) show the principal amount of bonds or other long-term debt originally issued.
8. In column (d) show the expense amount with respect to the amount of bonds or other long-term debt originally issued.
9. In column (e) show the premium amount with respect to the amount of bonds or other long-term debt originally issued.
10. In column (f) show the discount amount with respect to the amount of bonds or other long-term debt originally issued.
11. Furnish in a footnote particulars (details) regarding the treatment of unamortized debt expense, premium or discount associated with issues redeemed during the year. Also, give in a footnote the date of the Commission's authorization of treatment other than as specified by the Uniform System of Accounts.

Class and Series of Obligation, Coupon Rate (For new issue, give commission authorization numbers and dates) (a)	Interest or Dividend Rate (b)	Principal Amount of Debt Issued (c)	
<b>Account 224</b>			
Series: NONE			
NONE			11
<b>Subtotal NONE:</b>		<b>0</b>	
<b>Subtotal Account 224:</b>		<b>0</b>	
<b>Total:</b>		<b>299,676,664</b>	

**LONG-TERM DEBT (ACCTS. 221-224, INCL.) (cont.)**

- 12. Identify separate undisposed amounts applicable to issues which were redeemed in prior years.
- 13. Explain any debits and credits other than debited to Account 428, Amortization and Expense, or credited to Account 429, Premium on Debt - Credit.
- 14. In a footnote, give explanatory details for Accounts 223 and 224 of net changes during the year. With respect to long-term advances, show for each company: (a) principal advanced during the year, (b) interest added to principal amount, and (c) principal repaid during year. Give Commission authorization numbers and dates.
- 15. If the respondent has pledged any of its long-term debt securities give particulars (details) in a footnote including name of pledgee and purpose of the pledge.
- 16. If the respondent has any long-term debt securities which have been nominally issued and are nominally outstanding at end of year, describe such securities in a footnote.
- 17. If interest expense was incurred during the year on any obligations retired or reacquired before end of year, include such interest expense in column (j). Explain in a footnote any difference between the total of column (j) and the total of Account 427, Interest on Long-Term Debt and Account 430, Interest on Debt to Associated Companies.
- 18. Give particulars (details) concerning any long-term debt authorized by a regulatory commission but not yet issued.

Total Expense Amount (d)	Total Premium Amount (e)	Total Discount Amount (f)	Nominal Date of Issue (g)	Date of Maturity (h)	Outstanding Amount (i)	Interest for Year Amount (j)
0	0	0			0	0
0	0	0			0	0
<b>1,706,121</b>	<b>0</b>	<b>2,528,400</b>			<b>260,000,000</b>	<b>14,780,000</b>

### NOTES PAYABLE (ACCT. 231)

1. Report each issue separately.
2. If there is more than one interest rate for an aggregate obligation issue, average the interest rates and report one rate.

Name of Payee and Purpose for which Issued (a)	Date of Note (b)	Date of Maturity (c)	Interest Rate (d)	Balance End of Year (e)	
DEUTSCHE BANK - COMMERCIAL PAPER	12/20/2010	01/04/2011	0.25%	49,998,958	1
DEUTSCHE BANK - COMMERCIAL PAPER	12/14/2010	01/06/2011	0.25%	44,998,313	2
DEUTSCHE BANK - COMMERCIAL PAPER	12/27/2010	01/05/2011	0.25%	30,999,036	3
DEUTSCHE BANK - COMMERCIAL PAPER	12/29/2010	01/07/2011	0.25%	24,998,958	4
DEUTSCHE BANK - COMMERCIAL PAPER	12/16/2010	01/06/2011	0.25%	23,099,198	5
DEUTSCHE BANK - COMMERCIAL PAPER	12/30/2010	01/03/2011	0.25%	9,199,872	6
DEUTSCHE BANK - COMMERCIAL PAPER	12/20/2010	01/04/2011	0.25%	799,983	7
DEUTSCHE BANK - COMMERCIAL PAPER	12/14/2010	01/06/2011	0.25%	299,989	8
<b>Total:</b>				<b>184,394,307</b>	

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### NOTES PAYABLE TO ASSOCIATED COMPANIES (ACCT. 233)

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Name of Company (a)	Issue Date (b)	Maturity Date (c)	Interest Rate (d)	Amount End of Year (e)
NONE				
			Total:	<u><u>0</u></u>

1

### TAXES ACCRUED (ACCT. 236)

1. The balance of accruals for income taxes should be classified by the years to which the tax is applicable.  
 2. The balance of any accruals materially in excess of the liability admitted by the tax returns of the utility shall be transferred from this account and reported in an appropriately designated reserve account.

Kind of Tax (a)	Balance First of Year (b)	Amounts Accrued (c)	Payments During Year (d)	Other Items cr. or (dr.) (e)	Balance End of Year (f)	
Federal Income	8,862,768	7,713,172	23,388,191	7,112,251	<b>300,000</b>	*
FICA	59,100	2,497,905	2,496,175		<b>60,830</b>	2
FUTA	6,490	21,379	27,710		<b>159</b>	3
WI & MN Franchise Tax & Michigan Business Tax	4,389,879	3,660,867	5,374,685	32,580	<b>2,708,641</b>	* 4
WI License Fee	0	7,828,795	7,828,795		<b>0</b>	5
WI Unemployment	933	129,421	130,994		<b>(640)</b>	6
WI PSCW Remainder Assessment	0	665,573	665,573		<b>0</b>	7
WI Insurance	94,525	2,652	33,276		<b>63,901</b>	8
Storage Gas Tax	97,964				<b>97,964</b>	9
Non-Utility Property Tax	13,233	14,000	17,148		<b>10,085</b>	10
WI Use Tax	(25,741)	84,681	84,799		<b>(25,859)</b>	11
County Use Tax	330	6,358	6,326		<b>362</b>	12
Federal Excise Tax	(38,297)	53,694	62,964		<b>(47,567)</b>	13
State Excise Tax	257	2,764	2,835		<b>186</b>	14
<b>Total:</b>	<b>13,461,441</b>	<b>22,681,261</b>	<b>40,119,471</b>	<b>7,144,831</b>	<b>3,168,062</b>	

**TAXES ACCRUED (ACCT. 236)**

**Taxes Accrued (Acct. 236) (Page F-44)**

**General footnotes**

**Federal Income Tax:**

**Other Items:**

Stock Options exercised and offset to APIC	(204,305)
Restricted stock tax benefit offset to APIC	(13,916)
Federal Income Tax benefit on MI Business Tax accrued	21,491
Section 311(b) adjustment	(951,673)
Transfer Debit balance to Prepaid Taxes - Federal	8,260,655
Adjustment to Deferred Tax balance	(1)

Total Federal Income Tax Other Items 7,112,251

**WI & MN Franchise Tax & MI Business Tax:**

**Other Items:**

Stock Options exercised and offset to APIC	(49,626)
Restricted stock tax benefit offset to APIC	(3,380)
Federal Income Tax benefit on MI Business Tax accrued	(21,491)
Section 311(b) adjustment	107,076
Adjustment to Deferred Tax balance	1

Total WI & MN Franchise Tax & MI Business Tax Other Items 32,580

**OTHER DEFERRED CREDITS (ACCOUNT 253)**

1. Report below the particulars (details) called for concerning other deferred credits.
2. For any deferred credit being amortized, show the period of amortization.
3. Minor items (5% of the Balance End of Year for Account 253 or amounts less than \$10,000, whichever is greater) may be grouped by classes.

Description (a)	Balance First of Year (b)	Debits		Credit Amount (e)	Balance End of Year (f)	
		Contra Account (c)	Amount (d)			
Director's Deferred Compensation	368,897	Various	167,251	33,363	<b>235,009</b>	<b>1</b>
Deferred Compensation	612,445	Various	139,022	42,449	<b>515,872</b>	<b>2</b>
Reclass Derivative Instruments	2,680,175	Various	2,406,825		<b>273,350</b>	<b>3</b>
<b>Total:</b>	<b>3,661,517</b>		<b>2,713,098</b>	<b>75,812</b>	<b>1,024,231</b>	

## OTHER REGULATORY LIABILITIES (ACCOUNT 254)

1. Report below the particulars (details) called for concerning other regulatory liabilities, including rate order docket number, if applicable.
2. Minor items (5% of the Balance End of Year for Account 254 or amounts less than \$50,000, whichever is less) may be grouped by classes.
3. For Regulatory Liabilities being amortized, show period of amortization.

Description (a)	Balance First of Year (b)	Debits		Credit Amount (e)	Balance End of Year (f)	
		Account Charged (c)	Amount (d)			
FAS 109 Regulatory Liability - Fed	1,294,793	282	732,312	614,192	<b>1,176,673</b>	1
	0				<b>0</b>	2
FAS 109 Regulatory Liability - State	1,277,660	411, 282	751,511	226,654	<b>752,803</b>	3
	0				<b>0</b>	4
Tax / Interest Refunds	26,145	431	13,073		<b>13,072</b>	5
	0				<b>0</b>	6
FAS 133	957,114	Various	6,145,320	6,764,992	<b>1,576,786</b>	7
	0				<b>0</b>	8
Purch Acctg-Pensions	38,978,032	926	7,308,996		<b>31,669,036</b>	9
	0				<b>0</b>	10
Purch Acctg-Employee Benefits & LTD	21,376,032	926	4,008,996		<b>17,367,036</b>	11
	0				<b>0</b>	12
Environmental	1,587,891	735	791,468	7,449	<b>803,872</b>	13
	0				<b>0</b>	14
Deferred Residential Uncollectibles				13,363,844	<b>13,363,844</b>	15
<b>Total:</b>	<b>65,497,667</b>		<b>19,751,676</b>	<b>20,977,131</b>	<b>66,723,122</b>	

## ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (ACCT. 255)

Report below information applicable to Account 255. Where appropriate, segregate the balances and transactions by utility and nonutility operations. Explain by footnote any correction adjustments to the account balance shown in column (g). Include in column (h) the average period over which tax credits are amortized.

Account Subdivisions (a)	Balance First of Year (b)	Deferred for Year		Allocations to Current Year's Income		
		Acct. No. (c)	Amount (d)	Acct. No. (e)	Amount (f)	
<b>Electric</b>						
	0					1
	0					2
	0					3
	0					4
<b>Total Electric:</b>	<b>0</b>		<b>0</b>		<b>0</b>	
<b>Gas</b>						
3%	0					5
4%	0					6
7%	0					7
10%	1,999,257			411.4	298,483	8
<b>Total Gas:</b>	<b>1,999,257</b>		<b>0</b>		<b>298,483</b>	
<b>Water</b>						
3%	0					9
4%	0					10
7%	0					11
10%	0					12
<b>Total Water:</b>	<b>0</b>		<b>0</b>		<b>0</b>	
<b>Common</b>						
3%	0					13
4%	0					14
7%	0					15
10%	0					16
<b>Total Common:</b>	<b>0</b>		<b>0</b>		<b>0</b>	
<b>Nonutility</b>						
3%	0					17
4%	0					18
7%	0					19
10%	0					20
<b>Total Nonutility:</b>	<b>0</b>		<b>0</b>		<b>0</b>	
<b>Other (Specify in Footnote)</b>						
3%	0					21
4%	0					22
7%	0					23
10%	0					24
<b>Total Other (Specify in Footnote):</b>	<b>0</b>		<b>0</b>		<b>0</b>	
<b>Total</b>	<b>1,999,257</b>		<b>0</b>		<b>298,483</b>	

**ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (ACCT. 255) (cont.)**

Adjustments (g)	Balance End of Year (h)	Average Period of Allocation to Income (i)	Adjustment Explanation (j)
	0		1
	0		2
	0		3
	0		4
0	0		
	0		5
	0		6
	0		7
	1,700,774		8
0	1,700,774		
	0		9
	0		10
	0		11
	0		12
0	0		
	0		13
	0		14
	0		15
	0		16
0	0		
	0		17
	0		18
	0		19
	0		20
0	0		
	0		21
	0		22
	0		23
	0		24
0	0		
0	1,700,774		

## ACCUMULATED DEFERRED INCOME TAXES - ACCELERATED AMORTIZATION PROPERTY (ACCT. 281)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to amortizable property.  
2. For Other (Specify in Footnote), include deferrals relating to other income and deductions.

Particulars (a)	Changes During Year					
	Balance First of Year (b)	Amounts Debited to Acct. 410.1 (c)	Amounts Credited to Acct. 411.1 (d)	Amounts Debited to Acct. 410.2 (e)	Amounts Credited to Acct. 411.2 (f)	
<b>Account 281</b>						
<b>Electric</b>						
NONE	0					1
<b>Total Electric:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Gas</b>						
NONE	0					2
<b>Total Gas:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Water</b>						
NONE	0					3
<b>Total Water:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Steam</b>						
NONE	0					4
<b>Total Steam:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Common</b>						
NONE	0					5
<b>Total Common:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Non-Utility</b>						
NONE	0					6
<b>Total Non-Utility:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Other (Specify in Footnotes)</b>						
NONE	0					7
<b>Total Other (Specify in Footnotes):</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Total Account 281:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Classification of Total</b>						
Federal Income Tax	0					8
State Income Tax	0					9
Local Income Tax	0					10
<b>Total:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	

## ACCUMULATED DEFERRED INCOME TAXES - ACCELERATED AMORTIZATION PROPERTY (ACCT. 281) (cont.)

Adjustments					Balance End of Year (k)	
Debits		Credits				
Account Charged (g)	Amount (h)	Account Charged (i)	Amount (j)			
	0		0	0	0	1
	0		0	0	0	2
	0		0	0	0	3
	0		0	0	0	4
	0		0	0	0	5
	0		0	0	0	6
	0		0	0	0	7
	0		0	0	0	8
	0		0	0	0	9
	0		0	0	0	10
	0		0	0	0	

## ACCUMULATED DEFERRED INCOME TAXES - OTHER PROPERTY (ACCT. 282)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to property not subject to accelerated amortization.  
 2. For Other (Specify in Footnote), include deferrals relating to other income and deductions.

Particulars (a)	Changes During Year				
	Balance First of Year (b)	Amounts Debited to Acct. 410.1 (c)	Amounts Credited to Acct. 411.1 (d)	Amounts Debited to Acct. 410.2 (e)	Amounts Credited to Acct. 411.2 (f)
<b>Account 282</b>					
<b>Electric</b>					
NONE	0				1
<b>Total Electric:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Gas</b>					
Gas	76,211,722	35,168,660	17,394,373		2
<b>Total Gas:</b>	<b>76,211,722</b>	<b>35,168,660</b>	<b>17,394,373</b>	<b>0</b>	<b>0</b>
<b>Water</b>					
Water	0				3
<b>Total Water:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Steam</b>					
NONE	0				4
<b>Total Steam:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Common</b>					
NONE	0				5
<b>Total Common:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Non-Utility</b>					
NONE	0				6
<b>Total Non-Utility:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Other (Specify in Footnotes)</b>					
See footnote	(76,944,919)			661,372	631,187 * 7
<b>Total Other (Specify in Footnotes):</b>	<b>(76,944,919)</b>	<b>0</b>	<b>0</b>	<b>661,372</b>	<b>631,187</b>
<b>Total Account 282:</b>	<b>(733,197)</b>	<b>35,168,660</b>	<b>17,394,373</b>	<b>661,372</b>	<b>631,187</b>
<b>Classification of Total</b>					
Federal Income Tax	3,166,985	31,441,760	15,075,685	0	0 8
State Income Tax	(3,900,182)	3,726,900	2,318,688	661,372	631,187 9
Local Income Tax	0				10
<b>Total:</b>	<b>(733,197)</b>	<b>35,168,660</b>	<b>17,394,373</b>	<b>661,372</b>	<b>631,187</b>

**ACCUMULATED DEFERRED INCOME TAXES - OTHER PROPERTY (ACCT. 282) (cont.)**

Adjustments					Balance End of Year (k)	
Debits		Credits				
Account Charged (g)	Amount (h)	Account Charged (i)	Amount (j)			
				0		1
	0		0	0		
				93,986,009		2
	0		0	93,986,009		
				0		3
	0		0	0		
				0		4
	0		0	0		
				0		5
	0		0	0		
				0		6
	0		0	0		
165,182,236,254	3,014,870	165,182,236,254	4,219,500	(75,710,104) *		7
	<b>3,014,870</b>		<b>4,219,500</b>	<b>(75,710,104)</b>		
	<b>3,014,870</b>		<b>4,219,500</b>	<b>18,275,905</b>		
165,182,236,254	2,473,810	165,182,236,254	3,571,521	20,630,771		8
165,182,236,254	541,060	165,182,236,254	647,979	(2,354,866)		9
				0		10
	<b>3,014,870</b>		<b>4,219,500</b>	<b>18,275,905</b>		

## ACCUMULATED DEFERRED INCOME TAXES - OTHER PROPERTY (ACCT. 282)

**Accumulated Deferred Income Taxes - Other Property (Acct. 282) (Page F-51)**

**General footnotes**

Wisconsin Gas LLC  
 Accumulated Deferred Income Taxes - Other Property (Acct. 282)

Line 7: Other

Account	Balance First of Year	Changes During Year	
		Amounts Debited to Acct. 410.1	Amounts Credited to Acct. 411.1
(a)	(b)	(c)	(d)
Sec. 311(b)-Fed	(70,173,710)	0	0
Sec. 311(b)-State	(8,113,704)	0	0
FAS 109-Federal	1,318,483	0	0
FAS 109-State	(22,582)	0	0
Non-Operating-State	46,594	0	0
<b>Total Other</b>	<u>(76,944,919)</u>	<u>0</u>	<u>0</u>

Account	Changes During Year		Adjustments	
	Amounts Debited to Account 410.2	Amounts Credited to Account 411.2	Acct. No (g)	Amount (h)
(a)	(e)	(f)	(g)	(h)
Sec. 311(b)-Fed.	0	0	165 & 236	1,689,553
Sec. 311(b)-State	0	0	236	300,700
FAS 109-Federal	0	0	182 & 254	784,257
FAS 109-State	0	0	182 & 254	240,360
Non-Operating-State	661,372	631,187		0
<b>Total Other</b>	<u>661,372</u>	<u>631,187</u>		<u>3,014,870</u>

Account	Adjustments		Balance at End of Year (k)
	Acct. No. (i)	Amount (j)	
Sec. 311(b)-Fed.	165 & 236	2,641,226	(69,222,037)
Sec. 311(b)-State	236	193,624	(8,220,780)
FAS 109-Federal	182 & 254	930,295	1,464,521
FAS 109-State	182 & 254	454,355	191,413
Non-Operating-State		0	76,779
<b>Total Other</b>		<u>4,219,500</u>	<u>(75,710,104)</u>

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**ACCUMULATED DEFERRED INCOME TAXES - OTHER PROPERTY (ACCT. 282) (cont.)**

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## ACCUMULATED DEFERRED INCOME TAXES - OTHER (ACCT. 283)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to amounts recorded in Account 283.  
 2. For Other (Specify in Footnote), include deferrals relating to other income and deductions.

Particulars (a)	Changes During Year				
	Balance First of Year (b)	Amounts Debited to Acct. 410.1 (c)	Amounts Credited to Acct. 411.1 (d)	Amounts Debited to Acct. 410.2 (e)	Amounts Credited to Acct. 411.2 (f)
<b>Account 283</b>					
<b>Electric</b>					
NONE	0				1
<b>Total Electric:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Gas</b>					
Gas	59,419,727	45,101,364	45,875,792		2
<b>Total Gas:</b>	<b>59,419,727</b>	<b>45,101,364</b>	<b>45,875,792</b>	<b>0</b>	<b>0</b>
<b>Water</b>					
NONE	0				3
<b>Total Water:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Steam</b>					
NONE	0				4
<b>Total Steam:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Common</b>					
NONE	0				5
<b>Total Common:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Non-Utility</b>					
NONE	0				6
<b>Total Non-Utility:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Other (Specify in Footnotes)</b>					
See footnote	43,750,371	4,607,699	84,157	533,875	605,953 * 7
<b>Total Other (Specify in Footnotes):</b>	<b>43,750,371</b>	<b>4,607,699</b>	<b>84,157</b>	<b>533,875</b>	<b>605,953</b>
<b>Total Account 283:</b>	<b>103,170,098</b>	<b>49,709,063</b>	<b>45,959,949</b>	<b>533,875</b>	<b>605,953</b>
<b>Classification of Total</b>					
Federal Income Tax	90,447,434	43,233,302	39,898,193		8
State Income Tax	12,722,664	6,475,761	6,061,756	533,875	605,953 9
Local Income Tax	0				10
<b>Total:</b>	<b>103,170,098</b>	<b>49,709,063</b>	<b>45,959,949</b>	<b>533,875</b>	<b>605,953</b>

**ACCUMULATED DEFERRED INCOME TAXES - OTHER (ACCT. 283) (cont.)**

		Adjustments		Balance End of Year (k)	
		Debits	Credits		
Account Charged (g)	Amount (h)	Account Charged (i)	Amount (j)		
				0	1
	0		0	0	
				58,645,299	2
	0		0	58,645,299	
				0	3
	0		0	0	
				0	4
	0		0	0	
				0	5
	0		0	0	
				0	6
	0		0	0	
				48,201,835 *	7
	0		0	48,201,835	
	0		0	106,847,134	
				93,782,543	8
				13,064,591	9
				0	10
	0		0	106,847,134	

**ACCUMULATED DEFERRED INCOME TAXES - OTHER (ACCT. 283)**

Accumulated Deferred Income Taxes - Other (Acct. 283) (Page F-53)

General footnotes

WISCONSIN GAS LLC  
 Accumulated Deferred Income Taxes - Other (Acct. 283)

Line 7: Other

Account	Balance First of Year	Changes During Year	
		Amounts Debited to Acct. 410.1	Amounts Credited to Acct. 411.1
(a)	(b)	(c)	(d)
Purchase Acctg.-Fed.	38,292,077	3,961,297	0
Purchase Acctg.-State	5,549,801	646,402	84,157
Non-Operating - State	(91,507)	0	0
<b>Total Other</b>	<b>43,750,371</b>	<b>4,607,699</b>	<b>84,157</b>

Account	Changes During Year		Adjustments	
	Amounts Debited to Acct. 410.2	Amounts Credited to Acct. 411.2	Account Charged (g)	Debits Amount (h)
(a)	(e)	(f)	(g)	(h)
Purchase Acctg.-Fed.	0	0		0
Purchase Acctg.-State	0	0		0
Non-Operating - State	533,875	605,953		0
<b>Total Other</b>	<b>533,875</b>	<b>605,953</b>		<b>0</b>

Account	Adjustments		Balance End of Year (k)
	Account Charged (i)	Credits Amount (j)	
(a)	(i)	(j)	(k)
Purchase Acctg.- Fed.		0	42,253,374
Purchase Acctg.- State		0	6,112,046
Non-Operating - State		0	(163,585)
<b>Total Other</b>		<b>0</b>	<b>48,201,835</b>

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**ACCUMULATED DEFERRED INCOME TAXES - OTHER (ACCT. 283) (cont.)**

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## DETAIL OF OTHER BALANCE SHEET ACCOUNTS

Report each item (when individually or when like items are combined) greater than \$100,000 and all lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Balance End of Year (b)	Balance First of Year (c)	
<b>Cash (131):</b>			
CASH AT US BANK	136,842	96,888	1
<b>Total (Acct. 131):</b>	<b>136,842</b>	<b>96,888</b>	
<b>Interest Special Deposits (132):</b>			
NONE	0	0	2
<b>Total (Acct. 132):</b>	<b>0</b>	<b>0</b>	
<b>Dividend Special Deposits (133):</b>			
NONE	0	0	3
<b>Total (Acct. 133):</b>	<b>0</b>	<b>0</b>	
<b>Other Special Deposits (134):</b>			
NONE	0	0	4
<b>Total (Acct. 134):</b>	<b>0</b>	<b>0</b>	
<b>Working Funds (135):</b>			
NONE	0	0	5
<b>Total (Acct. 135):</b>	<b>0</b>	<b>0</b>	
<b>Temporary Cash Investments (136):</b>			
NONE	0	0	6
<b>Total (Acct. 136):</b>	<b>0</b>	<b>0</b>	
<b>Notes Receivable (141):</b>			
NONE	0	0	7
<b>Total (Acct. 141):</b>	<b>0</b>	<b>0</b>	
<b>Accounts Receivable from Associated Companies (146):</b>			
NONE	0	0	8
<b>Total (Acct. 146):</b>	<b>0</b>	<b>0</b>	
<b>Fuel Stock (151):</b>			
FUEL STOCK - FOSSIL	98,205	102,455	9
<b>Total (Acct. 151):</b>	<b>98,205</b>	<b>102,455</b>	
<b>Fuel Stock Expenses Undistributed (152):</b>			
NONE	0	0	10
<b>Total (Acct. 152):</b>	<b>0</b>	<b>0</b>	
<b>Residuals (153):</b>			
NONE	0	0	11
<b>Total (Acct. 153):</b>	<b>0</b>	<b>0</b>	
<b>Merchandise (155):</b>			
APPLIANCE PARTS - GAS	20,434	20,464	12
<b>Total (Acct. 155):</b>	<b>20,434</b>	<b>20,464</b>	

**DETAIL OF OTHER BALANCE SHEET ACCOUNTS**

Report each item (when individually or when like items are combined) greater than \$100,000 and all lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.
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Particulars (a)	Balance End of Year (b)	Balance First of Year (c)	
<b>Other Materials and Supplies (156):</b>			
NONE	0	0	13
<b>Total (Acct. 156):</b>	<b>0</b>	<b>0</b>	
<b>Nuclear Materials Held for Sale (157):</b>			
NONE	0	0	14
<b>Total (Acct. 157):</b>	<b>0</b>	<b>0</b>	
<b>Allowances (Noncurrent Portion of Allowances) (158):</b>			
NONE	0	0	15
<b>Total (Acct. 158):</b>	<b>0</b>	<b>0</b>	
<b>Stores Expense Undistributed (163):</b>			
UNDISTRIBUTED STORES EXPENSE - GAS	390,000	299,497	16
<b>Total (Acct. 163):</b>	<b>390,000</b>	<b>299,497</b>	
<b>Gas Stored Underground-Current (164.1):</b>			
GAS STORAGE	51,992,109	41,820,017	17
COMMODITY INJECTION FEES	135,564	98,031	18
GAS SOLD	(2,699,581)	0	19
COMMODITY COSTS TRANSFERS TO STORAGE	62,124,438	63,951,442	20
WITHDRAWN FOR SYSTEM USE	(64,092,932)	(60,147,224)	21
TRANSFER EXPENSE	0	0	22
OTHER FEES	5,375,735	6,269,843	23
<b>Total (Acct. 164.1):</b>	<b>52,835,333</b>	<b>51,992,109</b>	
<b>LNG Stored (164.2):</b>			
LIQUIFIED NATURAL GAS STORED	202,368	121,763	24
<b>Total (Acct. 164.2):</b>	<b>202,368</b>	<b>121,763</b>	
<b>Held for Processing (164.3):</b>			
NONE	0	0	25
<b>Total (Acct. 164.3):</b>	<b>0</b>	<b>0</b>	
<b>Prepayments (165):</b>			
PREPAID TAXES - OTHER	9,013,674	11,090,335	26
PREPAID TAXES - FEDERAL INCOME TAX	8,260,655	0	27
PUBLIC BENEFITS FEES	826,829	826,829	28
<b>Total (Acct. 165):</b>	<b>18,101,158</b>	<b>11,917,164</b>	
<b>Advances for Gas (166-167):</b>			
NONE	0	0	29
<b>Total (Acct. 166-167):</b>	<b>0</b>	<b>0</b>	

**DETAIL OF OTHER BALANCE SHEET ACCOUNTS**

Report each item (when individually or when like items are combined) greater than \$100,000 and all lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Balance End of Year (b)	Balance First of Year (c)	
<b>Interest and Dividends Receivable (171):</b>			
NONE	0	0	30
<b>Total (Acct. 171):</b>	<b>0</b>	<b>0</b>	
<b>Rents Receivable (172):</b>			
NONE	0	0	31
<b>Total (Acct. 172):</b>	<b>0</b>	<b>0</b>	
<b>Accrued Utility Revenues (173):</b>			
GAS	71,586,147	75,969,874	32
WATER	0	0	33
<b>Total (Acct. 173):</b>	<b>71,586,147</b>	<b>75,969,874</b>	
<b>Miscellaneous Current and Accrued Assets (174):</b>			
PASSIVE MARGIN DEPOSITS	7,584,830	2,685,010	34
ARBITRAGE MARGIN DEPOSITS	0	25,445	35
<b>Total (Acct. 174):</b>	<b>7,584,830</b>	<b>2,710,455</b>	
<b>Capital Stock Expense (214):</b>			
NONE	0	0	36
<b>Total (Acct. 214):</b>	<b>0</b>	<b>0</b>	
<b>Accounts Payable to Associated Companies (234):</b>			
WISCONSIN ELECTRIC POWER COMPANY	14,107,404	17,424,198	37
<b>Total (Acct. 234):</b>	<b>14,107,404</b>	<b>17,424,198</b>	
<b>Customer Deposits (235):</b>			
NONE	0	0	38
<b>Total (Acct. 235):</b>	<b>0</b>	<b>0</b>	
<b>Interest Accrued (237):</b>			
UNSECURED NOTES - 5.5% DUE 2009 (237050)	0	0	39
UNSECURED NOTES - 6.6% DUE 2013 (237051)	866,250	866,250	40
UNSECURED NOTES - 5.2% DUE 2015 (237053)	541,667	541,667	41
UNSECURED NOTES - 5.9% DUE 2035 (237054)	442,500	442,500	42
<b>Total (Acct. 237):</b>	<b>1,850,417</b>	<b>1,850,417</b>	
<b>Dividends Declared (238):</b>			
NONE	0	0	43
<b>Total (Acct. 238):</b>	<b>0</b>	<b>0</b>	
<b>Matured Long-Term Debt (239):</b>			
NONE	0	0	44
<b>Total (Acct. 239):</b>	<b>0</b>	<b>0</b>	

## DETAIL OF OTHER BALANCE SHEET ACCOUNTS

Report each item (when individually or when like items are combined) greater than \$100,000 and all lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Balance End of Year (b)	Balance First of Year (c)	
<b>Matured Interest (240):</b>			
NONE	0	0	45
<b>Total (Acct. 240):</b>	<b>0</b>	<b>0</b>	
<b>Tax Collections Payable (241):</b>			
WISCONSIN STATE SALES TAX	921,970	728,242	46
EMPLOYEE STATE INCOME TAXES WITHHELD	291,133	281,713	47
COUNTY SALES TAXES	92,198	72,948	48
OTHER	(5,093)	(27,746)	49
<b>Total (Acct. 241):</b>	<b>1,300,208</b>	<b>1,055,157</b>	
<b>Miscellaneous Current and Accrued Liabilities (242):</b>			
TRUE-UP LIABILITY & REFUNDS DUE GAS CUSTOMERS	9,732,533	5,694,872	50
FAS 112 LIABILITY	4,147,725	5,000,485	51
ACCRUED VACATION PAYABLE	3,087,203	2,990,387	52
ACCRUED SALARIES AND WAGES	2,456,346	2,372,743	53
ACCRUED MEDICAL CLAIMS	710,575	640,988	54
CUSTOMER ACCOUNTS RECEIVABLE CREDIT BALANCES	15,506,554	16,750,860	55
STATEWIDE ENERGY EFFICIENCY AND RENEWABLE ADMIN INVEST LOSS	0	800,000	56
OTHER	556,334	479,956	57
<b>Total (Acct. 242):</b>	<b>36,197,270</b>	<b>34,730,291</b>	

## DISTRIBUTION OF TAXES TO ACCOUNTS

1. Explain basis for allocation if used.  
 2. If the total does not equal taxes accrued, include a reconciling footnote.

Function (a)	Wisconsin License Fee (b)	Wisconsin Income Tax (c)	Federal Income Tax (d)	FICA and Fed. & State Unemployment Tax (e)	
<b>Accts. 408.1 and 409.1:</b>					
Accts. 408.1 and 409.1: Electric					1
Accts. 408.1 and 409.1: Gas	7,828,795	3,561,377	7,631,555	2,823,695	2
Accts. 408.1 and 409.1: Water					3
Accts. 408.1 and 409.1: Steam					4
Accts. 408.2 and 409.2		(130,847)	81,617		5
Acct. 409.3					6
Clearing Accounts					7
Construction				803,332	8
<b>Other (specify):</b>					
None					9
<b>Total:</b>	<b>7,828,795</b>	<b>3,430,530</b>	<b>7,713,172</b>	<b>3,627,027</b>	

**DISTRIBUTION OF TAXES TO ACCOUNTS (cont.)**

PSC Remainder Assessment (f)	Local Property Tax (g)	State and Local Taxes Other Than Wisconsin (h)	Other Taxes (i)	Total (j)	
				0	1
665,573	14,000	109,771	(3,702)	22,631,064	2
				0	3
				0	4
		120,566		71,336	5
				0	6
				0	7
				803,332	8
				0	9
<b>665,573</b>	<b>14,000</b>	<b>230,337</b>	<b>(3,702)</b>	<b>23,505,732</b>	

## INTEREST AND DIVIDEND INCOME (ACCT. 419)

List items greater than \$10,000 separately (others may be grouped). Describe fully using other than account titles.

Particulars (a)	Interest or Dividend Rate (b)	Amount (c)	
<b>Interest and Dividend Income (419):</b>			
<b>Revenues:</b>			
AMORTIZATION OF DEFERRED TAX INTEREST INCOME	Various	2,431	1
OTHER	Various	15,626	2
<b>Subtotal Revenues:</b>		<b>18,057</b>	
<b>Expenses:</b>			
NONE			3
<b>Subtotal Expenses:</b>		<b>0</b>	
<b>Total (Acct. 419):</b>		<b>18,057</b>	

**INTEREST CHARGES (ACCTS. 427, 430 AND 431)**

List items greater than \$10,000 separately (others may be grouped). Describe fully using other than account titles.
--

Particulars (a)	This Year Amount (b)	Last Year Amount (c)	
<b>Interest on Long-Term Debt (427):</b>			
NOTE DUE 2009 5.5%		114,583	1
NOTE DUE 2013 6.6%	2,970,000	2,970,000	2
DEBENTURE SERIES DUE 2015 5.2%	6,500,000	6,500,000	3
DEBENTURE SERIES DUE 2035 5.9%	5,310,000	5,310,000	4
<b>Total (Acct. 427):</b>	<b>14,780,000</b>	<b>14,894,583</b>	
<b>Interest on Debt to Assoc. Companies (430):</b>			
NONE			5
<b>Total (Acct. 430):</b>	<b>0</b>	<b>0</b>	
<b>Other Interest Expense (431):</b>			
SHORT TERM DEBT	340,056	338,238	6
DIRECTORS' DEFERRED COMPENSATION	30,250	71,353	7
BANK FEES	298,284	299,263	8
DEFERRED TAX INTEREST EXPENSE	14,723	779,794	9
CP RATING AGENCY FEES	87,750	80,250	10
DISCOUNT CLEARING	(17,710)	(4,887)	11
<b>Total (Acct. 431):</b>	<b>753,353</b>	<b>1,564,011</b>	
<b>Total:</b>	<b>15,533,353</b>	<b>16,458,594</b>	

## DETAIL OF OTHER INCOME STATEMENT ACCOUNTS

List items greater than \$10,000 separately (others may be grouped). Describe fully using other than account titles.

Particulars (a)	This Year Amount (b)	Last Year Amount (c)	
<b>Revenues From Merchandising, Jobbing and Contract Work (415):</b>			
NONE	0	0	1
<b>Total (Acct. 415):</b>	<b>0</b>	<b>0</b>	
<b>Less: Costs and Exp. Of Merchandising, Job. &amp; Contract Work (416):</b>			
NON UTILITY BAD DEBT EXPENSE	(20)	8,265	2
<b>Total (Acct. 416):</b>	<b>(20)</b>	<b>8,265</b>	
<b>Revenues From Nonutility Operations (417):</b>			
CONSULTING SERVICES-BROWN DEER WATER UTILITY	0	21,600	3
POWER NOW	0	0	4
<b>Total (Acct. 417):</b>	<b>0</b>	<b>21,600</b>	
<b>Less: Expenses of Nonutility Operations (417.1):</b>			
VARIOUS NON UTILITY EXPENSES	0	67	5
<b>Total (Acct. 417.1):</b>	<b>0</b>	<b>67</b>	
<b>Nonoperating Rental Income (418):</b>			
Operation Expense			6
Maintenance Expense			7
Rent Expense			8
Depreciation Expense			9
Amortization Expense			10
<b>Other (specify):</b>			
WISCONSIN RAPIDS OFFICE RENTAL (403101)	12,800	13,600	11
LOSS ON LEASE	0	0	12
<b>Total (Acct. 418):</b>	<b>12,800</b>	<b>13,600</b>	
<b>Allowance for Other Funds Used During Construction (419.1):</b>			
GO001WMRG MAIN REPLACEMENTS >100K	57,610	68,858	13
GO001WSTG STATIONS WG	29,406	48,020	14
AS0000C001 AS CAP-WE07-1-STRUCTURES	22,993	15,593	15
OTHER (UNDER \$10,000)	6,500	11,940	16
<b>Total (Acct. 419.1):</b>	<b>116,509</b>	<b>144,411</b>	
<b>Miscellaneous Nonoperating Income (421):</b>			
EARNINGS ON MANAGEMENT VEBA	0	0	17
<b>Total (Acct. 421):</b>	<b>0</b>	<b>0</b>	
<b>Gain on Disposition of Property (421.1):</b>			
SALE OF SUN PRAIRIE DIST OFFC	0	0	18
SALE OF CLINTONVILLE GARAGE	0	0	19
OTHER	0	0	20
<b>Total (Acct. 421.1):</b>	<b>0</b>	<b>0</b>	

**DETAIL OF OTHER INCOME STATEMENT ACCOUNTS**

List items greater than \$10,000 separately (others may be grouped). Describe fully using other than account titles.
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Particulars (a)	This Year Amount (b)	Last Year Amount (c)	
<b>Loss on Disposition of Property (421.2):</b>			
CLINTONVILLE OFFICE	116,668	0	21
MISC WRITE-OFFS	4,126	0	22
<b>Total (Acct. 421.2):</b>	<b>120,794</b>	<b>0</b>	
<b>Amort. of Debt. Disc. And Expense (428):</b>			
DISCOUNT DEBENTURE 5.2% DUE 2015 (226053)	95,833	95,833	23
EXPENSE DEBENTURE 5.2% DUE 2015 (181053)	30,220	30,220	24
EXPENSE DEBENTURE 5.5% DUE 2009 (181050)	0	3,619	25
DISCOUNT DEBENTURE 5.5% DUE 2009 (226050)	0	1,605	26
DISCOUNT DEBENTURE 5.9% DUE 2035 (226054)	33,480	33,480	27
EXPENSE DEBENTURE 5.9% DUE 2035 (181054)	9,519	9,519	28
EXPENSE DEBENTURE 6.6% DUE 2013 (181051)	33,071	33,071	29
<b>Total (Acct. 428):</b>	<b>202,123</b>	<b>207,347</b>	
<b>Amortization of Loss on Reaquired Debt (428.1):</b>			
WATER REACQUIRED DEBT	0	0	30
<b>Total (Acct. 428.1):</b>	<b>0</b>	<b>0</b>	
<b>Less: Amort. of Premium on Debt-Credit (429):</b>			
NONE	0	0	31
<b>Total (Acct. 429):</b>	<b>0</b>	<b>0</b>	
<b>Less: Amortization of Gain on Reaquired Debt-Credit (429.1):</b>			
NONE	0	0	32
<b>Total (Acct. 429.1):</b>	<b>0</b>	<b>0</b>	
<b>Less: Allowance for Borrowed Funds Used During Construction-Cr. (432):</b>			
MAIN REPLACEMENTS >100,000	24,572	38,846	33
GO001WSTG STATIONS WG	12,476	28,055	34
AS0000C001 AS CAP-WE07-1-STRUCTURES	9,807	9,041	35
OTHER	2,773	4,906	36
<b>Total (Acct. 432):</b>	<b>49,628</b>	<b>80,848</b>	
<b>Extraordinary Income (434):</b>			
NONE	0	0	37
<b>Total (Acct. 434):</b>	<b>0</b>	<b>0</b>	
<b>Less: Extraordinary Deductions (435):</b>			
NONE	0	0	38
<b>Total (Acct. 435):</b>	<b>0</b>	<b>0</b>	

## DETAIL OF CERTAIN GENERAL EXPENSE ACCOUNTS

Particulars (a)	This Year Amount (b)	Last Year Amount (c)	
<b>Acct. 922--Administrative Expenses Transferred - Cr.:</b>			
Explain basis of computation of credit in this account.			
MISC. A&G OVERHEAD CAPITALIZED	(2,126,125)	(1,748,292)	1
MISC. ACCTS. RECEIVABLE TRANSFERRED TO NON-UTILITY ACCTS.	0	0	2
OTHER - OVERHEADS	(126,809)	(118,118)	3
<b>Total (Acct. 922):</b>	<b>(2,252,934)</b>	<b>(1,866,410)</b>	
<b>Acct. 923--Outside Services Employed:</b>			
State total cost, nature of service, and of each person who was paid for services includible in this account, \$25,000 or more.			
BAKER & BOTTS - LEGAL	64,506	50,452	4
BRACEWELL & GIULIANI LLP - LEGAL	23,575	0	5
CONCENTRIC ENERGY ADVISORS - CONSULTING	22,964	0	6
DLA PIPER US LLP - CONSULTING	25,658	0	7
ERNST & YOUNG - LEGAL	0	43,573	8
FRIEBERT FINERTY & ST. JOHN SC - LEGAL	128,761	0	9
GAS SUPPLY CONSULTING INC - CONSULTING	212,413	310,808	10
GONZALES SAGGIO & HARLAN LLP - LEGAL	68,719	0	11
LAFLEUR LAW OFFICES - LEGAL	54,995	0	12
MERCER THOMPSON LLC - LEGAL	188,704	44,003	13
MILLER CANFIELD PADDOCK AND STONE - LEGAL	25,877	0	14
PRICE WATERHOUSE COOPERS LLP - CONSULTING	27,802	0	15
QUARLES & BRADY - LEGAL	363,260	231,298	16
REINHART BOERNER VAN DEUREN NORRIS - LEGAL	26,588	0	17
SCHIFF HARDIN LLP - CONSULTING	339,221	0	18
SKADDEN, ARPS, SLATE, MEAGHER LLP - LEGAL	31,937	0	19
STANGEL, PETER	0	31,670	20
TOWERS WATSON - ACTUARIAL	51,573	45,987	21
VON BREISEN & ROPER, S.C. - LEGAL	42,294	43,229	22
MISCELLANEOUS OTHER	154,687	117,675	23
<b>Total (Acct. 923):</b>	<b>1,853,534</b>	<b>918,695</b>	
<b>Acct. 924--Property Insurance:</b>			
List hereunder major classes of expenses and also state extent (in footnotes) to which utility is self-insured against insurable risks to its property.			
Premiums for insurance	494,478	397,686	* 24
Dividends received from insurance companies--cr.			25
Amounts credited to Acct. 261, Property Insurance Reserve			26
<b>Other (specify):</b>			
POSTING ERROR	0	9	27
<b>Total (Acct. 924):</b>	<b>494,478</b>	<b>397,695</b>	

## DETAIL OF CERTAIN GENERAL EXPENSE ACCOUNTS

Particulars (a)	This Year Amount (b)	Last Year Amount (c)	
<b>Acct. 925--Injuries and Damages:</b>			
List hereunder major classes of expense. Also, state extent (in footnotes) to which utility is self-insured against risks of injuries and damages to employees or to others.			
Premiums for insurance	1,048,553	846,632	28
Dividends received from insurance companies--cr.			29
Amounts credited to Acct. 262, Injuries and Damages Reserve			30
Expenses of investigating and adjusting claims			31
Costs of safety and accident-prevention activities	14,784	16,302	32
<b>Other (specify):</b>			
OTHER PERSONAL INJURIES & DAMAGES	563,218	323,296	33
WORKERS COMPENSATION	412,015	491,327	34
<b>Total (Acct. 925):</b>	<b>2,038,570</b>	<b>1,677,557</b>	
<b>Acct. 926--Employee Pensions and Benefits:</b>			
Report total amount for utility hereunder and show credit for amounts transferred to construction or other accounts, leaving the net balance in Acct. 926.			
Pension accruals or payments to pension fund	(1,882,773)	(3,453,949)	35
Pension payments under unfunded basis			36
Employees benefits (life, health, accident & hospital insur. etc.)	13,558,311	19,103,251	37
Expense of educational and recreational activities for employees	19,757	88,392	38
<b>Other (specify):</b>			
TRANSFER TO CONSTRUCTION	(4,713,067)	(8,951,710)	39
TRANSFER TO SALVAGE & REMOVAL	(177,705)	(429,075)	40
TRANSFER TO NONUTILITY OPERATIONS	0	0	41
TRANSFER TO DEFERRED ASSETS	(103,564)	(346,156)	42
TRANSFER TO CLEARING ACCOUNTS	(420,179)	(979,632)	43
TRANSFER TO OTHER ACCOUNTS	(139,658)	(18,367)	44
<b>Total (Acct. 926):</b>	<b>6,141,122</b>	<b>5,012,754</b>	
<b>Acct. 930.2--Miscellaneous General Expenses:</b>			
Industry association dues	218,784	233,921	45
Nuclear power research expenses			46
Other experimental and general research expenses	0	2,383	47
Exp of corporate organization and of servicing outstanding securities of utility	1,127,707	915,601	48
Directors fees and expenses	0	157,254	49
<b>Other (specify):</b>			
DOA PUBLIC BENEFITS	0	3,819	50
CORPORATE MEMBERSHIPS	165,688	119,149	51
FEES/COLLECTIONS	(171,658)	(68,562)	52
DONATION/CONTRIBUTION SHOULD BE ACCT 426 (POSTING ERROR)	0	992	53
OTHER	36,466	24,236	54
<b>Total (Acct. 930.2):</b>	<b>1,376,987</b>	<b>1,388,793</b>	

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## DETAIL OF CERTAIN GENERAL EXPENSE ACCOUNTS

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### Detail of Certain General Expense Accounts (Page F-61)

(Account 924-Property Insurance) State extent to which utility is self-insured against insurable risks to its property.

Premiums - Gas                    397,686

To the extent available at reasonable terms and conditions in the marketplace at any point in time, the company purchases property insurance for its insurable risks, on a replacement cost basis, subject to a range of deductibles and sublimits applicable to various causes of loss or specific types of property or equipment. The company is self insured to the extent of its deductibles or sublimits or for property/causes of loss which are not reasonably insurable in the current insurance market.

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## DETAIL OF CERTAIN GENERAL EXPENSE ACCOUNTS

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## RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES

1. Report the reconciliation of reported net income for the year with taxable income used in computing Federal income tax accruals and show computation of such tax accruals. Include in the reconciliation, as far as practicable, the same detail as furnished on Schedule M-1 of the tax return for the year. Submit a reconciliation even though there is no taxable income for the year. Indicate clearly the nature of each reconciling amount.
2. If the utility is a member of a group which files a consolidated Federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating, however, intercompany amounts to be eliminated in such a consolidated return. State names of group member, tax assigned to each group member, and basis of allocation, assignment, or sharing of the consolidated tax among the group members.
3. A substitute page, designed to meet a particular need of a company, may be used as long as the data is consistent and meets the requirements of the above instructions. Provide the substitute page either in the context of a footnote or within the Appendix.

Particulars (Details) (a)	Amount (b)	
Net Income for the Year	34,985,801	* 1
<b>Taxable Income Not Reported on Books</b>		
See Footnote for Reconciliation of Reported Net Income with Taxable Income	2,609,641	* 2
<b>Deductions Recorded on Books Not Deducted for Return</b>		
See Footnote for Reconciliation of Reported Net Income with Taxable Income	58,187,550	* 3
<b>Income Recorded on Books Not Included in Return</b>		
See Footnote for Reconciliation of Reported Net Income with Taxable Income	1,351,369	* 4
<b>Deductions on Return Not Charged Against Book Income</b>		
See Footnote for Reconciliation of Reported Net Income with Taxable Income	80,396,768	* 5
<b>Federal Tax Net Income</b>	<b>14,034,855</b>	
<b>Show Computation of Tax:</b>		
See Footnote for Reconciliation of Reported Net Income with Taxable Income	7,713,172	* 6

## RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES

**Reconciliation of Reported Net Income with Taxable Income for Federal Income Taxes (Page F-62)**

**General footnotes**

RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES

Particulars (a)	Amount
Net Income for the Year	34,985,801
<b>Reconciling items for the year:</b>	
Taxable Income Not Reported on Books:	
Contributions in Aid Of Construction - Tax	2,609,641
Total	2,609,641
<b>Deductions Recorded on Books Not Deducted for Return:</b>	
Federal and State Income Taxes (Current)	11,374,039
Provision for Deferred Taxes (Federal and State)	13,501,351
Debt Retirement	7,892
Bad Debt Reserve	23,491,622
Environmental Site Clean-up	1,672,571
Deferred Compensation - Executives	160,981
Amortization of Performance Shares	22,943
Amortization of Intangibles	49,132
Stock Options Expense	40,560
Depreciation Paybacks	183,992
Conservation/Weatherization - WRAP Program	69,996
Section 263A Capitalizations	146,425
Interest - Tax Audits & Amended Returns	5,927
Medical Claims - IBNR	69,588
Rely-A-Bill Reservation Fees	34,471
Rely-Bill Consulting Fees	12,588
Risk Management Costs - RAB Program	25,435
OPEB's - Post-retirement Benefit Accrual (Net of Paid)	1,758,112
PA OPEB Regulatory Liability Amortization - Property	991,428
PA Pension Regulatory Liability Amortization - Property	1,807,512
Unicap Adjustment	201,079
Line Pack Adjustment	4,567
Lobbying Expense	97,056
Deferred Compensation - Directors	32,793
Regulatory Commission Assessment	63,600
Inventory Reserve Adjustment	6,055
Injury and Damages Accrual	121,764
Vacation Accrual	96,816
Bonus Accrual	74,194
Gross Receipts Tax	2,013,061
Meals and Entertainment Expense Disallowed	50,000
Total	58,187,550
<b>Income Recorded on Books Not Included in Return:</b>	
AFUDC - Debt	49,628
AFUDC - Equity	116,509
Officers' Life Insurance Cash Surrender Value	732,585
Medicare Part D Reimbursement	154,164
Investment Tax Credit - Net	298,483
Total	1,351,369
<b>Deductions on Return not Charged Against Book Income:</b>	
Interconnection and Other Intangibles Amortization	80,860
Tax Depreciation in Excess of Book Depreciation	45,862,668
Pension Accrual - FASB 87	799,099
PA Pension Regulatory Liability Amortization	7,308,996
PA OPEB Regulatory Liability Amortization	4,008,996
Restricted Stock Adjustment	15,975
Director Retirement	166,681
ACT 141 Conservation	764,381

**RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE  
INCOME FOR FEDERAL INCOME TAXES**

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Section 311(b) Basis Adjustments	7,477,942
Basis Differences on Fixed Assets	1,749,182
Futures Contracts Closed at Year End	1,013,835
Conservation and Efficiency	497,629
CIAC Customer Advances	1,806,866
Post Employment/Medical Accrual - FASB 112	852,760
State Tax Deduction - Return to Provision True-up	4,197,731
Wisconsin Franchise Tax Accrued	3,793,167
Total	80,396,768
Federal Tax Net Income	14,034,855
	=====
Tax @ 35%	4,912,199
Fuel Credit	(39,042)
	-----
Taxes Applicable to Current Year	4,873,157
Adjustment to Prior Year's Taxes	1,888,342
Section 311(b) Adjustments - Current Year's	951,673
	-----
Net Tax Accrual	7,713,172
	=====

Wisconsin Gas LLC is a member of a consolidated group of companies/members filing a consolidated federal income tax return for the period ended 12/31/10 with it's ultimate parent: Wisconsin Energy Corporation.

The tax liability of each company/member of the consolidated tax return is as if separate returns were filed by each of the individual companies/members.

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## DISTRIBUTION OF SALARIES AND WAGES

Report below the distribution of salaries and wages for the year. Segregate amounts originally charged to clearing accounts to Utility Departments, Construction, Plant Removals, and Other Accounts, and enter such amounts in the appropriate lines and columns provided. In determining this segregation of salaries and wages originally charged to clearing accounts, a method of approximation giving substantially correct results may be used.

Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll Charged for Clearing Accounts (c)	Total (d)
<b>Electric</b>			<b>1</b>
<b>Operation</b>			<b>2</b>
Production			3
Transmission			4
Distribution			5
Customer Accounts			6
Customer Service and Informational			7
Sales			8
Administrative and General			9
<b>TOTAL Operation (Total of lines 3 thru 9)</b>			<b>10</b>
<b>Maintenance</b>			<b>11</b>
Production			12
Transmission			13
Distribution			14
Administrative and General			15
<b>TOTAL Maint. (Total of lines 12 thru 15)</b>			<b>16</b>
<b>Total Operation and Maintenance</b>			<b>17</b>
Production (Total of lines 3 and 12)			18
Transmission (Total of lines 4 and 13)			19
Distribution (Total of lines 5 and 14)			20
Customer Accounts (Line 6)			21
Customer Service and Informational (Line 7)			22
Sales (Line 8)			23
Administrative and General (Total of lines 9 and 15)			24
<b>TOTAL Operation and Maintenance (Total of lines 18 thru 24)</b>			<b>0 25</b>
<b>Gas</b>			<b>26</b>
<b>Operation</b>			<b>27</b>
Production-Manufactured Gas			28
Production-Nat. Gas (Including Expl. And Dev.)	4,568		29
Other Gas Supply	619,053		30
Storage, LNG Terminaling and Processing	18,232		31
Transmission	49,742		32
Distribution	9,392,727		33
Customer Accounts	4,790,992		34
Customer Service and Informational	5,573,324		35
Sales			36
Administrative and General	10,354,244		37
<b>TOTAL Operation (Total of lines 28 thru 37)</b>	<b>30,802,882</b>		<b>38</b>
<b>Maintenance</b>			<b>39</b>

## DISTRIBUTION OF SALARIES AND WAGES

Report below the distribution of salaries and wages for the year. Segregate amounts originally charged to clearing accounts to Utility Departments, Construction, Plant Removals, and Other Accounts, and enter such amounts in the appropriate lines and columns provided. In determining this segregation of salaries and wages originally charged to clearing accounts, a method of approximation giving substantially correct results may be used.

Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll Charged for Clearing Accounts (c)	Total (d)
Production-Manufactured Gas			40
Production-Natural Gas	9,480		41
Other Gas Supply			42
Storage, LNG Terminaling and Processing			43
Transmission			44
Distribution	5,640,311		45
Administrative and General	26,041		46
<b>TOTAL Maint. (Total of lines 40 thru 46)</b>	<b>5,675,832</b>		<b>47</b>
<b>Total Operation and Maintenance</b>			<b>48</b>
Production-Manufactured Gas (Total of lines 28 and 40)			49
Production-Nat. Gas (Including Expl. And Dev.) (Total lines 29 and 41)	14,048		50
Other Gas Supply (Total lines 30 and 42)	619,053		51
Storage, LNG Terminaling and Processing (Total lines 31 and 43)	18,232		52
Transmission (Lines 32 and 44)	49,742		53
Distribution (Lines 33 and 45)	15,033,038		54
Customer Accounts (Line 34)	4,790,992		55
Customer Service and Informational (Line 35)	5,573,324		56
Sales (Line 36)			57
Administrative and General (Lines 37 and 46)	10,380,285		58
<b>TOTAL Operation and Maint. (Total of lines 49 thru 58)</b>	<b>36,478,714</b>		<b>36,478,714</b> 59
<b>Other Utility Departments</b>			<b>60</b>
Operation and Maintenance			0 61
<b>TOTAL All Utility Dept (Total of lines 25, 59 and 61)</b>	<b>36,478,714</b>		<b>36,478,714</b> 62
<b>Utility Plant</b>			<b>63</b>
<b>Construction (By Utility Departments)</b>			<b>64</b>
Electric Plant			0 65
Gas Plant	11,164,972		<b>11,164,972</b> 66
Other			0 67
<b>TOTAL Construction (Total of lines 65 thru 67)</b>	<b>11,164,972</b>		<b>11,164,972</b> 68
<b>Plant Removal (By Utility Departments)</b>			<b>69</b>
Electric Plant			0 70
Gas Plant	382,343		<b>382,343</b> 71
Other			0 72
<b>TOTAL Plant Removal (Total of lines 70 thru 72)</b>	<b>382,343</b>		<b>382,343</b> 73
Other Accounts (Specify, provide details in footnote):			0 74
Clearing - Fleet	256,134		<b>256,134</b> 75
Clearing - MI	183		<b>183</b> 76
Clearing - Tools	132		<b>132</b> 77
Clearing - Stores	639,721		<b>639,721</b> 78

## DISTRIBUTION OF SALARIES AND WAGES

Report below the distribution of salaries and wages for the year. Segregate amounts originally charged to clearing accounts to Utility Departments, Construction, Plant Removals, and Other Accounts, and enter such amounts in the appropriate lines and columns provided. In determining this segregation of salaries and wages originally charged to clearing accounts, a method of approximation giving substantially correct results may be used.

Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll Charged for Clearing Accounts (c)	Total (d)	
Deferred Debits	203,403		203,403	79
Nonoperating	52,993		52,993	80
Other	(415,938)		(415,938)	81
Intercompany (Associated Companies)	(14,326,985)		(14,326,985)	82
			0	83
			0	84
			0	85
			0	86
			0	87
			0	88
			0	89
			0	90
			0	91
			0	92
			0	93
			0	94
<b>TOTAL Other Accounts</b>	<b>(13,590,357)</b>		<b>(13,590,357)</b>	<b>95</b>
<b>TOTAL SALARIES AND WAGES</b>	<b>34,435,672</b>		<b>34,435,672</b>	<b>96</b>

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## DISTRIBUTION OF SALARIES AND WAGES

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### Distribution of Salaries and Wages (Page F-63)

#### General footnotes

The fleet process changed in 2009. Prior to 2009, fleet expenses flowed through a clearing account process, in which labor was allocated to Ferc accounts as an indirect charge. This was reflected in column C of this schedule. Beginning 2009, the fleet clearing process was no longer used. The fleet expenses (labor, material, fuel, etc.) are charged to orders that settle to the balance sheet, clearing account 184xxx. The fleet allocations from the vehicle home cost centers to internal orders are now identified as fleet, and does not break out labor, materials, etc. Therefore, an allocation of payroll charged to fleet clearing accounts no longer applies, and the labor is reflected as direct labor to Clearing - Fleet.

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**MISCELLANEOUS GENERAL EXPENSES (ACCT. 930.2) (ELECTRIC)**

Description (a)	Amount (b)
NONE	1
<b>Total:</b>	<b>0</b>

### COMMON PLANT IN SERVICE

1. Include in column (e) entries reclassifying property from one account or utility service to another, etc..
2. Corrections of entries of the current or immediately preceding year should be recorded in columns (c) or (d), accordingly, as they are corrections of additions or retirements.

Account (a)	Balance First of Year (b)	Additions During Year (c)	Retirements During Year (d)	
<b>INTANGIBLE PLANT</b>				
Organization (301)	0			1
Franchises and Consents (302)	0			2
Miscellaneous Intangible Plant (303)	0			3
<b>Total Intangible Plant</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>GENERAL PLANT</b>				
Land and Land Rights (389)	0			4
Structures and Improvements (390)	0			5
Office Furniture and Equipment (391)	0			6
Transportation Equipment (392)	0			7
Stores Equipment (393)	0			8
Tools, Shop and Garage Equipment (394)	0			9
Laboratory Equipment (395)	0			10
Power Operated Equipment (396)	0			11
Communication Equipment (397)	0			12
Miscellaneous Equipment (398)	0			13
Other Tangible Property (399)	0			14
Asset Retirement Costs for General Plant (399.1)	0			15
<b>Total General Plant</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Total utility plant in service</b>	<b>0</b>	<b>0</b>	<b>0</b>	

**COMMON PLANT IN SERVICE (cont.)**

Account (a)	Adjustments Increase or (Decrease) (e)	Transfers (f)	Balance End of Year		
			Total (g)	Located in Wisconsin (h)	
Organization (301)			0		1
Franchises and Consents (302)			0		2
Miscellaneous Intangible Plant (303)			0		3
	0	0	0	0	
Land and Land Rights (389)			0		4
Structures and Improvements (390)			0		5
Office Furniture and Equipment (391)			0		6
Transportation Equipment (392)			0		7
Stores Equipment (393)			0		8
Tools, Shop and Garage Equipment (394)			0		9
Laboratory Equipment (395)			0		10
Power Operated Equipment (396)			0		11
Communication Equipment (397)			0		12
Miscellaneous Equipment (398)			0		13
Other Tangible Property (399)			0		14
Asset Retirement Costs for General Plant (399.1)			0		15
	0	0	0	0	
	0	0	0	0	

## COMMON ACCUMULATED DEPRECIATION

Report in column (e) additional depreciation expense authorized by Commission to be charged where tax depreciation allowances exceed book amounts.

Primary Plant Accounts (a)	Balance First of Year (b)	Straight Line Rate % Used (c)	Accruals During Year		
			Straight Line Amount (d)	Additional Amount (e)	
Organization (301)	0				1
Franchises and Consents (302)	0				2
Miscellaneous Intangible Plant (303)	0				3
<b>Total Intangible Plant</b>	<b>0</b>		<b>0</b>	<b>0</b>	
Land and Land Rights (389)	0				4
Structures and Improvements (390)	0				5
Office Furniture and Equipment (391)	0				6
Transportation Equipment (392)	0				7
Stores Equipment (393)	0				8
Tools, Shop and Garage Equipment (394)	0				9
Laboratory Equipment (395)	0				10
Power Operated Equipment (396)	0				11
Communication Equipment (397)	0				12
Miscellaneous Equipment (398)	0				13
Other Tangible Property (399)	0				14
Asset Retirement Costs for General Plant (399.1)	0				15
Retirement Work in Progress	0				16
<b>Total General Plant</b>	<b>0</b>		<b>0</b>	<b>0</b>	
<b>Total accum. prov. for depreciation</b>	<b>0</b>		<b>0</b>	<b>0</b>	

**COMMON ACCUMULATED DEPRECIATION (cont.)**

Account (a)	Book Cost of Plant Retired (f)	Cost of Removal (g)	Salvage (h)	Adjustments Increase or (Decrease) (i)	Balance End of Year		
					Total (j)	Located in Wisconsin (k)	
301					0		1
302					0		2
303					0		3
	0	0	0	0	0	0	
389					0		4
390					0		5
391					0		6
392					0		7
393					0		8
394					0		9
395					0		10
396					0		11
397					0		12
398					0		13
399					0		14
399.1					0		15
RWIP					0		16
	0	0	0	0	0	0	
	0	0	0	0	0	0	

**COMMON UTILITY PLANT AND ACCUMULATED DEPRECIATION -  
ALLOCATION TO UTILITY DEPARTMENTS**

Particulars (a)	Plant End of Year (b)	Accumulated Depreciation End of Year (c)	Depreciation Accruals (d)	1
Not Applicable				
<b>Total:</b>	<b>0</b>	<b>0</b>	<b>0</b>	

## REGULATORY COMMISSION EXPENSES

1. Report particulars (details) of regulatory commission expenses incurred during the current year (or incurred in previous years, if being amortized) relating to formal cases before a regulatory body, or cases in which such a body was a party.
2. Report in columns (c) and (d), only the current year's expenses that are not deferred and the current year's amortization of amounts deferred in previous years.

Regulatory Commission Name (a)	Description (b)	Assessed by Regulatory Commission (c)	Expenses of Utility (d)	Total Expenses for Current year (e)	Deferred in Account 182.3 at Beginning of Year (f)
Public Service Commission of Wisconsin					
	PSC Rate Case	22,582		22,582	1
	Miscellaneous Docket and Expenses	29,868		29,868	0
	Other expenses		656,952	656,952	3
		<b>52,450</b>	<b>656,952</b>	<b>709,402</b>	<b>0</b>

## REGULATORY COMMISSION EXPENSES (cont.)

3. Show in column (l) any expenses incurred in prior years which are being amortized. List in column (b) the period of amortization.  
 4. List in column (g), (h) and (i) expenses incurred during year which were charged currently to income, plant, or other accounts.  
 5. Minor items (less than \$25,000) may be grouped.

Expenses Incurred During Year			Amortized During Year			
Currently Charged To						
Department (g)	Account No. (h)	Amount (i)	Deferred to Account 182.3 (j)	Contra Account (k)	Amount (l)	Deferred in Account 182.3 at End of Year (m)
Gas	928.9002	22,582				1
Gas	928.9002	29,868				2
Gas	928.9002	656,952				3
		<b>709,402</b>	<b>0</b>		<b>0</b>	<b>0</b>

## GAS OPERATING REVENUES & EXPENSES

Particulars (a)	This Year (b)	Last Year (c)	
<b>Operating Revenues</b>			
<b>Sales of Gas</b>			
Sales of Gas (480-484)	674,083,948	752,300,767	1
<b>Total Sales of Gas</b>	<b>674,083,948</b>	<b>752,300,767</b>	
<b>Other Operating Revenues</b>			
Forfeited Discounts (487)	4,447,511	5,535,454	2
Miscellaneous Service Revenues (488)	376,475	448,817	3
Transportation (489)	33,774,560	31,918,511	4
Rent from Property (493)	37,250	37,087	5
Other Gas Revenues (495)	(4,135,988)	13,423,387	6
Penalty Revenue (497)	0	0	7
Utility Revenue Incentive (PBR) (498)	0	0	8
<b>Total Other Operating Revenues</b>	<b>34,499,808</b>	<b>51,363,256</b>	
<b>Total Operating Revenues</b>	<b>708,583,756</b>	<b>803,664,023</b>	
<b>Production Expenses</b>			
Manufactured Gas Production Expenses (700-742)	1,379,034	932,066	9
Natural Gas Production Expenses (750-792)	0	0	10
Purchased Gas Expenses (804-813)	436,511,064	523,084,143	11
<b>Total Production Expenses</b>	<b>437,890,098</b>	<b>524,016,209</b>	
<b>Operation and Maintenance Expenses</b>			
Storage Expenses (840-848.3)	26,064	27,857	12
Transmission Expenses (850-867)	319,826	36,277	13
Distribution Expenses (870-894)	32,302,459	34,662,051	14
Customer Accounts Expenses (901-905)	64,739,812	49,245,970	15
Customer Service Expenses (907-910)	22,657,365	25,172,211	16
Sales Promotion Expenses (911-916)	6,201	220	17
Administrative and General Expenses (920-935)	29,357,698	26,760,111	18
<b>Total Operation and Maintenance Expenses</b>	<b>149,409,425</b>	<b>135,904,697</b>	
<b>Other Operating Expenses</b>			
Depreciation Expense (403)	35,133,499	48,019,703	19
Amortization Limited-Term Utility Investment (404)	49,132	44,958	20
Amortization of Other Utility Plant (405)	0	0	21
Amortization of Utility Plant Acquisition Adjustment (406)	0	0	22
Amortization of Property Losses (407.1)	0	0	23
Amortization of Conversion Expenses (407.2)	0	0	24
Regulatory Debits (407.3)	0	0	25
(Less) Regulatory Credits (407.4)	0	0	26
Taxes Other Than Income Taxes (408.1)	11,328,361	13,695,825	27
Income Taxes (409.1)	11,302,703	128,184	28
Provision for Deferred Income Taxes (410.1, 411.1)	13,524,355	26,068,167	29
Accretion Expense FERC (411.10)	0	0	30

**GAS OPERATING REVENUES & EXPENSES**

Particulars (a)	This Year (b)	Last Year (c)	
<b>Other Operating Expenses</b>			
Investment Tax Credit Adjustment (411.4)	(298,483)	(321,723)	31
<b>Total Other Operating Expenses</b>	<b>71,039,567</b>	<b>87,635,114</b>	
<b>Total Operating Expenses</b>	<b>658,339,090</b>	<b>747,556,020</b>	
<b>NET OPERATING INCOME</b>	<b>50,244,666</b>	<b>56,108,003</b>	

## GAS EXPENSES

Report all amounts on the basis and in conformity with the uniform system of accounts and accounting directives prescribed by this commission. Allocate "Total Operations" amounts jurisdictionally between Wisconsin (PSCW) jurisdiction and all other jurisdiction.

Particulars (a)	Wisconsin Jurisdictional Operations		Other Jurisdictional Operations		Total Operations (f)	
	Labor (b)	Other (c)	Labor (d)	Other (e)		
<b>Production Expenses</b>						
Manufactured Gas Production Expenses (700-742)	14,203	1,364,831			1,379,034	1
Natural Gas Production Expenses (750-792)					0	2
Purchased Gas Expenses (804-813)	615,695	435,895,369			436,511,064	3
<b>Total Production Expenses</b>	<b>629,898</b>	<b>437,260,200</b>	<b>0</b>	<b>0</b>	<b>437,890,098</b>	
<b>Operation and Maintenance Expenses</b>						
Storage Expenses (840-848.3)	17,975	8,089			26,064	4
Transmission Expenses (850-867)	44,140	275,686			319,826	5
Distribution Expenses (870-894)	15,003,210	17,299,249			32,302,459	6
Customer Accounts Expenses (901-905)	4,890,879	59,848,933			64,739,812	7
Customer Service Expenses (907-910)	5,655,942	17,001,423			22,657,365	8
Sales Promotion Expenses (911-916)		6,201			6,201	9
Administrative and General Expenses (920-935)	10,758,991	18,598,707			29,357,698	10
<b>Total Operation and Maintenance Expenses</b>	<b>36,371,137</b>	<b>113,038,288</b>	<b>0</b>	<b>0</b>	<b>149,409,425</b>	
<b>Other Operating Expenses</b>						
Depreciation Expense (403)		35,133,499			35,133,499	11
Amortization Limited-Term Utility Investment (404)		49,132			49,132	12
Amortization of Other Utility Plant (405)					0	13
Amortization of Utility Plant Acquisition Adjustment (406)					0	14
Amortization of Property Losses (407.1)					0	15
Amortization of Conversion Expenses (407.2)					0	16
Regulatory Debits (407.3)					0	17
(Less) Regulatory Credits (407.4)					0	18
Taxes Other Than Income Taxes (408.1)		11,328,361			11,328,361	19
Income Taxes (409.1)		11,302,703			11,302,703	20
Provision for Deferred Income Taxes (410.1, 411.1)		13,524,355			13,524,355	21
Accretion Expense FERC (411.10)					0	22
Investment Tax Credit Adjustment (411.4)		(298,483)			(298,483)	23
<b>Total Other Operating Expenses</b>	<b>0</b>	<b>71,039,567</b>	<b>0</b>	<b>0</b>	<b>71,039,567</b>	
<b>Total Operating Expenses</b>	<b>37,001,035</b>	<b>621,338,055</b>	<b>0</b>	<b>0</b>	<b>658,339,090</b>	

## SALES OF GAS BY RATE SCHEDULE

1. Report data by rate schedule (including unbilled revenues and therms), classified between space heating and non-space heating customers and show totals for each account 480-484 incl.
2. Report average number of customers on basis of number of meters. Where meters are added for billing purposes, count one customer for each group of meters so added.
3. Compute averages on basis of 12 month end figures.
4. For industrial interruptible sales, report data by priority of interruption if not provided for by separate rate schedules.

Particulars (a)	Rate Schedule (b)	Average Number Customers (c)	Therms Sold (d)	Amount (e)		
<b>Wisconsin Geographical Operations</b>						
<b>Residential Sales (480)</b>						
Residential Non-Space Heating	GS1	26,389	10,198,153	12,221,423	1	
	GF1	76	60,588	69,458	2	
	GF2	0	5,014	5,571	3	
Residential Space Heating	GS1	511,010	403,868,591	424,871,224	4	
	GF1	6,050	5,104,987	6,122,315	5	
	GF2	13	268,014	296,873	6	
<b>Total Account 480:</b>		<b>543,538</b>	<b>419,505,347</b>	<b>443,586,864</b>		
<b>Commercial and Industrial Sales (481)</b>						
Commercial Non-Space Heating	FG1	2,089	2,165,154	2,145,871	7	
	FG2	743	7,446,446	6,493,810	8	
	FG3	32	1,435,926	1,191,830	9	
	AG1	8	11,614	13,860	10	
	AG2	5	116,825	86,477	11	
	AG3	1	65,186	44,025	12	
	FG4	1	76,224	62,586	13	
	CG1	0	0	0	14	
	AG4	0	0	0	15	
	FG5	0	0	0	16	
	Commercial Space Heating	FG1	36,072	44,422,327	44,956,549	17
		FG2	11,854	116,343,104	102,999,004	18
		FG3	433	23,080,466	19,351,931	19
FG4		50	6,279,066	5,024,205	20	
AG1		8	3,554	2,274	21	
AG2		6	82,827	60,313	22	
AG4		1	34,934	31,632	23	
AG3		1	96,803	68,328	24	
FG5		0	0	0	25	
CG1	0	0	0	26		
Industrial Non-Space Heating	FG2	105	1,909,555	1,688,514	27	
	FG1	62	123,329	118,740	28	
	FG3	55	3,147,947	2,618,964	29	
	FG4	29	4,438,381	3,487,390	30	
	AG2	28	248,684	187,895	31	
	AG3	11	362,568	269,636	32	
	AG1	8	9,386	7,289	33	

## SALES OF GAS BY RATE SCHEDULE

1. Report data by rate schedule (including unbilled revenues and therms), classified between space heating and non-space heating customers and show totals for each account 480-484 incl.
2. Report average number of customers on basis of number of meters. Where meters are added for billing purposes, count one customer for each group of meters so added.
3. Compute averages on basis of 12 month end figures.
4. For industrial interruptible sales, report data by priority of interruption if not provided for by separate rate schedules.

Particulars (a)	Rate Schedule (b)	Average Number Customers (c)	Therms Sold (d)	Amount (e)	
<b>Wisconsin Geographical Operations</b>					
<b>Commercial and Industrial Sales (481)</b>					
Industrial Non-Space Heating	AG4	6	511,179	344,332	34
	CG1	0	0	0	35
	FG6	0	0	(143)	36
Industrial Space Heating	FG2	622	10,102,105	8,852,877	37
	FG1	259	578,253	555,092	38
	FG3	188	10,228,521	8,552,468	39
	FG4	56	9,381,941	7,251,253	40
	AG2	13	149,371	110,669	41
	AG1	8	(17,013)	(12,008)	42
	AG3	3	131,443	91,159	43
	AG4	2	287,637	167,413	44
	FG5	1	239,706	178,694	45
	FG6	1	1,638,166	1,174,205	46
interruptible	IG6	4	7,662,109	4,755,121	47
Interruptible	IG4	14	2,622,494	1,765,549	48
	IG5	4	3,172,421	1,994,302	49
	IG3	3	204,051	159,520	50
Natural Gas Vehicle Firm	NG2	4	88,818	65,503	51
	NG3	1	69,994	50,838	52
	NG1	1	1,041	953	53
Other	NONE				54
Sales to End Users Through Marketers	BEST EFFORTS				55
	OVERTAKE			3,528,164	56
<b>Total Account 481:</b>		<b>52,792</b>	<b>258,952,543</b>	<b>230,497,084</b>	
<b>Sales for Resale (483)</b>					
Other	OTHER				57
<b>Total Account 483:</b>		<b>0</b>	<b>0</b>	<b>0</b>	
<b>Interdepartmental Sales (484)</b>					
Firm	NONE				58
Interruptible	NONE				59
<b>Total Account 484:</b>		<b>0</b>	<b>0</b>	<b>0</b>	
<b>Total Sales of Gas</b>		<b>596,330</b>	<b>678,457,890</b>	<b>674,083,948</b>	
<b>Transportation (489)</b>					
	NONE				60

### SALES OF GAS BY RATE SCHEDULE

1. Report data by rate schedule (including unbilled revenues and therms), classified between space heating and non-space heating customers and show totals for each account 480-484 incl.
2. Report average number of customers on basis of number of meters. Where meters are added for billing purposes, count one customer for each group of meters so added.
3. Compute averages on basis of 12 month end figures.
4. For industrial interruptible sales, report data by priority of interruption if not provided for by separate rate schedules.

Particulars (a)	Rate Schedule (b)	Average Number Customers (c)	Therms Sold (d)	Amount (e)	
<b>Wisconsin Geographical Operations</b>					
<b>Transportation (489)</b>					
Commercial Non-Space Heating	TG2	7	171,621	33,327	<b>61</b>
	TG3	5	369,109	53,336	<b>62</b>
	TG4	5	849,889	92,613	<b>63</b>
	TG1	0	(4,791)	(1,826)	<b>64</b>
	TG5	0	0	12	<b>65</b>
Commercial Space Heating	TG2	150	3,704,514	716,114	<b>66</b>
	TG3	102	5,937,277	928,695	<b>67</b>
	TG4	62	10,080,078	1,139,621	<b>68</b>
	TG5	3	1,839,259	157,958	<b>69</b>
	TG1	1	2,383	1,332	<b>70</b>
	TG6	1	1,717,623	89,772	<b>71</b>
Industrial Non-Space Heating	TG4	197	47,893,945	4,816,495	<b>72</b>
	TG6	82	162,533,349	8,232,848	<b>73</b>
	TG3	67	4,633,590	691,841	<b>74</b>
	TG5	46	31,857,881	2,608,154	<b>75</b>
	TG2	17	404,924	77,899	<b>76</b>
	TG7	2	24,482,822	1,005,312	<b>77</b>
	TG8	0	0	0	<b>78</b>
	TG1	0	1,319	533	<b>79</b>
Industrial Space Heating	TG3	82	5,553,525	844,840	<b>80</b>
	TG4	79	16,285,394	1,707,056	<b>81</b>
	TG2	48	1,238,076	238,562	<b>82</b>
	TG5	10	6,856,718	560,205	<b>83</b>
	TG6	7	19,573,069	873,544	<b>84</b>
	TG1	2	2,446	1,348	<b>85</b>
Industrial Transportation (Interruptible)	806	14	34,613,265	1,701,201	<b>86</b>
	807	4	39,543,221	1,162,760	<b>87</b>
	804	1	441,543	470,512	<b>88</b>
	805	1	1,176,378	78,311	<b>89</b>
	803	0	0	0	<b>90</b>
	808	0	0	(132)	<b>91</b>
Other	OVERTAKE			(81)	<b>92</b>
	FTS			699,564	<b>93</b>

## SALES OF GAS BY RATE SCHEDULE

1. Report data by rate schedule (including unbilled revenues and therms), classified between space heating and non-space heating customers and show totals for each account 480-484 incl.
2. Report average number of customers on basis of number of meters. Where meters are added for billing purposes, count one customer for each group of meters so added.
3. Compute averages on basis of 12 month end figures.
4. For industrial interruptible sales, report data by priority of interruption if not provided for by separate rate schedules.

Particulars (a)	Rate Schedule (b)	Average Number Customers (c)	Therms Sold (d)	Amount (e)	
<b>Wisconsin Geographical Operations</b>					
<b>Transportation (489)</b>					
Transport Gas - PWGS	902	1	192,310,313	4,792,834	94
<b>Total Account 489:</b>		<b>996</b>	<b>614,068,740</b>	<b>33,774,560</b>	
<b>Total Wisconsin</b>		<b>597,326</b>	<b>1,292,526,630</b>	<b>707,858,508</b>	
<b>Out-of-State Geographical Operations</b>					
<b>Residential Sales (480)</b>					
Non-Space Heating	NONE				95
Space heating	NONE				96
<b>Total Account 480:</b>		<b>0</b>	<b>0</b>	<b>0</b>	
<b>Commercial and Industrial Sales (481)</b>					
Commercial Non-Space Heating	NONE				97
Commercial Space Heating	NONE				98
Industrial Non-Space Heating	NONE				99
Industrial Space Heating	NONE				00
Other	NONE				01
<b>Total Account 481:</b>		<b>0</b>	<b>0</b>	<b>0</b>	
<b>Sales for Resale (483)</b>					
	NONE				02
<b>Total Account 483:</b>		<b>0</b>	<b>0</b>	<b>0</b>	
<b>Interdepartmental Sales (484)</b>					
Firm	NONE				03
Interruptible	NONE				04
<b>Total Account 484:</b>		<b>0</b>	<b>0</b>	<b>0</b>	
<b>Total Sales of Gas</b>		<b>0</b>	<b>0</b>	<b>0</b>	
<b>Transportation (489)</b>					
Transport	NONE				05
<b>Total Account 489:</b>		<b>0</b>	<b>0</b>	<b>0</b>	
<b>Total Out-of-State</b>		<b>0</b>	<b>0</b>	<b>0</b>	
<b>TOTAL THROUGHPUT</b>		<b>597,326</b>	<b>1,292,526,630</b>	<b>707,858,508</b>	

## OTHER OPERATING REVENUES (GAS)

1. Report succinct statement of the revenues in each account and show separate totals for each account.
2. Report name of lessee and description of property for major items of rent revenue. Group other rents less than \$25,000 by classes.
3. For sales of water and water power, report name of purchaser, purpose for which water used and the development supplying water.
4. Report basis of charges for any interdepartmental rents.
5. Report details of major items in Acct. 456. Group items less than \$25,000.

Particulars (a)	Amount (b)	
<b>Wisconsin Geographical Operations</b>		
<b>Forfeited Discounts (487):</b>		
FORFEITED DISCOUNTS	4,447,511	1
<b>Total Forfeited Discounts (487)</b>	<b>4,447,511</b>	
<b>Miscellaneous Service Revenues (488):</b>		
SERVICE DISCONNECT/RECONNECT FEES	202,663	2
NSF CHECK RETURN FEES	78,163	3
RBOCD	48,257	4
DAMAGE CLAIMS	29,657	5
RAB EARLY TERMINATION	16,850	6
MISCELLANEOUS	885	7
<b>Total Miscellaneous Service Revenues (488)</b>	<b>376,475</b>	
<b>Revenues from Transportation of Gas of Others (489):</b>		
TRANSPORTATION REVENUE	33,774,560	8
<b>Total Revenues from Transportation of Gas of Others (489)</b>	<b>33,774,560</b>	
<b>Rent from Gas Property (493):</b>		
PROPERTY RENT	37,250	9
<b>Total Rent from Gas Property (493)</b>	<b>37,250</b>	
<b>Other Gas Revenues (495):</b>		
TRUE-UP	(4,037,663)	10
TREBLED DAMAGES	885	11
DISCOUNT ON WI SALES/USE TAX	10,000	12
MISCELLANEOUS	(109,210)	13
<b>Total Other Gas Revenues (495)</b>	<b>(4,135,988)</b>	
<b>Penalty Revenue (497):</b>		
NONE		14
<b>Total Penalty Revenue (497)</b>	<b>0</b>	
<b>Utility Revenue Incentive (PBR) (498):</b>		
NONE		15
<b>Total Utility Revenue Incentive (PBR) (498)</b>	<b>0</b>	
<b>Total Wisconsin</b>	<b>34,499,808</b>	
<b>Out-of-State Geographical Operations</b>		
<b>Forfeited Discounts (487):</b>		
NONE		16
<b>Total Forfeited Discounts (487)</b>	<b>0</b>	
<b>Miscellaneous Service Revenues (488):</b>		
NONE		17
<b>Total Miscellaneous Service Revenues (488)</b>	<b>0</b>	

## OTHER OPERATING REVENUES (GAS)

1. Report succinct statement of the revenues in each account and show separate totals for each account.
2. Report name of lessee and description of property for major items of rent revenue. Group other rents less than \$25,000 by classes.
3. For sales of water and water power, report name of purchaser, purpose for which water used and the development supplying water.
4. Report basis of charges for any interdepartmental rents.
5. Report details of major items in Acct. 456. Group items less than \$25,000.

Particulars (a)	Amount (b)
<b>Out-of-State Geographical Operations</b>	
<b>Revenues from Transportation of Gas of Others (489):</b>	
NONE	18
<b>Total Revenues from Transportation of Gas of Others (489)</b>	<b>0</b>
<b>Rent from Gas Property (493):</b>	
NONE	19
<b>Total Rent from Gas Property (493)</b>	<b>0</b>
<b>Other Gas Revenues (495):</b>	
NONE	20
<b>Total Other Gas Revenues (495)</b>	<b>0</b>
<b>Penalty Revenue (497):</b>	
NONE	21
<b>Total Penalty Revenue (497)</b>	<b>0</b>
<b>Utility Revenue Incentive (PBR) (498):</b>	
NONE	22
<b>Total Utility Revenue Incentive (PBR) (498)</b>	<b>0</b>
<b>Total Out-of-State</b>	<b>0</b>
 <b>TOTAL UTILITY</b>	 <b>34,499,808</b>

## GAS OPERATION AND MAINTENANCE EXPENSES

Particulars (a)	Labor Expense (b)	Other Expense (c)	Total Expense (d)	Last Year Total (e)	
<b>MANUFACTURED GAS PRODUCTION EXPENSES</b>					
Operation Supervision and Engineering (710)			0	0	1
Steam Expenses (711)			0	0	2
Other Power Expenses (712)			0	0	3
Liquefied Petroleum Gas Expenses (717)	4,711	(28)	4,683	17,670	4
Liquefied Petroleum Gas (728)		4,251	4,251	1,602	5
Miscellaneous Production Expenses (735)		1,352,819	1,352,819	901,847	6
Rents (736)			0	0	7
Maintenance Supervision and Engineering (740)			0	0	8
Maintenance of Structures and Improvements (741)	2,262	3,840	6,102	5,001	9
Maintenance of Production Equipment (742)	7,231	3,948	11,179	5,946	10
<b>Total Manufactured Gas Production Expenses</b>	<b>14,204</b>	<b>1,364,830</b>	<b>1,379,034</b>	<b>932,066</b>	
<b>NATURAL GAS PRODUCTION EXPENSES</b>					
Rents (783)			0	0	11
<b>Total Natural Gas Production Expenses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>OTHER GAS SUPPLY EXPENSES</b>					
Natural Gas City Gate Purchases (804)	615,695	435,371,791	435,987,486	522,585,384	12
Liquefied Natural Gas Purchases (804.1)			0	0	13
<b>Total Other Gas Supply Expenses</b>	<b>615,695</b>	<b>435,371,791</b>	<b>435,987,486</b>	<b>522,585,384</b>	
<b>GAS TRANSMISSION EXPENSES</b>					
Other Gas Purchases (805)			0	0	14
<b>Total Gas Transmission Expenses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>OTHER GAS SUPPLY EXPENSES</b>					
Purchased Gas Cost Adjustments (805.1)			0	0	15
Incremental Gas Cost Adjustments (805.2)			0	0	16
Exchange Gas (806)			0	0	17
Purchased Gas Expenses (807)		351,690	351,690	148,883	18
Gas Withdrawn from Storage -- Debit (808.1)		171,888	171,888	349,876	19
(Less) Gas Delivered to Storage -- Credit (808.2)			0	0	20
Withdrawals of Liquefied Natural Gas held for Processing -- debit (809.1)			0	0	21
(Less) Deliveries of Natural Gas for Processing -- Credit (809.2)			0	0	22
(Less) Gas Used for Compressor Station Fuel -- Credit (810)			0	0	23
(Less) Gas Used for products Extraction -- Credit (811)			0	0	24
(Less) Gas Used for Other Utility Operations -- Credit (812)			0	0	25

## GAS OPERATION AND MAINTENANCE EXPENSES

Particulars (a)	Labor Expense (b)	Other Expense (c)	Total Expense (d)	Last Year Total (e)	
<b>OTHER GAS SUPPLY EXPENSES</b>					
Other Gas Supply Expenses (813)			0	0	26
<b>Total Other Gas Supply Expenses</b>	<b>0</b>	<b>523,578</b>	<b>523,578</b>	<b>498,759</b>	
<b>OTHER STORAGE EXPENSES</b>					
Operation Supervision and Engineering (840)			0	0	27
Operation Labor and Expenses (841)	17,975	2,809	20,784	23,533	28
Rents (842)			0	0	29
Fuel (842.1)			0	0	30
Power (842.2)			0	0	31
Gas Losses (842.3)			0	0	32
Maintenance Supervision and Engineering (843.1)			0	0	33
Maintenance of Structures and Improvements (843.2)		4,907	4,907	3,835	34
Maintenance of Gas Holders (843.3)		191	191	0	35
Maintenance of Purification Equipment (843.4)			0	0	36
Maintenance of Liquefaction Equipment (843.5)			0	0	37
Maintenance of Vaporizing Equipment (843.6)		182	182	99	38
Maintenance of Compressor Equipment (843.7)			0	0	39
Maintenance of Measuring and Regulating Station Equipment (843.8)			0	0	40
Maintenance of Other Equipment (843.9)			0	390	41
<b>Total Other Storage Expenses</b>	<b>17,975</b>	<b>8,089</b>	<b>26,064</b>	<b>27,857</b>	
<b>TRANSMISSION EXPENSES</b>					
Operation Supervision and Engineering (850)			0	0	42
System Control and Load Dispatching (851)			0	0	43
Communication System Expenses (852)			0	0	44
Compressor Station Labor and Expenses (853)			0	0	45
Gas for Compressor Station Fuel (854)			0	0	46
Other Fuel and Power for Compressor Stations (855)			0	0	47
Mains Expenses (856)	42,103	266,396	308,499	27,981	48
Measuring and Regulating Station Expenses (857)	2,037	9,290	11,327	8,214	49
Transmission and Compression of Gas by Others (858)			0	0	50
Other Expenses (859)			0	0	51
Rents (860)			0	0	52
Maintenance Supervision and Engineering (861)			0	0	53
Maintenance of Structures and Improvements (862)			0	0	54
Maintenance of Mains (863)			0	1	55
Maintenance of Compressor Station Equipment (864)			0	0	56
Maintenance of Measuring and Regulating Station Equipment (865)			0	81	57
Maintenance of Communication Equipment (866)			0	0	58

## GAS OPERATION AND MAINTENANCE EXPENSES

Particulars (a)	Labor Expense (b)	Other Expense (c)	Total Expense (d)	Last Year Total (e)	
<b>TRANSMISSION EXPENSES</b>					
Maintenance of Other Equipment (867)			0	0	59
<b>Total Transmission Expenses</b>	<b>44,140</b>	<b>275,686</b>	<b>319,826</b>	<b>36,277</b>	
<b>DISTRIBUTION EXPENSES</b>					
Operation Supervision and Engineering (870)	832,775	54,712	887,487	1,104,182	60
Distribution Load Dispatching (871)	515,515	5,107	520,622	557,742	61
Compressor Station Labor and Expenses (872)			0	0	62
Compressor Station Fuel and Power (873)			0	0	63
Mains and Services Expenses (874)	1,459,012	5,007,885	6,466,897	7,559,734	64
Measuring and Regulating Station Expenses--General (875)	454,150	390,561	844,711	752,092	65
Measuring and Regulating Station Expenses--Industrial (876)			0	0	66
Measuring and Regulating Station Expenses--City Gate Check Stations (877)	318,287	851,217	1,169,504	1,412,726	67
Meter and House Regulator Expenses (878)	1,554,666	1,663,248	3,217,914	2,659,444	68
Customer Installations Expenses (879)	1,534,805	630,847	2,165,652	2,473,260	69
Other Expenses (880)	2,691,718	521,892	3,213,610	3,248,490	70
Rents (881)			0	0	71
Maintenance Supervision and Engineering (885)	649,429	4,026	653,455	573,552	72
Maintenance of Structures and Improvements (886)			0	0	73
Maintenance of Mains (887)	728,188	2,422,184	3,150,372	4,059,958	74
Maintenance of Compressor Station Equipment (888)			0	0	75
Maintenance of Measuring and Regulating Station Equipment--General (889)	702,128	626,361	1,328,489	1,297,396	76
Maintenance of Measuring and Regulating Station Equipment--industrial (890)			0	0	77
Maintenance of Measuring and Reg. Station Equip.--City Gate Check Stations (891)	106,672	191,740	298,412	579,079	78
Maintenance of Services (892)	2,054,000	3,741,758	5,795,758	5,934,173	79
Maintenance of Meters and House Regulators (893)	1,377,634	1,167,492	2,545,126	2,403,292	80
Maintenance of Other Equipment (894)	24,230	20,220	44,450	46,931	81
<b>Total Distribution Expenses</b>	<b>15,003,209</b>	<b>17,299,250</b>	<b>32,302,459</b>	<b>34,662,051</b>	
<b>CUSTOMER ACCOUNTS EXPENSES</b>					
Supervision (901)	109,045	98,226	207,271	210,063	82
Meter Reading Expenses (902)	441,018	2,812,811	3,253,829	4,203,529	83
Customer Records and Collection Expenses (903)	4,340,816	9,807,195	14,148,011	14,141,589	84
Uncollectible Accounts (904)		47,080,098	47,080,098	30,649,351	85
Miscellaneous Customer Accounts Expenses (905)		50,603	50,603	41,438	86
<b>Total Customer Accounts Expenses</b>	<b>4,890,879</b>	<b>59,848,933</b>	<b>64,739,812</b>	<b>49,245,970</b>	
<b>CUSTOMER SERVICE AND INFORMATIONAL EXPENSES</b>					
Supervision (907)	188,345	30,124	218,469	207,334	87
Customer Assistance Expenses (908)	5,467,558	16,648,592	22,116,150	24,640,607	88

## GAS OPERATION AND MAINTENANCE EXPENSES

Particulars (a)	Labor Expense (b)	Other Expense (c)	Total Expense (d)	Last Year Total (e)	
<b>CUSTOMER SERVICE AND INFORMATIONAL EXPENSES</b>					
Informational and Instructional Advertising Expenses (909)	39	323,558	<b>323,597</b>	320,780	<b>89</b>
Miscellaneous Customer Service and Informational Expenses (910)		(851)	<b>(851)</b>	3,490	<b>90</b>
<b>Total Customer Service and Informational Expenses</b>	<b>5,655,942</b>	<b>17,001,423</b>	<b>22,657,365</b>	<b>25,172,211</b>	
<b>SALES EXPENSES</b>					
Supervision (911)			<b>0</b>	0	<b>91</b>
Demonstrating and Selling Expenses (912)			<b>0</b>	0	<b>92</b>
Advertising Expenses (913)		6,201	<b>6,201</b>	220	<b>93</b>
Miscellaneous Sales Expenses (916)			<b>0</b>	0	<b>94</b>
<b>Total Sales Expenses</b>	<b>0</b>	<b>6,201</b>	<b>6,201</b>	<b>220</b>	
<b>ADMINISTRATIVE AND GENERAL EXPENSES</b>					
Administrative and General Salaries (920)	9,827,158	(10,737)	<b>9,816,421</b>	9,715,319	<b>95</b>
Office Supplies and Expenses (921)	(2,073)	9,062,302	<b>9,060,229</b>	8,650,398	<b>96</b>
(Less) Administrative Expenses Transferred -- Credit (922)		2,252,934	<b>2,252,934</b>	1,864,261	<b>97</b>
Outside Services Employed (923)		1,853,534	<b>1,853,534</b>	918,695	<b>98</b>
Property Insurance (924)		494,478	<b>494,478</b>	397,696	<b>99</b>
Injuries and Damages (925)		2,038,570	<b>2,038,570</b>	1,676,496	<b>100</b>
Employee Pensions and Benefits (926)	348,775	5,792,347	<b>6,141,122</b>	4,988,724	<b>101</b>
Franchise Requirements (927)			<b>0</b>	0	<b>102</b>
Regulatory Commission Expenses (928)	549,344	166,106	<b>715,450</b>	728,622	<b>103</b>
(Less) Duplicate Charges -- Credit (929)			<b>0</b>	0	<b>104</b>
General Advertising Expenses (930.1)		130	<b>130</b>	27,499	<b>105</b>
Miscellaneous General Expenses (930.2)	9,557	1,367,430	<b>1,376,987</b>	1,388,793	<b>106</b>
Rents (931)			<b>0</b>	0	<b>107</b>
Maintenance of General Plant (935)	26,229	87,482	<b>113,711</b>	132,130	<b>108</b>
<b>Total Administrative and General Expenses</b>	<b>10,758,990</b>	<b>18,598,708</b>	<b>29,357,698</b>	<b>26,760,111</b>	
<b>Total Operation and Maintenance Expenses</b>	<b>37,001,034</b>	<b>550,298,489</b>	<b>587,299,523</b>	<b>659,920,906</b>	

**DETAIL OF NATURAL GAS CITY GATE PURCHASES, ACCT. 804**

Particulars (a)	Labor Expense (b)	Other Expense (c)	Total Expense (d)	Last Year Total (e)	
<b>PURCHASED GAS EXPENSES</b>					
Wages and Salaries (804.11)	615,695	5,511	621,206	623,712	1
Supplies and Expenses (804.12)		778	778	414	2
Miscellaneous Purchased Gas Expenses (804.13)		6	6	0	3
Gas Contract Reservation Fees (804.21)		663,622	663,622	3,111,182	4
Gas Contract Commodity Costs (804.22)		140,057,977	140,057,977	129,492,966	5
Spot Gas Commodity Costs (804.23)		217,679,350	217,679,350	290,808,454	6
Other Gas Purchases (804.24)		4,557,575	4,557,575	5,117,066	7
Gas Surcharges (804.25)		0	0	0	8
Financial Instruments Expenses (804.26)		20,509,551	20,509,551	27,404,045	9
Gas Purchase Miscellaneous Expenses (804.27)			0	0	10
Gas Costs for Opportunity Sales (804.28)			0	0	11
(Less) Purchased Gas Sold -- Credit (804.32)		50,269,280	50,269,280	33,684,674	12
(Less) Gas Commodity Cost Transferred to Storage -- Credit (804.33)		66,024,692	66,024,692	71,070,137	13
(Less) Gas Used in Utility Operations -- Credit (804.34)		841,812	841,812	1,004,399	14
(Less) Gas Used for Transmission Pumping & Compression -- Credit (804.35)		3,798,988	3,798,988	4,953,516	15
<b>Total Purchased Gas Expenses</b>	<b>615,695</b>	<b>262,539,598</b>	<b>263,155,293</b>	<b>345,845,113</b>	
<b>TRANSMISSION EXPENSES</b>					
Transmission Contract Reservation Fees (804.41)		78,351,746	78,351,746	88,044,439	16
Commodity Transmission Fees (804.42)		1,299,020	1,299,020	1,246,762	17
Gas Transmission Surcharges (804.43)		346,117	346,117	1,113,812	18
Gas Transmission Fuel Expense (804.44)		3,798,988	3,798,988	4,953,516	19
No-Notice Service Expenses (804.45)		5,604,258	5,604,258	5,802,203	20
Other Transmission Fees and Expenses (804.46)			0	0	21
Miscellaneous Transmission Expenses (804.48)			0	0	22
Penalties, Unauthorized Use and Overrun, Utility (804.49)		(51,671)	(51,671)	2,156	23
Penalties, Unauthorized Use and Overrun, End-User (804.51)			0	0	24
(Less) Transmission Services Sold -- Credit (804.52)		4,073,432	4,073,432	3,377,026	25
(Less) Gas Transmission Expenses Transferred to Storage -- Credit (804.53)		135,564	135,564	316,779	26
(Less) Gas Transmission Expense Used in Operations -- Credit (804.54)			0	0	27
Transmission Costs for Opportunity Sales (804.55)			0	0	28
<b>Total Transmission Expenses</b>	<b>0</b>	<b>85,139,462</b>	<b>85,139,462</b>	<b>97,469,083</b>	
<b>STORAGE EXPENSES</b>					
Storage Reservation Fees (804.61)		23,467,610	23,467,610	19,020,487	29
Stored Gas Costs for System Use (804.62)		64,225,121	64,225,121	60,250,701	30
Storage Penalties (804.63)			0	0	31
Stored Gas Costs for Opportunity Sales (804.64)			0	0	32
(Less) Storage Capacity Released or Sold -- Credit (804.72)			0	0	33
(Less) Stored Gas Sold -- Credit (804.73)			0	0	34
<b>Total Storage Expenses</b>	<b>0</b>	<b>87,692,731</b>	<b>87,692,731</b>	<b>79,271,188</b>	
<b>Total Expenses - Account 804 - Excl Pipeline Refunds</b>	<b>615,695</b>	<b>435,371,791</b>	<b>435,987,486</b>	<b>522,585,384</b>	
Pipeline Refunds (804.06)			0	0	35
<b>Total Expenses - Account 804</b>	<b>615,695</b>	<b>435,371,791</b>	<b>435,987,486</b>	<b>522,585,384</b>	

## GAS UTILITY PLANT IN SERVICE

1. Report below the original cost of utility plant in service according to the prescribed accounts.
2. Corrections to prior entries for plant additions and retirements should be reported in columns (c) or (d) as appropriate.
3. If necessary, classify Account 106 according to prescribed accounts, on an estimated basis, and include in column (e).  
In subsequent years, show the reversal of these tentative distributions in column (e) as the completed construction properly classified in column (c).
4. If there is a significant amount of plant retirements, which have not been classified by plant account at year end, a tentative distribution of such retirements, on an estimated basis, should be included in column (e). In subsequent years, show the reversal of these tentative distributions in column (e) as the retired plant is properly classified in column (d).

Account (a)	Balance First of Year (b)	Additions During Year (c)	Retirements During Year (d)	
<b>INTANGIBLE PLANT</b>				
Organization (301)	0			1
Franchises and Consents (302)	0			2
Miscellaneous Intangible Plant (303)	1,745,912	3,679		3
<b>Total Intangible Plant</b>	<b>1,745,912</b>	<b>3,679</b>	<b>0</b>	
<b>MANUFACTURED GAS PRODUCTION PLANT</b>				
Land and Land Rights (304)	62,184			4
Structures and Improvements (305)	304,910			5
Boiler Plant Equipment (306)	0			6
Other Power Equipment (307)	0			7
Coke Ovens (308)	0			8
Producer Gas Equipment (309)	0			9
Water Gas Generating Equipment (310)	0			10
Liquefied Petroleum Gas Equipment (311)	0			11
Oil Gas generating equipment (312)	0			12
Generating Equipment--Other Processes (313)	0			13
Coal, Coke, and Ash Handling Equipment (314)	0			14
Catalytic Cracking Equipment (315)	0			15
Other Reforming Equipment (316)	0			16
Purification Equipment (317)	0			17
Residual Refining Equipment (318)	0			18
Gas Mixing Equipment (319)	859,859			19
Other Equipment (320)	0			20
<b>Total Manufactured Gas Production Plant</b>	<b>1,226,953</b>	<b>0</b>	<b>0</b>	
<b>NATURAL GAS STORAGE &amp; PROCESSING - OTHER STORAGE PLANT</b>				
Land and Land Rights (360)	23,230			21
Structures and Improvements (361)	103,721			22
Gas Holders (362)	1,020,149			23
Purification Equipment (363)	0			24
Liquifaction Equipment (363.1)	0			25
Vaporizing Equipment (363.2)	115,079			26
Compressor Equipment (363.3)	0			27
Measuring and Regulating Equipment (363.4)	7,471			28
Other Equipment (363.5)	107,207			29
<b>Total Natural Gas Storage &amp; Processing - Other Storage Plant</b>	<b>1,376,857</b>	<b>0</b>	<b>0</b>	

### GAS UTILITY PLANT IN SERVICE (cont.)

5. Column (f) is used to report the reclassifications or transfers within utility plant accounts.
6. Upon final disposition of Account 102, classify the plant balances according to prescribed accounts and include in column (f). The amounts with respect to accumulated provision for depreciation, acquisition adjustments, etc., should be reported in column (e).
7. For Account 399, state the nature and use of plant included in this account and if substantial in amount, submit supplementary information reporting subaccount plant detail conforming to the requirements of this schedule.
8. Leased plant recorded in Account 101.1 should be further classified to the prescribed plant accounts.
9. For each transaction recorded in Account 102, describe the plant purchased or sold, identify the counterparty and date of transaction.

Account (a)	Adjustments Increase or (Decrease) (e)	Transfers (f)	Balance End of Year (g)	
Organization (301)			0	1
Franchises and Consents (302)			0	2
Miscellaneous Intangible Plant (303)			1,749,591	3
	0	0	1,749,591	
Land and Land Rights (304)			62,184	4
Structures and Improvements (305)			304,910	5
Boiler Plant Equipment (306)			0	6
Other Power Equipment (307)			0	7
Coke Ovens (308)			0	8
Producer Gas Equipment (309)			0	9
Water Gas Generating Equipment (310)			0	10
Liquefied Petroleum Gas Equipment (311)			0	11
Oil Gas generating equipment (312)			0	12
Generating Equipment--Other Processes (313)			0	13
Coal, Coke, and Ash Handling Equipment (314)			0	14
Catalytic Cracking Equipment (315)			0	15
Other Reforming Equipment (316)			0	16
Purification Equipment (317)			0	17
Residual Refining Equipment (318)			0	18
Gas Mixing Equipment (319)			859,859	19
Other Equipment (320)			0	20
	0	0	1,226,953	
Land and Land Rights (360)			23,230	21
Structures and Improvements (361)			103,721	22
Gas Holders (362)			1,020,149	23
Purification Equipment (363)			0	24
Liquifaction Equipment (363.1)			0	25
Vaporizing Equipment (363.2)			115,079	26
Compressor Equipment (363.3)			0	27
Measuring and Regulating Equipment (363.4)			7,471	28
Other Equipment (363.5)			107,207	29
	0	0	1,376,857	

## GAS UTILITY PLANT IN SERVICE

1. Report below the original cost of utility plant in service according to the prescribed accounts.
2. Corrections to prior entries for plant additions and retirements should be reported in columns (c) or (d) as appropriate.
3. If necessary, classify Account 106 according to prescribed accounts, on an estimated basis, and include in column (e).  
In subsequent years, show the reversal of these tentative distributions in column (e) as the completed construction properly classified in column (c).
4. If there is a significant amount of plant retirements, which have not been classified by plant account at year end, a tentative distribution of such retirements, on an estimated basis, should be included in column (e). In subsequent years, show the reversal of these tentative distributions in column (e) as the retired plant is properly classified in column (d).

Account (a)	Balance First of Year (b)	Additions During Year (c)	Retirements During Year (d)	
<b>NATURAL GAS STORAGE &amp; PROCESSING - BASE LOAD LNG TERMINALING AND PROCESSING PLNT</b>				
Land and Land Rights (364.1)	0			30
Structures and Improvements (364.2)	0			31
LNG Processing Terminal Equipment (364.3)	0			32
LNG Transportation Equipment (364.4)	0			33
Measuring and Regulating Equipment (364.5)	0			34
Compressor Station Equipment (364.6)	0			35
Communication Equipment (364.7)	0			36
Other Equipment (364.8)	0			37
<b>Total Natural Gas Storage &amp; Processing - Base Load LNG Terminaling and Processing Plnt</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>TRANSMISSION PLANT</b>				
Land and Land Rights (365.1)	35,209			38
Rights-of-Way (365.2)	4,661,572			39
Structures and Improvements (366)	934,263			40
Mains (367)	105,506,008			41
Compressor Station Equipment (368)	0			42
Measuring and Regulating Station Equipment (369)	1,702,649	24,022		* 43
Communication Equipment (370)	0			44
Other Equipment (371)	0			45
<b>Total Transmission Plant</b>	<b>112,839,701</b>	<b>24,022</b>	<b>0</b>	
<b>DISTRIBUTION PLANT</b>				
Land and Land Rights (374)	4,332,445	46,153		46
Structures and Improvements (375)	4,440,874	63,319	3,185	47
Mains (376)	500,918,935	19,705,149	2,611,429	* 48
Compressor Station Equipment (377)	0			49
Meas. and Reg. Station Equipment - General (378)	24,863,721	1,784,885	435,530	* 50
Meas. and Reg. Station Equipment - Cty. Gate (379)	20,304,039	118,026	236,712	* 51
Services (380)	326,779,366	21,707,769	4,016,667	* 52
Meters (381)	74,070,432	5,495,039	2,785,190	53
Meter Installations (382)	117,028,277	15,082,757	1,019,838	* 54
House Regulators (383)	17,785,766	1,514,291	190,010	* 55
House Regulatory Installations (384)	0			56
Industrial Measuring and Regulating Station Equipment (385)	7,635,636	(843)		* 57
Other Property on Customers' Premises (386)	0			58
Other Equipment (387)	5,323,341			59
Asset Retirement Costs for Distribution Plant (388)	0			60
<b>Total Distribution Plant</b>	<b>1,103,482,832</b>	<b>65,516,545</b>	<b>11,298,561</b>	

**GAS UTILITY PLANT IN SERVICE (cont.)**

5. Column (f) is used to report the reclassifications or transfers within utility plant accounts.
6. Upon final disposition of Account 102, classify the plant balances according to prescribed accounts and include in column (f). The amounts with respect to accumulated provision for depreciation, acquisition adjustments, etc., should be reported in column (e).
7. For Account 399, state the nature and use of plant included in this account and if substantial in amount, submit supplementary information reporting subaccount plant detail conforming to the requirements of this schedule.
8. Leased plant recorded in Account 101.1 should be further classified to the prescribed plant accounts.
9. For each transaction recorded in Account 102, describe the plant purchased or sold, identify the counterparty and date of transaction.

Account (a)	Adjustments Increase or (Decrease) (e)	Transfers (f)	Balance End of Year (g)	
Land and Land Rights (364.1)			0	30
Structures and Improvements (364.2)			0	31
LNG Processing Terminal Equipment (364.3)			0	32
LNG Transportation Equipment (364.4)			0	33
Measuring and Regulating Equipment (364.5)			0	34
Compressor Station Equipment (364.6)			0	35
Communication Equipment (364.7)			0	36
Other Equipment (364.8)			0	37
	0	0	0	
Land and Land Rights (365.1)			35,209	38
Rights-of-Way (365.2)			4,661,572	39
Structures and Improvements (366)			934,263	40
Mains (367)			105,506,008	41
Compressor Station Equipment (368)			0	42
Measuring and Regulating Station Equipment (369)	(1)	11,404	1,738,074	* 43
Communication Equipment (370)			0	44
Other Equipment (371)			0	45
	(1)	11,404	112,875,126	
Land and Land Rights (374)			4,378,598	46
Structures and Improvements (375)			4,501,008	47
Mains (376)	2	3,734	518,016,391	* 48
Compressor Station Equipment (377)			0	49
Meas. and Reg. Station Equipment - General (378)		(28,362)	26,184,714	* 50
Meas. and Reg. Station Equipment - Cty. Gate (379)		16,959	20,202,312	* 51
Services (380)		145,302	344,615,770	* 52
Meters (381)		0	76,780,281	53
Meter Installations (382)		(149,037)	130,942,159	* 54
House Regulators (383)	(1)		19,110,046	* 55
House Regulatory Installations (384)			0	56
Industrial Measuring and Regulating Station Equipment (385)	(1)		7,634,792	* 57
Other Property on Customers' Premises (386)			0	58
Other Equipment (387)			5,323,341	59
Asset Retirement Costs for Distribution Plant (388)			0	60
	0	(11,404)	1,157,689,412	

## GAS UTILITY PLANT IN SERVICE

1. Report below the original cost of utility plant in service according to the prescribed accounts.
2. Corrections to prior entries for plant additions and retirements should be reported in columns (c) or (d) as appropriate.
3. If necessary, classify Account 106 according to prescribed accounts, on an estimated basis, and include in column (e).  
In subsequent years, show the reversal of these tentative distributions in column (e) as the completed construction properly classified in column (c).
4. If there is a significant amount of plant retirements, which have not been classified by plant account at year end, a tentative distribution of such retirements, on an estimated basis, should be included in column (e). In subsequent years, show the reversal of these tentative distributions in column (e) as the retired plant is properly classified in column (d).

Account (a)	Balance First of Year (b)	Additions During Year (c)	Retirements During Year (d)	
<b>GENERAL PLANT</b>				
Land and Land Rights (389)	947,227		21,823	61
Structures and Improvements (390)	25,731,926	788,898	194,614	62
Office Furniture and Equipment (391)	2,774,594	5,343		63
Transportation Equipment (392)	10,880,481	1,016,334	940,496	64
Stores Equipment (393)	96,542			65
Tools, Shop and Garage Equipment (394)	5,391,235	417,670		66
Laboratory Equipment (395)	0			67
Power-Operated Equipment (396)	2,532,251	177,109	9,954	68
Communication Equipment (397)	54,717,279	2,273,786	1,868,982	69
Miscellaneous Equipment (398)	329,208	7,569		70
Other Tangible Property (399)	0			71
Asset Retirement Costs for General Plant (399.1)	0			72
<b>Total General Plant</b>	<b>103,400,743</b>	<b>4,686,709</b>	<b>3,035,869</b>	
<b>Total for Accounts 101 and 106</b>	<b>1,324,072,998</b>	<b>70,230,955</b>	<b>14,334,430</b>	
Gas Plant Purchased (102)	0			73
(Less) Gas Plant Sold (102)	0			74
Experimental Gas Plant Unclassified (103)	0			75
<b>Total utility plant in service</b>	<b>1,324,072,998</b>	<b>70,230,955</b>	<b>14,334,430</b>	

**GAS UTILITY PLANT IN SERVICE (cont.)**

5. Column (f) is used to report the reclassifications or transfers within utility plant accounts.
6. Upon final disposition of Account 102, classify the plant balances according to prescribed accounts and include in column (f). The amounts with respect to accumulated provision for depreciation, acquisition adjustments, etc., should be reported in column (e).
7. For Account 399, state the nature and use of plant included in this account and if substantial in amount, submit supplementary information reporting subaccount plant detail conforming to the requirements of this schedule.
8. Leased plant recorded in Account 101.1 should be further classified to the prescribed plant accounts.
9. For each transaction recorded in Account 102, describe the plant purchased or sold, identify the counterparty and date of transaction.

Account (a)	Adjustments Increase or (Decrease) (e)	Transfers (f)	Balance End of Year (g)	
Land and Land Rights (389)			925,404	61
Structures and Improvements (390)			26,326,210	62
Office Furniture and Equipment (391)			2,779,937	63
Transportation Equipment (392)			10,956,319	64
Stores Equipment (393)			96,542	65
Tools, Shop and Garage Equipment (394)			5,808,905	66
Laboratory Equipment (395)			0	67
Power-Operated Equipment (396)			2,699,406	68
Communication Equipment (397)			55,122,083	69
Miscellaneous Equipment (398)			336,777	70
Other Tangible Property (399)			0	71
Asset Retirement Costs for General Plant (399.1)			0	72
	0	0	105,051,583	
	(1)	0	1,379,969,522	
Gas Plant Purchased (102)			0	73
(Less) Gas Plant Sold (102)			0	74
Experimental Gas Plant Unclassified (103)			0	75
	(1)	0	1,379,969,522	

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## GAS UTILITY PLANT IN SERVICE

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### Gas Utility Plant in Service (Page G-07)

#### General footnotes

- (e) Rounding adjustments
  - (f) Reclassing property between plant accounts
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**GAS UTILITY PLANT IN SERVICE (cont.)**

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**ACCUMULATED PROVISION FOR DEPRECIATION - GAS**

Report in column (e) additional depreciation expense authorized by Commission to be charged where tax depreciation allowances exceed book amounts.
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Primary Plant Accounts (a)	Balance First of Year (b)	Straight Line Rate % Used (c)	Accruals During Year		
			Straight Line Amount (d)	Additional Amount (e)	
<b>INTANGIBLE PLANT</b>					
Organization (301)	0				1
Franchises and Consents (302)	0				2
Miscellaneous Intangible Plant (303)	164,256	Various	49,132	*	3
<b>Total Intangible Plant</b>	<b>164,256</b>		<b>49,132</b>	<b>0</b>	
<b>MANUFACTURED GAS PRODUCTION PLANT</b>					
Land and Land Rights (304)	0				4
Structures and Improvements (305)	162,555	1.490%	4,543	*	5
Boiler Plant Equipment (306)	0				6
Other Power Equipment (307)	0				7
Coke Ovens (308)	0				8
Producer Gas Equipment (309)	0				9
Water Gas Generating Equipment (310)	0				10
Liquefied Petroleum Gas Equipment (311)	0				11
Oil Gas generating equipment (312)	0				12
Generating Equipment--Other Processes (313)	0				13
Coal, Coke, and Ash Handling Equipment (314)	0				14
Catalytic Cracking Equipment (315)	0				15
Other Reforming Equipment (316)	0				16
Purification Equipment (317)	0				17
Residual Refining Equipment (318)	0				18
Gas Mixing Equipment (319)	461,993	1.400%	12,038	*	19
Other Equipment (320)	0				20
<b>Total Manufactured Gas Production Plant</b>	<b>624,548</b>		<b>16,581</b>	<b>0</b>	
<b>NATURAL GAS STORAGE &amp; PROCESSING - OTHER STORAGE PLANT</b>					
Land and Land Rights (360)	0				21
Structures and Improvements (361)	133,972	3.330%		*	22
Gas Holders (362)	1,255,532	2.220%	1,445	*	23
Purification Equipment (363)	0				24
Liquifaction Equipment (363.1)	0				25
Vaporizing Equipment (363.2)	143,287	2.860%		*	26
Compressor Equipment (363.3)	0				27
Measuring and Regulating Equipment (363.4)	9,325	2.860%		*	28
Other Equipment (363.5)	133,805	2.860%		*	29
<b>Total Natural Gas Storage &amp; Processing - Other Storage Plant</b>	<b>1,675,921</b>		<b>1,445</b>	<b>0</b>	
<b>NATURAL GAS STORAGE &amp; PROCESSING - BASE LOAD LNG TERMINALING AND PROCESSING PLNT</b>					
Land and Land Rights (364.1)	0				30
Structures and Improvements (364.2)	0				31
LNG Processing Terminal Equipment (364.3)	0				32
LNG Transportation Equipment (364.4)	0				33

### ACCUMULATED PROVISION FOR DEPRECIATION - GAS (cont.)

Account (a)	Book Cost of Plant Retired (f)	Cost of Removal (g)	Salvage (h)	Adjustments Increase or (Decrease) (i)	Balance End of Year (j)	
301					0	1
302					0	2
303				22,765	236,153	* 3
	0	0	0	22,765	236,153	
304					0	4
305				(3,653)	163,445	* 5
306					0	6
307					0	7
308					0	8
309					0	9
310					0	10
311					0	11
312					0	12
313					0	13
314					0	14
315					0	15
316					0	16
317					0	17
318					0	18
319				62,262	536,293	* 19
320					0	20
	0	0	0	58,609	699,738	
360					0	21
361				(30,623)	103,349	* 22
362				(235,383)	1,021,594	* 23
363					0	24
363.1					0	25
363.2				(28,208)	115,079	* 26
363.3					0	27
363.4				(1,854)	7,471	* 28
363.5				(26,598)	107,207	* 29
	0	0	0	(322,666)	1,354,700	
364.1					0	30
364.2					0	31
364.3					0	32
364.4					0	33

## ACCUMULATED PROVISION FOR DEPRECIATION - GAS

Report in column (e) additional depreciation expense authorized by Commission to be charged where tax depreciation allowances exceed book amounts.

Primary Plant Accounts (a)	Balance First of Year (b)	Straight Line Rate % Used (c)	Accruals During Year		
			Straight Line Amount (d)	Additional Amount (e)	
<b>NATURAL GAS STORAGE &amp; PROCESSING - BASE LOAD LNG TERMINALING AND PROCESSING PLNT</b>					
Measuring and Regulating Equipment (364.5)	0				34
Compressor Station Equipment (364.6)	0				35
Communication Equipment (364.7)	0				36
Other Equipment (364.8)	0				37
<b>Total Natural Gas Storage &amp; Processing - Base Load LNG Terminaling and Processing Plnt</b>	<b>0</b>		<b>0</b>	<b>0</b>	
<b>TRANSMISSION PLANT</b>					
Land and Land Rights (365.1)	0				38
Rights-of-Way (365.2)	0				39
Structures and Improvements (366)	359,274	2.760%	25,786		* 40
Mains (367)	22,782,190	1.910%	2,015,165		* 41
Compressor Station Equipment (368)	0				42
Measuring and Regulating Station Equipment (369)	296,879	3.130%	53,534		* 43
Communication Equipment (370)	0				44
Other Equipment (371)	0				45
<b>Total Transmission Plant</b>	<b>23,438,343</b>		<b>2,094,485</b>	<b>0</b>	
<b>DISTRIBUTION PLANT</b>					
Land and Land Rights (374)	0				46
Structures and Improvements (375)	1,224,572	2.250%	102,721		* 47
Mains (376)	248,730,449	1.720%	8,717,079		* 48
Compressor Station Equipment (377)	0				49
Meas. and Reg. Station Equipment - General (378)	9,496,770	3.240%	815,843		* 50
Meas. and Reg. Station Equipment - Cty. Gate (379)	3,678,988	3.930%	788,779		* 51
Services (380)	279,794,421	2.720%	9,059,670		* 52
Meters (381)	32,840,807	2.360%	1,792,879		* 53
Meter Installations (382)	70,104,532	3.470%	4,274,570		* 54
House Regulators (383)	9,475,107	2.060%	377,810		* 55
House Regulatory Installations (384)	0				56
Industrial Measuring and Regulating Station Equipment (385)	3,723,165	5.900%	450,465		* 57
Other Property on Customers' Premises (386)	0				58
Other Equipment (387)	5,323,342	20.000%			* 59
Asset Retirement Costs for Distribution Plant (388)	0				60
<b>Total Distribution Plant</b>	<b>664,392,153</b>		<b>26,379,816</b>	<b>0</b>	
<b>GENERAL PLANT</b>					
Land and Land Rights (389)	0				* 61
Structures and Improvements (390)	11,666,052	2.110%	544,532		* 62
Office Furniture and Equipment (391)	1,836,144	Various	198,431		* 63
Transportation Equipment (392)	7,609,128	9.500%	1,040,126		* 64
Stores Equipment (393)	61,897	6.670%	6,436		* 65
Tools, Shop and Garage Equipment (394)	2,271,267	6.670%	370,128		* 66

### ACCUMULATED PROVISION FOR DEPRECIATION - GAS (cont.)

Account (a)	Book Cost of Plant Retired (f)	Cost of Removal (g)	Salvage (h)	Adjustments Increase or (Decrease) (i)	Balance End of Year (j)	
364.5					0	34
364.6					0	35
364.7					0	36
364.8					0	37
	0	0	0	0	0	
365.1					0	38
365.2					0	39
366				(4,218)	380,842	* 40
367				(1,913,441)	22,883,914	* 41
368					0	42
369				218,706	569,119	* 43
370					0	44
371					0	45
	0	0	0	(1,698,953)	23,833,875	
374					0	46
375	3,185			105,729	1,429,837	* 47
376	2,611,429	927,024		11,685,666	265,594,741	* 48
377					0	49
378	435,530	155,863		1,192,182	10,913,402	* 50
379	236,712	1,816		2,668,715	6,897,954	* 51
380	4,016,667	1,589,509		(34,314,476)	248,933,439	* 52
381	2,785,190		152,144	15,406,564	47,407,204	* 53
382	1,019,838	65,913		6,866,749	80,160,100	* 54
383	190,010			(115,923)	9,546,984	* 55
384					0	56
385				1,246,272	5,419,902	* 57
386					0	58
387					5,323,342	* 59
388					0	60
	11,298,561	2,740,125	152,144	4,741,478	681,626,905	
389	21,823			21,823	0	* 61
390	194,614	35,609		(691,528)	11,288,833	* 62
391				50,107	2,084,682	* 63
392	940,496	5,124	98,500	(1,990,709)	5,811,425	* 64
393				72	68,405	* 65
394				44,815	2,686,210	* 66

## ACCUMULATED PROVISION FOR DEPRECIATION - GAS

Report in column (e) additional depreciation expense authorized by Commission to be charged where tax depreciation allowances exceed book amounts.

Primary Plant Accounts (a)	Balance First of Year (b)	Straight Line Rate % Used (c)	Accruals During Year		
			Straight Line Amount (d)	Additional Amount (e)	
<b>GENERAL PLANT</b>					
Laboratory Equipment (395)	0	6.670%			67
Power-Operated Equipment (396)	2,188,825	6.320%	163,416		* 68
Communication Equipment (397)	16,433,566	10.000%	5,498,892		* 69
Miscellaneous Equipment (398)	219,339	6.670%	22,172		* 70
Other Tangible Property (399)	0				71
Asset Retirement Costs for General Plant (399.1)	0				72
Retirement Work in Progress	0				73
<b>Total General Plant</b>	<b>42,286,218</b>		<b>7,844,133</b>	<b>0</b>	
Gas Plant Purchased (102)	0				74
(Less) Gas Plant Sold (102)	0				75
Experimental Gas Plant Unclassified (103)	0				76
<b>Total accum. prov. for depreciation</b>	<b>732,581,439</b>		<b>36,385,592</b>	<b>0</b>	

**ACCUMULATED PROVISION FOR DEPRECIATION - GAS (cont.)**

Account (a)	Book Cost of Plant Retired (f)	Cost of Removal (g)	Salvage (h)	Adjustments Increase or (Decrease) (i)	Balance End of Year (j)	
395					0	67
396	9,954		3,000	(981,631)	1,363,656	* 68
397	1,868,982			845,835	20,909,311	* 69
398				1,918	243,429	* 70
399					0	71
399.1					0	72
RWIP					0	73
	<b>3,035,869</b>	<b>40,733</b>	<b>101,500</b>	<b>(2,699,298)</b>	<b>44,455,951</b>	
102					0	74
102b					0	75
103					0	76
	<b>14,334,430</b>	<b>2,780,858</b>	<b>253,644</b>	<b>101,935</b>	<b>752,207,322</b>	

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## ACCUMULATED PROVISION FOR DEPRECIATION - GAS

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### Accumulated Provision for Depreciation - Gas (Page G-09)

#### General footnotes

Adjustment column includes transfers, reclasses, adjustments and retirements of land for the current year.

There was a depreciation study done that resulted in new deprecaition rates and also resulted in a reallocation of reserves.

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**ACCUMULATED PROVISION FOR DEPRECIATION - GAS (cont.)**

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**GAS STORED (ACCOUNTS 117, 164.1, 164.2 AND 164.3)**

1. If during the year, adjustment was made to the stored gas inventory (such as to correct cumulative inaccuracies of gas measurements), furnish in a footnote an explanation for the reason for the adjustment, the MCF and dollar amount of the adjustment, and account charged or credited.
2. Give in a footnote, a concise statement of the facts and the accounting performed with respect to any encroachment of withdrawals during the year, or restoration of previous encroachment, upon native gas constituting the "gas cushion" of any storage reservoir.
3. If the company uses a "base stock" in connection with its inventory accounting, give a concise statement of the basis of establishing such "base stock" and the inventory basis and the accounting performed with respect to any encroachment of withdrawals upon "base stock," or restoration of previous encroachment, including brief particulars of any such accounting during the year.
4. If the company has provided accumulated provision for stored gas, which may not eventually be fully recovered from any storage project, furnish a statement showing: (a) date of FERC authorization of such accumulated provision, (b) explanation of circumstances requiring such provision, (c) basis of provision and factors of calculation, (d) estimated ultimate accumulated provision accumulation, and (e) a summary showing balance of accumulated provision and entries during the year.
5. Report pressure base of gas volumes as 14.73 psia at 60 Degrees F. (See Note 1)

Description (a)	Noncurrent (Acct. 117) (b)	Current (Acct. 164.1) (c)	LNG (Acct. 164.2) (d)	LNG (Acct. 164.3) (e)	Total (f)	
Balance at Beginning of Year	0	51,992,109	121,763	0	<b>52,113,872</b>	<b>1</b>
Gas Delivered to Storage		67,635,736	252,493		<b>67,888,229</b>	<b>2</b>
Gas Withdrawn from Storage (contra Account)		(66,792,513)	(171,888)		<b>(66,964,401)</b>	<b>3</b>
						<b>4</b>
Other Debits or Credits (Net)		0			<b>0</b>	<b>5</b>
Balance at End of Year	<b>0</b>	<b>52,835,332</b>	<b>202,368</b>	<b>0</b>	<b>53,037,700</b>	<b>6</b>
Therms		113,908,830	126,244		<b>114,035,074</b>	<b>7</b>
Amount per Therm	<b>0.000</b>	<b>0.464</b>	<b>1.603</b>	<b>0.000</b>	<b>0.465</b>	<b>8</b>

**DETAIL OF STORED GAS ACCOUNT (ACCOUNT 164.1)**

1. If during the year, adjustment was made to the stored gas inventory (such as to correct cumulative inaccuracies of gas measurements), furnish in a footnote an explanation for the reason for the adjustment, the MCF and dollar amount of the adjustment, and account charged or credited.
2. Give in a footnote, a concise statement of the facts and the accounting performed with respect to any encroachment of withdrawals during the year, or restoration of previous encroachment, upon native gas constituting the "gas cushion" of any storage reservoir.
3. If the company uses a "base stock" in connection with its inventory accounting, give a concise statement of the basis of establishing such "base stock" and the inventory basis and the accounting performed with respect to any encroachment of withdrawals upon "base stock," or restoration of previous encroachment, including brief particulars of any such accounting during the year.
4. If the company has provided accumulated provision for stored gas, which may not eventually be fully recovered from any storage project, furnish a statement showing: (a) date of FERC authorization of such accumulated provision, (b) explanation of circumstances requiring such provision, (c) basis of provision and factors of calculation, (d) estimated ultimate accumulated provision accumulation, and (e) a summary showing balance of accumulated provision and entries during the year.
5. Report pressure base of gas volumes as 14.73 psia at 60 Degrees F. (See Note 1)

Description (a)	Commodity Storage Fees Acct. 164.11 (b)	Commodity Injection Fees Acct. 164.12 (c)	Commodity Withdrawal Fees Acct. 164.13 (d)	Other Storage Fees Acct. 164.14 (e)	Stored Gas Withdrawn Acct. 164.16 (f)	
Balance at Beginning of Year	0	0	0	0	0	1
Gas Delivered to Storage		135,564		5,375,734		2
Gas Withdrawn from Storage (contra Account)					(2,699,581)	3
Other Debits or Credits (Net)						4
Balance at End of Year	0	135,564	0	5,375,734	(2,699,581)	5
Therms					(6,754,560)	6
Amount per Therm	0.000	0.000	0.000	0.000	0.400	7

Description (a)	Gas Commodity Costs Transferred to Storage - Debit Acct. 164.33 (g)	Gas Transmission Expense Transferred to Storage - Debit Acct. 164.53 (h)	Stored Gas Withdrawn for System Use Acct. 164.62 (i)	Stored Gas Forfeited Acct. 164.63 (j)	Total Acct. 164.1 (k)	
Balance at Beginning of Year	0	0	0	0	51,992,109	8
Gas Delivered to Storage	62,124,438				67,635,736	9
Gas Withdrawn from Storage (contra Account)			(64,092,932)		(66,792,513)	10
Other Debits or Credits (Net)					0	11
Balance at End of Year	62,124,438	0	(64,092,932)	0	52,835,332	12
Therms	142,630,170		(149,998,640)		113,908,830	13
Amount per Therm	0.436	0.000	0.427	0.000	0.464	14

**LIQUEFIED NATURAL GAS STORED (ACCT. 164.2 - 164.3)**

<b>Particulars (a)</b>	<b>Amount (b)</b>	<b>Amount Therms (c)</b>	
Balance, beginning of year	121,763	73,673	1
Gas delivered to storage	252,493	157,519	2
Gas withdrawn from storage (debit account 808)	171,888	104,948	3
<b>Other transactions or adjustments (explain):</b>			
NONE			4
<b>Balance, end of year</b>	<b>202,368</b>	<b>126,244</b>	

## LIQUEFIED NATURAL GAS STORAGE STATISTICS

Location of Plant (a)	Total Storage Capacity Therms (b)	Maximum Daily Capacity Therms (c)	Total Investment End of Year (d)	Maximum Day's Withdrawal (e)	Total Production Expense for Year (f)
Rice Lake, WI	174,300	36,750	1,376,857		1

## GAS PRODUCTION STATISTICS

Location of Plant (a)	Type of Plant (b)	Maximum Daily Capacity Dekatherms (c)	Threms Produced During Year (d)	Total Investment End of Year (e)	Total Production Expense for Year (f)	
Monroe	Liquified Petroleum Gas			43,345		1
Tomah	Liquified Petroleum Gas	0	0	1,183,608	1,356,484	* 2
		<b>0</b>	<b>0</b>	<b>1,226,953</b>	<b>1,356,484</b>	

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## GAS PRODUCTION STATISTICS

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### Gas Production Statistics (Page G-15)

#### General footnotes

Includes \$1,347,551 in MGP insurance recoveries, interest and amortization.

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## GAS HOLDERS

Location (a)	Telescopic & Piston Holders		Pressure Holders			
	Number (b)	Capacity Therms (c)	Number (d)	Capacity at Atmospheric Pressure (e)	Design Pressure (f)	Operated Pressure (g)
NONE						

## LIQUID PETROLEUM GAS STORAGE

Record hereunder number of liquid petroleum gas storage tanks and total capacity in gallons by location.

Location (a)	Number of Tanks (b)	Water Capacity (c)	
Monroe, WI	0	0	1
Tomah, WI	6	180,000	2

## PURCHASED GAS

Report below the specified information for each point of metering.

Name of Vendor (a)	Point of Metering (b)	Type of Gas Purchased (c)	Therms of Gas Purchased (d)	Total Cost of Gas Purchased (e)	
Various	ANR	Natural	190,474,764	113,853,220	* 1
Various	Guardian	Natural	272,484,929	179,558,767	* 2
Various	Michcon	Natural	801,800	4,756,191	* 3
Various	NNG	Natural	169,632,745	101,626,402	* 4
Various	Vector	Natural	0	7,750,426	* 5
Various	Viking	Natural	46,759,442	28,662,302	* 6
<b>Total:</b>			<b>680,153,680</b>	<b>436,207,308</b>	

## PURCHASED GAS (cont.)

Average Cost Per Therm of Gas Purchased (f)	Maximum Therms Purchased in One Day (g)	Date of Such Maximum Purchase (h)	Average BTU Content per Cubit Foot of Gas (i)	*	1
0.598	4,659,370	01/28/2010		*	1
0.659	2,891,310	01/28/2010	0.000	*	2
5.932	7,510	01/28/2010	0.000	*	3
0.599	1,251,920	01/28/2010	0.000	*	4
0.000	0	01/28/2010	0.000	*	5
0.613	449,600	01/28/2010	0.000	*	6
<u>0.641</u>					

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## PURCHASED GAS

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### Purchased Gas (Page G-18)

#### General footnotes

- 1) Costs are categorized based on pipeline and are allocated to other pipeline areas as volumes are transferred between pipeline areas.
  
  - 2) Net average costs per therm are affected by a difference in costing methodology for storage. Current month purchases, net of off system sales, are priced based on actual supplies tied to the pipeline area. Storage injections deducted to arrive at delivered cost are priced at the average system wide WACOG which may shift costs between pipeline areas.
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**PURCHASED GAS (cont.)**

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## GAS MAINS

1. Report mains separately by pipe material, diameter and either within or outside Wisconsin.
2. Identify pipe material as: I (Cast Iron), S (Steel), P (Plastic), Cu (Copper), F (Fiberglass), or O (Other).
3. Explain all reported adjustments as a schedule footnote.
4. For main additions reported in column (e), as a schedule footnote:
  - a. Explain how the additions were financed.
  - b. If assessed against property owners, explain the basis of the assessments.
  - c. If the assessments are deferred, explain.

Pipe Material (a)	Diameter in Inches (c)	Number of Feet				Adjustments Increase or (Decrease) (g)	End of Year (h)	
		First of Year (d)	Added During Year (e)	Retired During Year (f)				
<b>Within Wisconsin</b>								
<b>Steel</b>								
	0.750	78,072	181	1,483	2,381	79,151	*	1
	1.000	40,396		276		40,120		2
	1.250	2,143,496	23	18,862	574	2,125,231	*	3
	2.000	8,511,577	1,306	73,838	42	8,439,087	*	4
	3.000	5,253,574	603	20,744		5,233,433		5
	4.000	4,212,023	4,015	11,561		4,204,477		6
	6.000	2,632,099	8,805	92,436		2,548,468		7
	8.000	1,888,186	1,413	14,385		1,875,214		8
	10.000	20,388				20,388		9
	12.000	644,312	2,186	178		646,320		10
	14.000	63,187				63,187		11
	16.000	132,358	93			132,451		12
	18.000	14,515				14,515		13
	20.000	404,968	221	163		405,026		14
	22.000	55,079				55,079		15
	24.000	274,252				274,252		16
	26.000	2,627				2,627		17
	30.000	162,981				162,981		18
<b>Total:</b>		<b>26,534,090</b>	<b>18,846</b>	<b>233,926</b>	<b>2,997</b>	<b>26,322,007</b>		
<b>Plastic</b>								
	0.625	43,991	17	573	195	43,630	*	19
	0.750	118,685	93	589		118,189		20
	1.000	14,250	1,241	1,001	74	14,564	*	21
	1.125	26,013		680		25,333		22
	1.250	5,910,758	157	25,861	812	5,885,866	*	23
	2.000	13,966,812	501,837	143,252	262	14,325,659	*	24
	3.000	4,437,592	866	11,396		4,427,062		25
	4.000	4,857,714	103,731	1,881	32	4,959,596	*	26
	6.000	863,228	27,331	100	(52)	890,407	*	27
	8.000	31,866	9,860			41,726		28
<b>Total:</b>		<b>30,270,909</b>	<b>645,133</b>	<b>185,333</b>	<b>1,323</b>	<b>30,732,032</b>		

### GAS MAINS

1. Report mains separately by pipe material, diameter and either within or outside Wisconsin.
2. Identify pipe material as: I (Cast Iron), S (Steel), P (Plastic), Cu (Copper), F (Fiberglass), or O (Other).
3. Explain all reported adjustments as a schedule footnote.
4. For main additions reported in column (e), as a schedule footnote:
  - a. Explain how the additions were financed.
  - b. If assessed against property owners, explain the basis of the assessments.
  - c. If the assessments are deferred, explain.

Pipe Material (a)	Diameter in Inches (c)	Number of Feet			Adjustments Increase or (Decrease) (g)	End of Year (h)	
		First of Year (d)	Added During Year (e)	Retired During Year (f)			
<b>Within Wisconsin</b>							
<b>Copper</b>							
	1.125	14,734		125		14,609	29
<b>Total:</b>		<b>14,734</b>	<b>0</b>	<b>125</b>	<b>0</b>	<b>14,609</b>	
<b>Fiberglass</b>							
	2.000	280,331		55,599		224,732	30
	3.000	62,432		19,199		43,233	31
	4.000	16,411		1,804		14,607	32
<b>Total:</b>		<b>359,174</b>	<b>0</b>	<b>76,602</b>	<b>0</b>	<b>282,572</b>	
<b>Total Within Wisconsin</b>		<b>57,178,907</b>	<b>663,979</b>	<b>495,986</b>	<b>4,320</b>	<b>57,351,220</b>	
<b>Total Utility</b>		<b>57,178,907</b>	<b>663,979</b>	<b>495,986</b>	<b>4,320</b>	<b>57,351,220</b>	

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## GAS MAINS

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### Gas Mains (Page G-20)

#### General footnotes

#3 ADJUSTMENTS: Reclass Service Footage to Main

#4a: Gas main expenditures are initially financed with internally generated cash, or with short term debt, or may be covered by a customer contribution if applicable. On a long-term basis, investments in gas mains not covered by customer contributions are financed with both equity and debt based on the company's overall target capitalization ratios.

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## GAS SERVICES

Number of services should include only those owned by utility.

Type/Size (a)	Total services first of year		Number added during year		
	Main to curb (b)	On customers' premises (c)	Main to curb (d)	On customers' premises (e)	
<b>Gas Services Located in Wisconsin</b>					
<b>Steel</b>					
0.750	98,975	0	52		* 1
1.000	235	0	3		2
1.250	8,997	0	9		3
1.500	268	0			4
2.000	2,238	0			5
3.000	569	0			6
4.000	193	0			7
6.000	84	0			8
8.000	14	0			9
12.000	4	0			10
<b>Total Steel:</b>	<b>111,577</b>	<b>0</b>	<b>64</b>	<b>0</b>	
<b>Copper</b>					
0.625	385	0			* 11
0.750	10	0			12
1.000	0	0			13
1.250	22,995	0			* 14
1.500	3	0			15
<b>Total Copper:</b>	<b>23,393</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Plastic</b>					
0.625	273,254	0	356		* 16
0.750	37,285	0	44		* 17
1.000	25,170	0	12,253		* 18
1.250	29,954	0	109		* 19
2.000	2,023	0	132		20
3.000	336	0			21
4.000	178	0	18		22
6.000	10	0			23
<b>Total Plastic:</b>	<b>368,210</b>	<b>0</b>	<b>12,912</b>	<b>0</b>	
<b>Other</b>					
0.625	1	0			24
2.000	1	0			25
<b>Total Other:</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Total Within Wisconsin</b>	<b>503,182</b>	<b>0</b>	<b>12,976</b>	<b>0</b>	
<b>Total Utility:</b>	<b>503,182</b>	<b>0</b>	<b>12,976</b>	<b>0</b>	

### GAS SERVICES (cont.)

Number retired during year		Adjustments during year		Total services end of year		
Main to curb (f)	On customers' premises (g)	Main to curb (h)	On customers' premises (i)	Main to curb (j)	On customers' premises (k)	
1,974		4		97,057	0	* 1
9				229	0	2
438				8,568	0	3
13				255	0	4
85				2,153	0	5
15				554	0	6
4				189	0	7
				84	0	8
				14	0	9
				4	0	10
<b>2,538</b>	<b>0</b>	<b>4</b>	<b>0</b>	<b>109,107</b>	<b>0</b>	
(11)		3		399	0	* 11
				10	0	12
				0	0	13
1,574		33		21,454	0	* 14
				3	0	15
<b>1,563</b>	<b>0</b>	<b>36</b>	<b>0</b>	<b>21,866</b>	<b>0</b>	
4,695		(2)		268,913	0	* 16
883		(5)		36,441	0	* 17
98		7		37,332	0	* 18
1,758		(4)		28,301	0	* 19
19				2,136	0	20
2				334	0	21
1				195	0	22
				10	0	23
<b>7,456</b>	<b>0</b>	<b>(4)</b>	<b>0</b>	<b>373,662</b>	<b>0</b>	
				1	0	24
				1	0	25
<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>0</b>	
<b>11,557</b>	<b>0</b>	<b>36</b>	<b>0</b>	<b>504,637</b>	<b>0</b>	
<b>11,557</b>	<b>0</b>	<b>36</b>	<b>0</b>	<b>504,637</b>	<b>0</b>	

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## GAS SERVICES

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**Gas Services (Page G-21)**

**General footnotes**

(h) Adjustments: Reconcile Property with Engineering Records

**Have inactive services been retired in accordance with requirements of paragraph C of Account 380 of Uniform System of Accounts?**

Yes

**Have inactive services been disconnected from the gas supply in accordance with section 192.727(g) of the Wisconsin Administrative Code?**

Yes

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## **GAS SERVICES (cont.)**

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## GAS METERS

Number of meters should include only those carried in Utility Plant Account 381.

Particulars (a)	Number End of Year (b)	
Diaphragmed meters (capacity at 1/2 inch water column pressure drop:		1
2,400 cu. ft. per hour or less	638,597	2
Over 2,400 cu. ft. per hour		3
Rotary meters	5,939	4
Orifice meters	24	5
<b>Total end of year</b>	<b>644,560</b>	<b>6</b>
		7
In stock	26,007	8
Locked meters on customers' premises	2,312	9
Regular meters in customers' use	616,081	10
Prepayment meters in customers' use		11
Meters in company use, included in Account 381	160	12
<b>Total end of year (as above)</b>	<b>644,560</b>	<b>13</b>
		14
No. of diaphragmed meters at end of year which compensate for temperature	643,551	15
Number of house regulators installed at end of year	605,489	16

## SUMMARY OF GAS ACCOUNT & SYSTEM LOAD STATISTICS

Particulars (a)	Total All Systems Therms (b)	Wisconsin Operations Therms (c)	Out of State Operations Therms (d)	
<b>GAS ACCOUNT</b>				1
<b>Gas produced (gross):</b>				2
Propane - air	0			3
Other gas	0			4
<b>Total gas produced</b>	<b>0</b>	<b>0</b>	<b>0</b>	5
<b>Gas purchased:</b>				6
Natural	682,227,256	682,227,256		7
Other gas	104,948	104,948		8
<b>Total gas purchased</b>	<b>682,332,204</b>	<b>682,332,204</b>	<b>0</b>	9
Add: Gas withdrawn from storage	141,605,000	141,605,000		10
Less: Gas delivered to storage	143,681,590	143,681,590		11
<b>Total</b>	<b>680,255,614</b>	<b>680,255,614</b>	<b>0</b>	12
Transport gas received	606,287,307	606,287,307		13
<b>Total gas delivered to mains</b>	<b>1,286,542,921</b>	<b>1,286,542,921</b>	<b>0</b>	14
<b>Gas sold</b>				15
Gas sold (incl. interdepartmental)	678,457,890	678,457,890		16
Gas used by utility	1,308,659	1,308,659		17
Transport gas delivered	614,068,740	614,068,740		18
<b>Total</b>	<b>1,293,835,289</b>	<b>1,293,835,289</b>	<b>0</b>	19
<b>Gas unaccounted for</b>	<b>(7,292,368)</b>	<b>(7,292,368)</b>	<b>0</b>	20
				21
<b>SYSTEM LOAD STATISTICS</b>				22
Maximum send-out in any one day	925,971	925,971		23
Date of such maximum		01/28/2010		24
<b>Maximum daily capacity:</b>				25
Total manufactured-gas production capacity	24,000	24,000		26
Liquefied natural gas storage capacity	36,000	36,000		27
Maximum daily purchase capacity	9,183,790	9,183,790		28
<b>Total maximum daily capacity</b>	<b>9,243,790</b>	<b>9,243,790</b>	<b>0</b>	29
<b>Monthly send-out:</b>				30
January	211,016,674	211,016,674		31
February	172,333,824	172,333,824		32
March	128,154,581	128,154,581		33
April	76,031,079	76,031,079		34
May	67,923,871	67,923,871		35
June	62,398,001	62,398,001		36
July	68,808,162	68,808,162		37
August	73,397,947	73,397,947		38
September	56,784,675	56,784,675		39
October	75,229,158	75,229,158		40
November	112,980,058	112,980,058		41
December	181,484,891	181,484,891		42
<b>Total send-out</b>	<b>1,286,542,921</b>	<b>1,286,542,921</b>	<b>0</b>	43
<b>Footnotes</b>				44

## HIRSCHMAN-HERFINDAHL INDEX

The Hirschman-Herfindahl Index (HHI) is a measure of the degree to which competitors have entered utility markets. It is determined by summing the squared market percentages for a particular rate class. For example, if the utility sells 75% of the natural gas in a particular class, marketer A sells 20%, and marketer B sells 5%, the HHI for that class is:

$$75^2 + 20^2 + 5^2 = 5,625 + 400 + 25 = 6,050$$

If the utility sells all the natural gas in a class, the HHI for that class is 100 squared, or 10,000.

Class (a)	Schedules (b)	Hirschman- Herfindahl Index (c)	Is the Utility the Provider with the Largest Market Share? (d)	
Power Generation/Port Washington	902	10,000	Yes	1
Residential Firm	GS1, GF1, GF2	10,000	Yes	2
Commercial/Industrial Class 1	FG1, AG1, NG1, TG1	10,000	Yes	3
Commercial/Industrial Class 2	FG2, AG2, NG2, TG2	9,224	Yes	4
Commercial/Industrial Class 3	FG3, AG3, NG3, IG3, TG3, 803	5,242	Yes	5
Commercial/Industrial Class 7	FG7, IG7, TG7, 807	4,226	No	6
Commercial/Industrial Class 5	FG5, AG5, IG5, TG5, 805	2,612	No	7
Commercial/Industrial Class 4	FG4, AG4, IG4, TG4, 804	2,542	No	8
Commercial/Industrial Class 6	FG6, IG6, TG6, 800, 806	2,518	No	9
Commercial/Industrial Class 8	FG8, IG8, TG8, 808	0	No	10

## GAS CUSTOMERS SERVED

Number of customers in each city, village and town supplied directly with service by reporting utility at end of year.

Location (a)	Customers End of Year (b)
<b>Adams County</b>	
<b>Cities</b>	
ADAMS	734
<b>Total Cities:</b>	<b>734</b>
<b>Villages</b>	
FRIENDSHIP	314
<b>Total Villages:</b>	<b>314</b>
<b>Towns</b>	
ADAMS	214
JACKSON	7
LINCOLN	15
NEW CHESTER	108
PRESTON	187
RICHFIELD	10
ROME	1,648
<b>Total Towns:</b>	<b>2,189</b>
<b>Total Adams County:</b>	<b>3,237</b>
<b>Barron County</b>	
<b>Cities</b>	
BARRON	1,129
CHETEK	937
CUMBERLAND	1,064
RICE LAKE	3,266
<b>Total Cities:</b>	<b>6,396</b>
<b>Villages</b>	
ALMENA	276
CAMERON	689
HAUGEN	116
NEW AUBURN	4
TURTLE LAKE	361
<b>Total Villages:</b>	<b>1,446</b>
<b>Towns</b>	
ALMENA	66
ARLAND	11
BARRON	81
CHETEK	359
CLINTON	2
CRYSTAL LAKE	38
CUMBERLAND	36
DALLAS	2
DOVRE	14
LAKELAND	3
MAPLE GROVE	6
MAPLE PLAIN	1

Barron County Towns	Customers End of Year (b)
OAK GROVE	12
PRAIRIE LAKE	330
RICE LAKE	791
STANLEY	476
SUMNER	2
TURTLE LAKE	9
<b>Total Towns:</b>	<b>2,239</b>
<b>Total Barron County:</b>	<b>10,081</b>
<b>Brown County</b>	
<b>Villages</b>	
PULASKI	1,219
<b>Total Villages:</b>	<b>1,219</b>
<b>Towns</b>	
HOLLAND	234
PITTSFIELD	18
<b>Total Towns:</b>	<b>252</b>
<b>Total Brown County:</b>	<b>1,471</b>
<b>Burnett County</b>	
<b>Villages</b>	
GRANTSBURG	520
SIREN	386
WEBSTER	302
<b>Total Villages:</b>	<b>1,208</b>
<b>Towns</b>	
DANIELS	69
DEWEY	30
GRANTSBURG	112
LA FOLLETTE	78
MEENON	138
OAKLAND	84
RUSK	8
SAND LAKE	33
SIREN	214
SWISS	10
WOOD RIVER	38
<b>Total Towns:</b>	<b>814</b>
<b>Total Burnett County:</b>	<b>2,022</b>
<b>Calumet County</b>	
<b>Villages</b>	
SHERWOOD	1,000
<b>Total Villages:</b>	<b>1,000</b>

## GAS CUSTOMERS SERVED

Number of customers in each city, village and town supplied directly with service by reporting utility at end of year.

Location (a)	Customers End of Year (b)
<b>Calumet County</b>	
<b>Towns</b>	
HARRISON	2,403
WOODVILLE	73
<b>Total Towns:</b>	<b>2,476</b>
<b>Total Calumet County:</b>	<b>3,476</b>
<b>Chippewa County</b>	
<b>Cities</b>	
BLOOMER	1,256
CORNELL	497
STANLEY	813
<b>Total Cities:</b>	<b>2,566</b>
<b>Villages</b>	
BOYD	223
CADOTT	543
NEW AUBURN	163
<b>Total Villages:</b>	<b>929</b>
<b>Towns</b>	
ANSON	409
DELMAR	18
EDSON	1
ESTELLA	19
GOETZ	9
SIGEL	33
WOODMOHR	8
<b>Total Towns:</b>	<b>497</b>
<b>Total Chippewa County:</b>	<b>3,992</b>
<b>Clark County</b>	
<b>Cities</b>	
ABBOTSFORD	591
COLBY	433
GREENWOOD	400
LOYAL	500
NEILLSVILLE	958
OWEN	400
THORP	697
<b>Total Cities:</b>	<b>3,979</b>
<b>Villages</b>	
CURTISS	82
DORCHESTER	341
GRANTON	116
UNITY	64
WITHEE	220
<b>Total Villages:</b>	<b>823</b>

Location (a)	Customers End of Year (b)
<b>Clark County</b>	
<b>Towns</b>	
COLBY	27
EATON	37
FREMONT	100
GRANT	33
GREEN GROVE	6
HIXON	20
HOARD	19
LOYAL	7
LYNN	34
MAYVILLE	42
PINE VALLEY	68
THORP	36
WESTON	52
WITHEE	31
YORK	7
<b>Total Towns:</b>	<b>519</b>
<b>Total Clark County:</b>	<b>5,321</b>
<b>Columbia County</b>	
<b>Cities</b>	
COLUMBUS	1,990
<b>Total Cities:</b>	<b>1,990</b>
<b>Villages</b>	
FALL RIVER	639
<b>Total Villages:</b>	<b>639</b>
<b>Towns</b>	
COLUMBUS	36
FOUNTAIN PRAIRIE	88
<b>Total Towns:</b>	<b>124</b>
<b>Total Columbia County:</b>	<b>2,753</b>
<b>Dane County</b>	
<b>Cities</b>	
SUN PRAIRIE	10,797
<b>Total Cities:</b>	<b>10,797</b>
<b>Villages</b>	
BELLEVILLE	743
MARSHALL	1,350
<b>Total Villages:</b>	<b>2,093</b>
<b>Towns</b>	
BRISTOL	991
BURKE	236
MEDINA	124
MONTROSE	79

## GAS CUSTOMERS SERVED

Number of customers in each city, village and town supplied directly with service by reporting utility at end of year.

Location (a)	Customers End of Year (b)
<b>Dane County</b>	
<b>Towns</b>	
SUN PRAIRIE	533
YORK	10
<b>Total Towns:</b>	<b>1,973</b>
<b>Total Dane County:</b>	<b>14,863</b>

<b>Dodge County</b>	
<b>Cities</b>	
COLUMBUS	1
HARTFORD	19
<b>Total Cities:</b>	<b>20</b>
<b>Villages</b>	
IRON RIDGE	392
NEOSHO	205
<b>Total Villages:</b>	<b>597</b>
<b>Towns</b>	
ASHIPPUN	510
ELBA	174
HERMAN	38
HUBBARD	81
LEBANON	312
PORTLAND	89
RUBICON	249
<b>Total Towns:</b>	<b>1,453</b>
<b>Total Dodge County:</b>	<b>2,070</b>

<b>Dunn County</b>	
<b>Villages</b>	
BOYCEVILLE	411
COLFAX	452
DOWNING	78
KNAPP	123
<b>Total Villages:</b>	<b>1,064</b>
<b>Towns</b>	
COLFAX	6
STANTON	5
TIFFANY	37
<b>Total Towns:</b>	<b>48</b>
<b>Total Dunn County:</b>	<b>1,112</b>

<b>Eau Claire County</b>	
<b>Cities</b>	
AUGUSTA	565
<b>Total Cities:</b>	<b>565</b>

Location (a)	Customers End of Year (b)
<b>Eau Claire County</b>	
<b>Towns</b>	
BRIDGE CREEK	31
LUDINGTON	16
<b>Total Towns:</b>	<b>47</b>
<b>Total Eau Claire County:</b>	<b>612</b>

<b>Florence County</b>	
<b>Towns</b>	
AURORA	178
<b>Total Towns:</b>	<b>178</b>
<b>Total Florence County:</b>	<b>178</b>

<b>Fond du Lac County</b>	
<b>Villages</b>	
FAIRWATER	159
<b>Total Villages:</b>	<b>159</b>
<b>Towns</b>	
METOMEN	3
<b>Total Towns:</b>	<b>3</b>
<b>Total Fond du Lac County:</b>	<b>162</b>

<b>Grant County</b>	
<b>Cities</b>	
BOSCOBEL	1,148
CUBA CITY	742
FENNIMORE	1,006
LANCASTER	1,475
<b>Total Cities:</b>	<b>4,371</b>
<b>Villages</b>	
BLOOMINGTON	182
BLUE RIVER	168
DICKEYVILLE	285
MOUNT HOPE	57
MUSCODA	536
PATCH GROVE	48
<b>Total Villages:</b>	<b>1,276</b>
<b>Towns</b>	
BLOOMINGTON	2
BOSCOBEL	129
FENNIMORE	40
HAZEL GREEN	46
JAMESTOWN	470
LIBERTY	66
MARION	44
MOUNT HOPE	7

## GAS CUSTOMERS SERVED

Number of customers in each city, village and town supplied directly with service by reporting utility at end of year.

Location (a)	Customers End of Year (b)
<b>Grant County</b>	
<b>Towns</b>	
MUSCODA	125
NORTH LANCASTER	7
PARIS	31
PATCH GROVE	12
SMELSER	63
SOUTH LANCASTER	124
WATTERSTOWN	1
<b>Total Towns:</b>	<b>1,167</b>
<b>Total Grant County:</b>	<b>6,814</b>

<b>Green County</b>	
<b>Cities</b>	
BRODHEAD	1,184
MONROE	4,333
<b>Total Cities:</b>	<b>5,517</b>
<b>Villages</b>	
ALBANY	437
BELLEVILLE	199
BROWNTOWN	101
MONTICELLO	415
NEW GLARUS	879
<b>Total Villages:</b>	<b>2,031</b>
<b>Towns</b>	
ALBANY	55
CADIZ	11
CLARNO	48
DECATUR	321
EXETER	370
MONROE	121
MOUNT PLEASANT	3
NEW GLARUS	51
SPRING GROVE	8
WASHINGTON	5
<b>Total Towns:</b>	<b>993</b>
<b>Total Green County:</b>	<b>8,541</b>

<b>Green Lake County</b>	
<b>Cities</b>	
MARKESAN	624
PRINCETON	650
<b>Total Cities:</b>	<b>1,274</b>
<b>Villages</b>	
KINGSTON	146

Location (a)	Customers End of Year (b)
<b>Green Lake County</b>	
<b>Villages</b>	
MARQUETTE	152
<b>Total Villages:</b>	<b>298</b>
<b>Towns</b>	
BROOKLYN	118
GREEN LAKE	694
KINGSTON	117
MACKFORD	41
MANCHESTER	78
MARQUETTE	42
PRINCETON	686
<b>Total Towns:</b>	<b>1,776</b>
<b>Total Green Lake County:</b>	<b>3,348</b>

<b>Iowa County</b>	
<b>Villages</b>	
AVOCA	247
MUSCODA	33
<b>Total Villages:</b>	<b>280</b>
<b>Towns</b>	
PULASKI	21
<b>Total Towns:</b>	<b>21</b>
<b>Total Iowa County:</b>	<b>301</b>

<b>Jackson County</b>	
<b>Cities</b>	
BLACK RIVER FALLS	1,350
<b>Total Cities:</b>	<b>1,350</b>
<b>Villages</b>	
ALMA CENTER	205
HIXTON	186
MERRILLAN	202
TAYLOR	186
<b>Total Villages:</b>	<b>779</b>
<b>Towns</b>	
ADAMS	74
ALBION	98
ALMA	54
BROCKWAY	592
CURRAN	7
HIXTON	12
SPRINGFIELD	6
<b>Total Towns:</b>	<b>843</b>
<b>Total Jackson County:</b>	<b>2,972</b>

## GAS CUSTOMERS SERVED

Number of customers in each city, village and town supplied directly with service by reporting utility at end of year.

Location (a)	Customers End of Year (b)
<b>Jefferson County</b>	
<b>Cities</b>	
WATERLOO	1,237
<b>Total Cities:</b>	<b>1,237</b>
<b>Towns</b>	
WATERLOO	2
<b>Total Towns:</b>	<b>2</b>
<b>Total Jefferson County:</b>	<b>1,239</b>
<b>La Crosse County</b>	
<b>Villages</b>	
BANGOR	485
ROCKLAND	190
WEST SALEM	1,796
<b>Total Villages:</b>	<b>2,471</b>
<b>Towns</b>	
BANGOR	31
BURNS	53
HAMILTON	246
<b>Total Towns:</b>	<b>330</b>
<b>Total La Crosse County:</b>	<b>2,801</b>
<b>Lafayette County</b>	
<b>Cities</b>	
CUBA CITY	89
SHULLSBURG	544
<b>Total Cities:</b>	<b>633</b>
<b>Villages</b>	
SOUTH WAYNE	158
<b>Total Villages:</b>	<b>158</b>
<b>Towns</b>	
BENTON	23
ELK GROVE	7
SHULLSBURG	13
WAYNE	7
WIOTA	15
<b>Total Towns:</b>	<b>65</b>
<b>Total Lafayette County:</b>	<b>856</b>
<b>Marathon County</b>	
<b>Cities</b>	
ABBOTSFORD	240
COLBY	234
MARSHFIELD	261
<b>Total Cities:</b>	<b>735</b>

Location (a)	Customers End of Year (b)
<b>Marathon County</b>	
<b>Villages</b>	
ATHENS	440
DORCHESTER	1
SPENCER	709
STRATFORD	554
UNITY	81
<b>Total Villages:</b>	<b>1,785</b>
<b>Towns</b>	
BRIGHTON	26
DAY	100
EAU PLEINE	13
HOLTON	5
HULL	10
JOHNSON	44
MCMILLAN	446
RIETBROCK	23
SPENCER	143
<b>Total Towns:</b>	<b>810</b>
<b>Total Marathon County:</b>	<b>3,330</b>
<b>Marinette County</b>	
<b>Cities</b>	
NIAGARA	668
<b>Total Cities:</b>	<b>668</b>
<b>Towns</b>	
NIAGARA	81
<b>Total Towns:</b>	<b>81</b>
<b>Total Marinette County:</b>	<b>749</b>
<b>Marquette County</b>	
<b>Cities</b>	
MONTELLO	760
<b>Total Cities:</b>	<b>760</b>
<b>Villages</b>	
ENDEAVOR	185
NESHKORO	218
OXFORD	240
WESTFIELD	565
<b>Total Villages:</b>	<b>1,208</b>
<b>Towns</b>	
HARRIS	113
MECAN	4
MONTELLO	377
MOUNDVILLE	43
NESHKORO	165

## GAS CUSTOMERS SERVED

Number of customers in each city, village and town supplied directly with service by reporting utility at end of year.

Location (a)	Customers End of Year (b)
<b>Marquette County</b>	
<b>Towns</b>	
NEWTON	9
OXFORD	142
PACKWAUKEE	561
SHIELDS	18
SPRINGFIELD	75
WESTFIELD	213
<b>Total Towns:</b>	<b>1,720</b>
<b>Total Marquette County:</b>	<b>3,688</b>
<b>Milwaukee County</b>	
<b>Cities</b>	
GLENDALE	5,644
GREENFIELD	1,852
MILWAUKEE	210,731
SAINT FRANCIS	1,049
WAUWATOSA	19,162
WEST ALLIS	24,982
<b>Total Cities:</b>	<b>263,420</b>
<b>Villages</b>	
BAYSIDE	1,622
BROWN DEER	4,261
FOX POINT	2,622
RIVER HILLS	652
SHOREWOOD	5,472
WEST MILWAUKEE	1,808
WHITEFISH BAY	5,355
<b>Total Villages:</b>	<b>21,792</b>
<b>Total Milwaukee County:</b>	<b>285,212</b>
<b>Monroe County</b>	
<b>Cities</b>	
SPARTA	3,578
TOMAH	3,723
<b>Total Cities:</b>	<b>7,301</b>
<b>Villages</b>	
CASHTON	428
WYEVILLE	57
<b>Total Villages:</b>	<b>485</b>
<b>Towns</b>	
ADRIAN	6
ANGELO	135
BYRON	114
GREENFIELD	96
JEFFERSON	2

Monroe County Towns	Customers End of Year (b)
LA FAYETTE	1
LA GRANGE	329
LEON	95
PORTLAND	1
SPARTA	467
TOMAH	162
<b>Total Towns:</b>	<b>1,408</b>
<b>Total Monroe County:</b>	<b>9,194</b>
<b>Oconto County</b>	
<b>Cities</b>	
GILLETT	626
OCONTO	1,096
<b>Total Cities:</b>	<b>1,722</b>
<b>Villages</b>	
PULASKI	2
<b>Total Villages:</b>	<b>2</b>
<b>Towns</b>	
CHASE	622
GILLETT	67
MORGAN	51
OCONTO	32
STILES	43
UNDERHILL	53
<b>Total Towns:</b>	<b>868</b>
<b>Total Oconto County:</b>	<b>2,592</b>
<b>Outagamie County</b>	
<b>Cities</b>	
APPLETON	270
KAUKAUNA	5,406
NEW LONDON	588
SEYMOUR	1,304
<b>Total Cities:</b>	<b>7,568</b>
<b>Villages</b>	
BEAR CREEK	159
BLACK CREEK	476
COMBINED LOCKS	1,280
HORTONVILLE	1,026
KIMBERLY	2,948
LITTLE CHUTE	3,677
SHIOCTON	343
<b>Total Villages:</b>	<b>9,909</b>
<b>Towns</b>	
BLACK CREEK	69
BOVINA	84

## GAS CUSTOMERS SERVED

Number of customers in each city, village and town supplied directly with service by reporting utility at end of year.

Location (a)	Customers End of Year (b)
<b>Outagamie County</b>	
<b>Towns</b>	
BUCHANAN	2,214
DALE	519
DEER CREEK	3
ELLINGTON	194
FREEDOM	1,237
GRAND CHUTE	14
GREENVILLE	47
HORTONIA	136
KAUKAUNA	126
MAPLE CREEK	2
ONEIDA	25
OSBORN	105
SEYMOUR	101
VANDENBROEK	357
<b>Total Towns:</b>	<b>5,233</b>
<b>Total Outagamie County:</b>	<b>22,710</b>
<b>Ozaukee County</b>	
<b>Cities</b>	
CEDARBURG	4,253
MEQUON	9,052
PORT WASHINGTON	4,406
<b>Total Cities:</b>	<b>17,711</b>
<b>Villages</b>	
BAYSIDE	43
BELGIUM	830
FREDONIA	758
GRAFTON	4,349
NEWBURG	32
SAUKVILLE	1,669
THIENSVILLE	1,318
<b>Total Villages:</b>	<b>8,999</b>
<b>Towns</b>	
BELGIUM	352
CEDARBURG	2,042
FREDONIA	417
GRAFTON	1,535
PORT WASHINGTON	411
SAUKVILLE	279
<b>Total Towns:</b>	<b>5,036</b>
<b>Total Ozaukee County:</b>	<b>31,746</b>

Location (a)	Customers End of Year (b)
<b>Pepin County</b>	
<b>Cities</b>	
DURAND	630
<b>Total Cities:</b>	<b>630</b>
<b>Towns</b>	
DURAND	89
WATERVILLE	106
WAUBEEK	63
<b>Total Towns:</b>	<b>258</b>
<b>Total Pepin County:</b>	<b>888</b>
<b>Pierce County</b>	
<b>Villages</b>	
BAY CITY	223
ELLSWORTH	1,232
ELMWOOD	330
PLUM CITY	195
SPRING VALLEY	515
<b>Total Villages:</b>	<b>2,495</b>
<b>Towns</b>	
ELLSWORTH	36
GILMAN	35
HARTLAND	3
ISABELLE	62
SPRING LAKE	16
TRENTON	448
UNION	2
<b>Total Towns:</b>	<b>602</b>
<b>Total Pierce County:</b>	<b>3,097</b>
<b>Polk County</b>	
<b>Cities</b>	
AMERY	1,163
SAINT CROIX FALLS	885
<b>Total Cities:</b>	<b>2,048</b>
<b>Villages</b>	
BALSAM LAKE	658
CENTURIA	297
CLAYTON	178
CLEAR LAKE	431
DRESSER	352
FREDERIC	475
LUCK	461
MILLTOWN	389
OSCEOLA	873

## GAS CUSTOMERS SERVED

Number of customers in each city, village and town supplied directly with service by reporting utility at end of year.

Location (a)	Customers End of Year (b)
<b>Polk County</b>	
<b>Villages</b>	
TURTLE LAKE	51
<b>Total Villages:</b>	<b>4,165</b>
<b>Towns</b>	
APPLE RIVER	10
BALSAM LAKE	130
BEAVER	73
BLACK BROOK	87
CLAYTON	89
CLEAR LAKE	4
FARMINGTON	3
GARFIELD	225
LINCOLN	538
LUCK	57
MILLTOWN	93
OSCEOLA	203
SAINT CROIX FALLS	23
WEST SWEDEN	24
<b>Total Towns:</b>	<b>1,559</b>
<b>Total Polk County:</b>	<b>7,772</b>
<b>Portage County</b>	
<b>Towns</b>	
EAU PLEINE	1
GRANT	277
<b>Total Towns:</b>	<b>278</b>
<b>Total Portage County:</b>	<b>278</b>
<b>Richland County</b>	
<b>Cities</b>	
RICHLAND CENTER	2,119
<b>Total Cities:</b>	<b>2,119</b>
<b>Towns</b>	
BUENA VISTA	210
ITHACA	35
ORION	10
RICHLAND	138
<b>Total Towns:</b>	<b>393</b>
<b>Total Richland County:</b>	<b>2,512</b>
<b>Rock County</b>	
<b>Cities</b>	
EVANSVILLE	2,022
<b>Total Cities:</b>	<b>2,022</b>

Location (a)	Customers End of Year (b)
<b>Rock County</b>	
<b>Towns</b>	
MAGNOLIA	2
SPRING VALLEY	13
UNION	428
<b>Total Towns:</b>	<b>443</b>
<b>Total Rock County:</b>	<b>2,465</b>
<b>Rusk County</b>	
<b>Cities</b>	
LADYSMITH	1,458
<b>Total Cities:</b>	<b>1,458</b>
<b>Villages</b>	
BRUCE	354
WEYERHAEUSER	143
<b>Total Villages:</b>	<b>497</b>
<b>Towns</b>	
FLAMBEAU	103
GRANT	90
GROW	8
STRICKLAND	1
STUBBS	17
THORNAPPLE	40
<b>Total Towns:</b>	<b>259</b>
<b>Total Rusk County:</b>	<b>2,214</b>
<b>Saint Croix County</b>	
<b>Cities</b>	
GLENWOOD CITY	414
<b>Total Cities:</b>	<b>414</b>
<b>Villages</b>	
BALDWIN	1,424
DEER PARK	90
SPRING VALLEY	2
STAR PRAIRIE	217
WILSON	62
WOODVILLE	450
<b>Total Villages:</b>	<b>2,245</b>
<b>Towns</b>	
BALDWIN	47
CADY	49
CYLON	8
EAU GALLE	11
GLENWOOD	9
HAMMOND	320
PLEASANT VALLEY	3

## GAS CUSTOMERS SERVED

Number of customers in each city, village and town supplied directly with service by reporting utility at end of year.

Location (a)	Customers End of Year (b)	Sheboygan County Villages	Customers End of Year (b)
<b>Saint Croix County</b>			
<b>Towns</b>			
RUSH RIVER	3	RANDOM LAKE	631
SPRINGFIELD	29	WALDO	186
STANTON	6	<b>Total Villages:</b>	<b>3,055</b>
STAR PRAIRIE	515	<b>Towns</b>	
<b>Total Towns:</b>	<b>1,000</b>	HOLLAND	519
<b>Total Saint Croix County:</b>	<b>3,659</b>	LIMA	469
		LYNDON	185
		SCOTT	219
		SHERMAN	185
		WILSON	5
		<b>Total Towns:</b>	<b>1,582</b>
		<b>Total Sheboygan County:</b>	<b>4,637</b>
<b>Sawyer County</b>			
<b>Cities</b>			
HAYWARD	1,145	<b>Taylor County</b>	
<b>Total Cities:</b>	<b>1,145</b>	<b>Cities</b>	
<b>Towns</b>		MEDFORD	1,684
BASS LAKE	169	<b>Total Cities:</b>	<b>1,684</b>
HAYWARD	980	<b>Villages</b>	
<b>Total Towns:</b>	<b>1,149</b>	STETSONVILLE	209
<b>Total Sawyer County:</b>	<b>2,294</b>	<b>Total Villages:</b>	<b>209</b>
		<b>Towns</b>	
		DEER CREEK	1
		LITTLE BLACK	86
		MEDFORD	158
		<b>Total Towns:</b>	<b>245</b>
		<b>Total Taylor County:</b>	<b>2,138</b>
<b>Shawano County</b>			
<b>Cities</b>			
SHAWANO	3,525	<b>Trempealeau County</b>	
<b>Total Cities:</b>	<b>3,525</b>	<b>Cities</b>	
<b>Villages</b>		BLAIR	502
BONDUEL	574	OSSEO	725
CECIL	268	<b>Total Cities:</b>	<b>1,227</b>
<b>Total Villages:</b>	<b>842</b>	<b>Villages</b>	
<b>Towns</b>		PIGEON FALLS	143
ANGELICA	247	<b>Total Villages:</b>	<b>143</b>
BELLE PLAINE	682	<b>Towns</b>	
GREEN VALLEY	114	PIGEON	15
HARTLAND	14	PRESTON	5
MAPLE GROVE	7	SUMNER	33
RICHMOND	304	<b>Total Towns:</b>	<b>53</b>
WASHINGTON	842	<b>Total Trempealeau County:</b>	<b>1,423</b>
WAUKECHON	59		
WESCOTT	1,767	<b>Washburn County</b>	
<b>Total Towns:</b>	<b>4,036</b>	<b>Cities</b>	
<b>Total Shawano County:</b>	<b>8,403</b>	SHELL LAKE	696
<b>Sheboygan County</b>			
<b>Villages</b>			
ADELL	223		
CASCADE	257		
CEDAR GROVE	748		
OOSTBURG	1,010		

## GAS CUSTOMERS SERVED

Number of customers in each city, village and town supplied directly with service by reporting utility at end of year.

Location (a)	Customers End of Year (b)
<b>Washburn County</b>	
<b>Cities</b>	
SPOONER	1,106
<b>Total Cities:</b>	<b>1,802</b>
<b>Towns</b>	
BASHAW	54
BASS LAKE	18
BEAVER BROOK	116
EVERGREEN	106
SPOONER	94
SPRINGBROOK	74
STINNETT	14
TREGO	97
<b>Total Towns:</b>	<b>573</b>
<b>Total Washburn County:</b>	<b>2,375</b>

<b>Washington County</b>	
<b>Cities</b>	
HARTFORD	5,247
WEST BEND	10,661
<b>Total Cities:</b>	<b>15,908</b>
<b>Villages</b>	
GERMANTOWN	7,266
JACKSON	2,807
KEWASKUM	1,425
NEWBURG	389
RICHFIELD	4,163
SLINGER	1,929
<b>Total Villages:</b>	<b>17,979</b>
<b>Towns</b>	
ADDISON	1,022
BARTON	754
ERIN	836
FARMINGTON	693
GERMANTOWN	121
HARTFORD	1,300
JACKSON	1,221
KEWASKUM	68
POLK	1,302
TRENTON	1,275
WAYNE	217
WEST BEND	1,861
<b>Total Towns:</b>	<b>10,670</b>
<b>Total Washington County:</b>	<b>44,557</b>

Location (a)	Customers End of Year (b)
<b>Waukesha County</b>	
<b>Cities</b>	
BROOKFIELD	8,632
<b>Total Cities:</b>	<b>8,632</b>
<b>Villages</b>	
BUTLER	974
ELM GROVE	2,490
LANNON	551
MENOMONEE FALLS	14,770
MERTON	119
SUSSEX	3,697
<b>Total Villages:</b>	<b>22,601</b>
<b>Towns</b>	
LISBON	3,641
<b>Total Towns:</b>	<b>3,641</b>
<b>Total Waukesha County:</b>	<b>34,874</b>

<b>Waupaca County</b>	
<b>Cities</b>	
CLINTONVILLE	1,880
NEW LONDON	2,003
WAUPACA	2,278
WEYAUWEGA	723
<b>Total Cities:</b>	<b>6,884</b>
<b>Villages</b>	
EMBARRASS	151
FREMONT	301
<b>Total Villages:</b>	<b>452</b>
<b>Towns</b>	
BEAR CREEK	22
CALEDONIA	152
DAYTON	831
FARMINGTON	1,197
FREMONT	100
LARRABEE	129
LEBANON	58
LIND	281
MATTESON	24
MUKWA	617
ROYALTON	26
WAUPACA	98
WEYAUWEGA	43
<b>Total Towns:</b>	<b>3,578</b>
<b>Total Waupaca County:</b>	<b>10,914</b>

## GAS CUSTOMERS SERVED

Number of customers in each city, village and town supplied directly with service by reporting utility at end of year.

Location (a)	Customers End of Year (b)	Wood County Villages	Customers End of Year (b)
<b>Waushara County</b>			
<b>Cities</b>			
WAUTOMA	877	AUBURNDALE	254
<b>Total Cities:</b>	<b>877</b>	BIRON	336
<b>Villages</b>		HEWITT	269
COLOMA	200	MILLADORE	110
HANCOCK	203	PORT EDWARDS	701
LOHRVILLE	181	RUDOLPH	184
PLAINFIELD	333	VESPER	228
REDGRANITE	447	<b>Total Villages:</b>	<b>2,188</b>
WILD ROSE	344	<b>Towns</b>	
<b>Total Villages:</b>	<b>1,708</b>	ARPIN	30
<b>Towns</b>		AUBURNDALE	25
COLOMA	186	CAMERON	89
DAKOTA	292	DEXTER	1
HANCOCK	104	GRAND RAPIDS	2,901
LEON	216	HANSEN	2
MARION	824	LINCOLN	125
MOUNT MORRIS	94	MARSHFIELD	53
OASIS	4	MILLADORE	36
PLAINFIELD	30	PORT EDWARDS	138
POY SIPPI	147	RICHFIELD	33
RICHFORD	22	ROCK	8
ROSE	11	RUDOLPH	60
SAXEVILLE	104	SARATOGA	1,198
SPRINGWATER	552	SENECA	96
WARREN	76	SHERRY	46
WAUTOMA	268	SIGEL	45
<b>Total Towns:</b>	<b>2,930</b>	WOOD	21
<b>Total Waushara County:</b>	<b>5,515</b>	<b>Total Towns:</b>	<b>4,907</b>
<b>Winnebago County</b>		<b>Total Wood County:</b>	<b>22,711</b>
<b>Towns</b>		<b>Total Company:</b>	
WOLF RIVER	32	<b>600,201</b>	
<b>Total Towns:</b>	<b>32</b>		
<b>Total Winnebago County:</b>	<b>32</b>		
<b>Wood County</b>			
<b>Cities</b>			
MARSHFIELD	7,006		
NEKOOSA	957		
PITTSVILLE	276		
WISCONSIN RAPIDS	7,377		
<b>Total Cities:</b>	<b>15,616</b>		
<b>Villages</b>			
ARPIN	106		

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## GAS CUSTOMERS SERVED

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Number of customers in each city, village and town supplied directly with service by reporting utility at end of year.
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## WATER OPERATING REVENUES & EXPENSES

Particulars (a)	This Year (b)	Last Year (c)	
<b>Operating Revenues</b>			
<b>Sales of Water</b>			
Sales of Water (460-466)	0	1,053,938	1
<b>Total Sales of Water</b>	<b>0</b>	<b>1,053,938</b>	
<b>Other Operating Revenues</b>			
Forfeited Discounts (470)	0	4,650	2
Miscellaneous Service Revenues (471)	0	25	3
Rents from Water Property (472)	0	0	4
Interdepartmental Rents (473)	0	0	5
Other Water Revenues (474)	0	1,289	6
<b>Total Other Operating Revenues</b>	<b>0</b>	<b>5,964</b>	
<b>Total Operating Revenues</b>	<b>0</b>	<b>1,059,902</b>	
<b>Operation and Maintenance Expenses</b>			
Source of Supply Expenses (600-617)	0	128,833	7
Pumping Expenses (620-633)	0	553	8
Water Treatment Expense (640-652)	0	3,378	9
Transmission and Distribution Expenses (660-678)	0	(37,709)	10
Customer Accounts Expenses (901-905)	0	208,472	11
Customer Service Expenses (907)	0	989	12
Sales Promotion Expenses (910)	0	0	13
Administrative and General Expenses (920-935)	0	177,944	14
<b>Total Operation and Maintenance Expenses</b>	<b>0</b>	<b>482,460</b>	
<b>Other Operating Expenses</b>			
Depreciation Expense (403)	0	84,940	15
Amortization Expense (404-407)	0	1,125	16
Taxes Other Than Income Taxes (408.1)	0	6,441	17
Income Taxes (409.1)	0	2,814,322	18
Provision for Deferred Income Taxes (410.1, 411.1)	0	(2,622,805)	19
Investment Tax Credits Adjustment (411.4)	0	0	20
<b>Total Other Operating Expenses</b>	<b>0</b>	<b>284,023</b>	
<b>Total Operating Expenses</b>	<b>0</b>	<b>766,483</b>	
<b>NET OPERATING INCOME</b>	<b>0</b>	<b>293,419</b>	

## WATER OPERATING REVENUES - SALES OF WATER

1. Where customer meters record cubic feet, multiply by 7.48 to obtain number of gallons.
2. Report estimated gallons for unmetered sales.
3. Sales to multiple dwelling buildings through a single meter serving 3 or more family units should be classified commercial.
4. Account 460, Unmetered Sales to General Customers - Gallons of Water Sold should not include in any way quantity of water, i.e. metered, or measured by tank or pool volume. The quantity should be estimated based on size of pipe, flow, foot of frontage, etc. Bulk water sales should be Account 460 if the quantity is estimated and should be Account 461 if metered or measured by volume. Water related to construction should be a measured sale of water (either Account 461 or Account 464).
5. Other accounts: see application Help files for details.

Particulars (a)	Average No. Customers (b)	Thousands of Gallons of Water Sold (c)	Amounts (d)	
<b>Operating Revenues</b>				
<b>Sales of Water</b>				
Unmetered Sales to General Customers (460)				
Residential				1
Commercial				2
Industrial				3
<b>Total Unmetered Sales to General Customers (460)</b>	<b>0</b>	<b>0</b>	<b>0</b>	
Metered Sales to General Customers (461)				
Residential				4
Commercial				5
Industrial				6
<b>Total Metered Sales to General Customers (461)</b>	<b>0</b>	<b>0</b>	<b>0</b>	
Private Fire Protection Service (462)				7
Public Fire Protection Service (463)				8
Other Sales to Public Authorities (464)				9
Sales to Irrigation Customers (465)				10
Sales for Resale (466)		0	0	11
Interdepartmental Sales (467)				12
<b>Total Sales of Water</b>	<b>0</b>	<b>0</b>	<b>0</b>	

## OTHER OPERATING REVENUES (WATER)

1. Report succinct statement of the revenues in each account and show separate totals for each account.
2. Report name of lessee and description of property for major items of rent revenue. Group other rents less than \$25,000 by classes.
3. For sales of water and water power, report name of purchaser, purpose for which water used and the development supplying water.
4. Report basis of charges for any interdepartmental rents.
5. Report details of major items in Acct. 456. Group items less than \$25,000.

Particulars (a)	Amount (b)	
<b>Forfeited Discounts (470):</b>		
NONE		1
<b>Total Forfeited Discounts (470)</b>	<b>0</b>	
<b>Miscellaneous Service Revenues (471):</b>		
NONE		2
<b>Total Miscellaneous Service Revenues (471)</b>	<b>0</b>	
<b>Rents from Water Property (472):</b>		
NONE		3
<b>Total Rents from Water Property (472)</b>	<b>0</b>	
<b>Interdepartmental Rents (473):</b>		
NONE		4
<b>Total Interdepartmental Rents (473)</b>	<b>0</b>	
<b>Other Water Revenues (474):</b>		
NONE		5
<b>Total Other Water Revenues (474)</b>	<b>0</b>	

### SALES FOR RESALE (ACCT. 466)

Use a separate line for each delivery point.

Customer Name (a)	Point of Delivery (b)	Thousands of Gallons Sold (c)	Revenues (d)	
NONE				1
<b>Total</b>		<b>0</b>	<b>0</b>	

## WATER EXPENSES

Report all amounts on the basis and in conformity with the uniform system of accounts and accounting directives prescribed by this commission. Allocate "Total Operations" amounts jurisdictionally between Wisconsin (PSCW) jurisdiction and all other jurisdiction.

Particulars (a)	Wisconsin Jurisdictional Operations		Other Jurisdictional Operations		Total Operations (f)
	Labor (b)	Other (c)	Labor (d)	Other (e)	
<b>Operation and Maintenance Expenses</b>					
Source of Supply Expenses (600-617)					0 1
Pumping Expenses (620-633)					0 2
Water Treatment Expense (640-652)					0 3
Transmission and Distribution Expenses (660-678)					0 4
Customer Accounts Expenses (901-905)					0 5
Customer Service Expenses (907)					0 6
Sales Promotion Expenses (910)					0 7
Administrative and General Expenses (920-935)					0 8
<b>Total Operation and Maintenance Expenses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Other Operating Expenses</b>					
Depreciation Expense (403)					0 9
Amortization Expense (404-407)					0 10
Taxes Other Than Income Taxes (408.1)					0 11
Income Taxes (409.1)					0 12
Provision for Deferred Income Taxes (410.1, 411.1)					0 13
Investment Tax Credits Adjustment (411.4)					0 14
<b>Total Other Operating Expenses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Operating Expenses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## WATER OPERATION & MAINTENANCE EXPENSES

Particulars (a)	Labor Expense (b)	Other Expense (c)	Total Expense (d)	Last Year Total (e)	
<b>SOURCE OF SUPPLY EXPENSES</b>					
Operation Supervision and Engineering (600)	0		0	0	1
Operation Labor and Expenses (601)	0		2,270	2,270	2
Purchased Water (602)	0		116,315	116,315	3
Miscellaneous Expenses (603)	0		10,248	10,248	4
Rents (604)	0		0	0	5
Maintenance Supervision and Engineering (610)	0		0	0	6
Maintenance of Structures and Improvements (611)	0		0	0	7
Maintenance of Collecting and Impounding Reservoirs (612)	0		0	0	8
Maintenance of Lake, River and Other Intakes (613)	0		0	0	9
Maintenance of Wells and Springs (614)	0		0	0	10
Maintenance of Infiltration Galleries and Tunnels (615)	0		0	0	11
Maintenance of Supply Mains (616)	0		0	0	12
Maintenance of Miscellaneous Water Source Plant (617)	0		0	0	13
<b>Total Source of Supply Expenses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>128,833</b>	
<b>PUMPING EXPENSES</b>					
Operation Supervision and Engineering (620)	0		0	0	14
Fuel for Power Production (621)	0		0	0	15
Power Production Labor and Expenses (622)	0		0	0	16
Fuel or Power Purchased for Pumping (623)	0		0	0	17
Pumping Labor and Expenses (624)	0		553	553	18
Expenses Transferred--Credit (625)	0		0	0	19
Miscellaneous Expenses (626)	0		0	0	20
Rents (627)	0		0	0	21
Maintenance Supervision and Engineering (630)	0		0	0	22
Maintenance of Structures and Improvements (631)	0		0	0	23
Maintenance of Power Production Equipment (632)	0		0	0	24
Maintenance of Pumping Equipment (633)	0		0	0	25
<b>Total Pumping Expenses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>553</b>	
<b>WATER TREATMENT EXPENSES</b>					
Operation Supervision and Engineering (640)	0		0	0	26
Chemicals (641)	0		463	463	27
Operation Labor and Expenses (642)	0		0	0	28
Miscellaneous Expenses (643)	0		2,915	2,915	29
Rents (644)	0		0	0	30
Maintenance Supervision and Engineering (650)	0		0	0	31
Maintenance of Structures and Improvements (651)	0		0	0	32
Maintenance of Water Treatment Equipment (652)	0		0	0	33
<b>Total Water Treatment Expenses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,378</b>	

## WATER OPERATION & MAINTENANCE EXPENSES

Particulars (a)	Labor Expense (b)	Other Expense (c)	Total Expense (d)	Last Year Total (e)	
<b>TRANSMISSION AND DISTRIBUTION EXPENSES</b>					
Operation Supervision and Engineering (660)			0	0	34
Storage Facilities Expenses (661)			0	0	35
Transmission and Distribution Lines Expenses (662)			0	873	36
Meter Expenses (663)			0	1,785	37
Customer Installations Expenses (664)			0	0	38
Miscellaneous Expenses (665)			0	5,119	39
Rents (666)			0	0	40
Maintenance Supervision and Engineering (670)			0	0	41
Maintenance of Structures and Improvements (671)			0	0	42
Maintenance of Distribution Reservoirs and Standpipes (672)			0	0	43
Maintenance of Transmission and Distribution Mains (673)			0	(46,940)	44
Maintenance of Fire Mains (674)			0	0	45
Maintenance of Services (675)			0	0	46
Maintenance of Meters (676)			0	0	47
Maintenance of Hydrants (677)			0	1,454	48
Maintenance of Miscellaneous Plant (678)			0	0	49
<b>Total Transmission and Distribution Expenses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(37,709)</b>	
<b>CUSTOMER ACCOUNTS EXPENSES</b>					
Supervision (901)			0	0	50
Meter Reading Labor (902)			0	69,168	51
Customer Records and Collection Expenses (903)			0	55,554	52
Uncollectible Accounts (904)			0	83,750	53
Miscellaneous Customer Accounts Expenses (905)			0	0	54
<b>Total Customer Accounts Expenses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>208,472</b>	
<b>CUSTOMER SERVICE EXPENSES</b>					
Customer Service and Information Expenses (907)			0	989	55
<b>Total Customer Service Expenses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>989</b>	
<b>SALES PROMOTION EXPENSES</b>					
Sales Promotion Expenses (910)			0	0	56
<b>Total Sales Promotion Expenses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>ADMINISTRATIVE AND GENERAL EXPENSES</b>					
Administrative and General Salaries (920)			0	64,580	57
Office Supplies and Expenses (921)			0	88,991	58
Administrative Expenses Transferred--Credit (922)			0	2,150	59
Outside Services Employed (923)			0	0	60
Property Insurance (924)			0	0	61
Injuries and Damages (925)			0	1,062	62

## WATER OPERATION & MAINTENANCE EXPENSES

Particulars (a)	Labor Expense (b)	Other Expense (c)	Total Expense (d)	Last Year Total (e)
<b>ADMINISTRATIVE AND GENERAL EXPENSES</b>				
Employee Pensions and Benefits (926)			0	24,030
Regulatory Commission Expenses (928)			0	1,431
Duplicate Charges--Credit (929)			0	0
Institutional or Goodwill Advertising Expenses (930.1)			0	0
Miscellaneous General Expenses (930.2)			0	0
Research and Development Expenses (930.3)			0	0
Rents (931)			0	0
Maintenance of General Plant (935)			0	0
<b>Total Administrative and General Expenses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>177,944</b>
<b>Total Operation and Maintenance Expenses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>482,460</b>

## WATER UTILITY PLANT IN SERVICE

1. Include in column (e) entries reclassifying property from one account or utility service to another, etc..
2. Corrections of entries of the current or immediately preceding year should be recorded in columns (c) or (d), accordingly, as they are corrections of additions or retirements.

Account (a)	Balance First of Year (b)	Additions During Year (c)	Retirements During Year (d)	
<b>INTANGIBLE PLANT</b>				
Organization (301)	0			1
Franchises and Consents (302)	0			2
Miscellaneous Intangible Plant (303)	0			3
<b>Total Intangible Plant</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>SOURCE OF SUPPLY PLANT</b>				
Land and Land Rights (310)	0			4
Structures and Improvements (311)	0			5
Collecting and Impounding Reservoirs (312)	0			6
Lake, River and Other Intakes (313)	0			7
Wells and Springs (314)	0			8
Infiltration Galleries and Tunnels (315)	0			9
Supply Mains (316)	0			10
Other Water Source Plant (317)	0			11
<b>Total Source of Supply Plant</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>PUMPING PLANT</b>				
Land and Land Rights (320)	0			12
Structures and Improvements (321)	0			13
Boiler Plant Equipment (322)	0			14
Other Power Production Equipment (323)	0			15
Steam Pumping Equipment (324)	0			16
Electric Pumping Equipment (325)	0			17
Diesel Pumping Equipment (326)	0			18
Hydraulic Pumping Equipment (327)	0			19
Other Pumping Equipment (328)	0			20
<b>Total Pumping Plant</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>WATER TREATMENT PLANT</b>				
Land and Land Rights (330)	0			21
Structures and Improvements (331)	0			22
Water Treatment Equipment (332)	0			23
<b>Total Water Treatment Plant</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>TRANSMISSION AND DISTRIBUTION PLANT</b>				
Land and Land Rights (340)	0			24
Structures and Improvements (341)	0			25
Distribution Reservoirs and Standpipes (342)	0			26
Transmission and Distribution Mains (343)	0			27
Fire Mains (344)	0			28
Services (345)	0			29

**WATER UTILITY PLANT IN SERVICE (cont.)**

Account (a)	Adjustments Increase or (Decrease) (e)	Transfers (f)	Balance End of Year (g)	
Organization (301)			0	1
Franchises and Consents (302)			0	2
Miscellaneous Intangible Plant (303)			0	3
	0	0	0	
Land and Land Rights (310)			0	4
Structures and Improvements (311)			0	5
Collecting and Impounding Reservoirs (312)			0	6
Lake, River and Other Intakes (313)			0	7
Wells and Springs (314)			0	8
Infiltration Galleries and Tunnels (315)			0	9
Supply Mains (316)			0	10
Other Water Source Plant (317)			0	11
	0	0	0	
Land and Land Rights (320)			0	12
Structures and Improvements (321)			0	13
Boiler Plant Equipment (322)			0	14
Other Power Production Equipment (323)			0	15
Steam Pumping Equipment (324)			0	16
Electric Pumping Equipment (325)			0	17
Diesel Pumping Equipment (326)			0	18
Hydraulic Pumping Equipment (327)			0	19
Other Pumping Equipment (328)			0	20
	0	0	0	
Land and Land Rights (330)			0	21
Structures and Improvements (331)			0	22
Water Treatment Equipment (332)			0	23
	0	0	0	
Land and Land Rights (340)			0	24
Structures and Improvements (341)			0	25
Distribution Reservoirs and Standpipes (342)			0	26
Transmission and Distribution Mains (343)			0	27
Fire Mains (344)			0	28
Services (345)			0	29

## WATER UTILITY PLANT IN SERVICE

1. Include in column (e) entries reclassifying property from one account or utility service to another, etc..
2. Corrections of entries of the current or immediately preceding year should be recorded in columns (c) or (d), accordingly, as they are corrections of additions or retirements.

Account (a)	Balance First of Year (b)	Additions During Year (c)	Retirements During Year (d)	
<b>TRANSMISSION AND DISTRIBUTION PLANT</b>				
Meters (346)	0			30
Meter Installations (347)	0			31
Hydrants (348)	0			32
Other Transmission and Distribution Plant (349)	0			33
<b>Total Transmission and Distribution Plant</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>GENERAL PLANT</b>				
Land and Land Rights (389)	0			34
Structures and Improvements (390)	0			35
Office Furniture and Equipment (391)	0			36
Transportation Equipment (392)	0			37
Stores Equipment (393)	0			38
Tools, Shop and Garage Equipment (394)	0			39
Laboratory Equipment (395)	0			40
Power Operated Equipment (396)	0			41
Communication Equipment (397)	0			42
Miscellaneous Equipment (398)	0			43
Other Tangible Property (399)	0			44
<b>Total General Plant</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Total utility plant in service</b>	<b>0</b>	<b>0</b>	<b>0</b>	
Common Utility Plant Allocated to Water Department (300)	0			45
Construction Completed Not Classified (106)	0			46
<b>Total utility plant in service</b>	<b>0</b>	<b>0</b>	<b>0</b>	

**WATER UTILITY PLANT IN SERVICE (cont.)**

Account (a)	Adjustments Increase or (Decrease) (e)	Transfers (f)	Balance End of Year (g)	
Meters (346)			0	30
Meter Installations (347)			0	31
Hydrants (348)			0	32
Other Transmission and Distribution Plant (349)			0	33
	0	0	0	
Land and Land Rights (389)			0	34
Structures and Improvements (390)			0	35
Office Furniture and Equipment (391)			0	36
Transportation Equipment (392)			0	37
Stores Equipment (393)			0	38
Tools, Shop and Garage Equipment (394)			0	39
Laboratory Equipment (395)			0	40
Power Operated Equipment (396)			0	41
Communication Equipment (397)			0	42
Miscellaneous Equipment (398)			0	43
Other Tangible Property (399)			0	44
	0	0	0	
	0	0	0	
Common Utility Plant Allocated to Water Department (300)			0	45
Construction Completed Not Classified (106)			0	46
	0	0	0	

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## WATER UTILITY PLANT IN SERVICE

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**Water Utility Plant in Service (Page W-07)**

**General footnotes**

Water Utility Sold 04/2009

If Plant in Service Additions, Account 345, are greater than zero AND Additions on the Water Services schedule are zero, please explain.

Water Utility sold before annual unitization performed.

If Plant in Service Additions, Accounts 316 or 343, are greater than zero AND Additions on the Mains schedule are zero, please explain.

Water utility sold before annual unitization performed.

If Plant in Service Additions, Account 348, are greater than zero AND Additions on the Hydrants and Distribution System Valves schedule are zero, please explain.

n/a

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**WATER UTILITY PLANT IN SERVICE (cont.)**

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## ACCUMULATED PROVISION FOR DEPRECIATION - WATER

Report in column (e) additional depreciation expense authorized by Commission to be charged where tax depreciation allowances exceed book amounts.

Primary Plant Accounts (a)	Balance First of Year (b)	Straight Line Rate % Used (c)	Accruals During Year		
			Straight Line Amount (d)	Additional Amount (e)	
<b>INTANGIBLE PLANT</b>					
Organization (301)	0	Various			1
Franchises and Consents (302)	0				2
Miscellaneous Intangible Plant (303)	0				3
<b>Total Intangible Plant</b>	<b>0</b>		<b>0</b>	<b>0</b>	
<b>SOURCE OF SUPPLY PLANT</b>					
Land and Land Rights (310)	0				* 4
Structures and Improvements (311)	0				5
Collecting and Impounding Reservoirs (312)	0				6
Lake, River and Other Intakes (313)	0				7
Wells and Springs (314)	0	2.941%			8
Infiltration Galleries and Tunnels (315)	0				9
Supply Mains (316)	0				10
Other Water Source Plant (317)	0				11
<b>Total Source of Supply Plant</b>	<b>0</b>		<b>0</b>	<b>0</b>	
<b>PUMPING PLANT</b>					
Land and Land Rights (320)	0				* 12
Structures and Improvements (321)	0	2.439%			13
Boiler Plant Equipment (322)	0				14
Other Power Production Equipment (323)	0				15
Steam Pumping Equipment (324)	0				16
Electric Pumping Equipment (325)	0	4.420%			17
Diesel Pumping Equipment (326)	0				18
Hydraulic Pumping Equipment (327)	0				19
Other Pumping Equipment (328)	0	4.290%			20
<b>Total Pumping Plant</b>	<b>0</b>		<b>0</b>	<b>0</b>	
<b>WATER TREATMENT PLANT</b>					
Land and Land Rights (330)	0				21
Structures and Improvements (331)	0				22
Water Treatment Equipment (332)	0	6.000%			23
<b>Total Water Treatment Plant</b>	<b>0</b>		<b>0</b>	<b>0</b>	
<b>TRANSMISSION AND DISTRIBUTION PLANT</b>					
Land and Land Rights (340)	0				24
Structures and Improvements (341)	0				25
Distribution Reservoirs and Standpipes (342)	0	1.870%			26
Transmission and Distribution Mains (343)	0	0.930%			27
Fire Mains (344)	0				28
Services (345)	0	2.090%			29

**ACCUMULATED PROVISION FOR DEPRECIATION - WATER (cont.)**

Account (a)	Book Cost of Plant Retired (f)	Cost of Removal (g)	Salvage (h)	Adjustments Increase or (Decrease) (i)	Balance End of Year (j)	
301					0	1
302					0	2
303					0	3
	0	0	0	0	0	
310					0	* 4
311					0	5
312					0	6
313					0	7
314					0	8
315					0	9
316					0	10
317					0	11
	0	0	0	0	0	
320					0	* 12
321					0	13
322					0	14
323					0	15
324					0	16
325					0	17
326					0	18
327					0	19
328					0	20
	0	0	0	0	0	
330					0	21
331					0	22
332					0	23
	0	0	0	0	0	
340					0	24
341					0	25
342					0	26
343					0	27
344					0	28
345					0	29

## ACCUMULATED PROVISION FOR DEPRECIATION - WATER

Report in column (e) additional depreciation expense authorized by Commission to be charged where tax depreciation allowances exceed book amounts.

Primary Plant Accounts (a)	Balance First of Year (b)	Straight Line Rate % Used (c)	Accruals During Year		
			Straight Line Amount (d)	Additional Amount (e)	
<b>TRANSMISSION AND DISTRIBUTION PLANT</b>					
Meters (346)	0	5.030%			30
Meter Installations (347)	0				31
Hydrants (348)	0	1.590%			32
Other Transmission and Distribution Plant (349)	0				33
<b>Total Transmission and Distribution Plant</b>	<b>0</b>		<b>0</b>	<b>0</b>	
<b>GENERAL PLANT</b>					
Land and Land Rights (389)	0				34
Structures and Improvements (390)	0				35
Office Furniture and Equipment (391)	0	33.330%			36
Transportation Equipment (392)	0				37
Stores Equipment (393)	0				38
Tools, Shop and Garage Equipment (394)	0				39
Laboratory Equipment (395)	0				40
Power Operated Equipment (396)	0				41
Communication Equipment (397)	0	10.000%			42
Miscellaneous Equipment (398)	0				43
Other Tangible Property (399)	0				44
Retirement Work in Progress	0				45
<b>Total General Plant</b>	<b>0</b>		<b>0</b>	<b>0</b>	
Common Utility Plant Allocated to Water Department (300)	0				46
Construction Completed Not Classified (106)	0				47
<b>Total accum. prov. for depreciation</b>	<b>0</b>		<b>0</b>	<b>0</b>	

**ACCUMULATED PROVISION FOR DEPRECIATION - WATER (cont.)**

Account (a)	Book Cost of Plant Retired (f)	Cost of Removal (g)	Salvage (h)	Adjustments Increase or (Decrease) (i)	Balance End of Year (j)	
346					0	30
347					0	31
348					0	32
349					0	33
	0	0	0	0	0	
389					0	34
390					0	35
391					0	36
392					0	37
393					0	38
394					0	39
395					0	40
396					0	41
397					0	42
398					0	43
399					0	44
RWIP					0	45
	0	0	0	0	0	
300					0	46
106					0	47
	0	0	0	0	0	

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## ACCUMULATED PROVISION FOR DEPRECIATION - WATER

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### Accumulated Provision for Depreciation - Water (Page W-09)

#### General footnotes

- (i) offset land retirements
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**ACCUMULATED PROVISION FOR DEPRECIATION - WATER (cont.)**

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## SOURCES OF WATER SUPPLY - STATISTICS

Month (a)	Sources of Water Supply			Total Gallons All Methods (000's) (e)	
	Purchased Water Gallons (000's) (b)	Surface Water Gallons (000's) (c)	Ground Water Gallons (000's) (d)		
January				0	1
February				0	2
March				0	3
April				0	4
May				0	5
June				0	6
July				0	7
August				0	8
September				0	9
October				0	10
November				0	11
December				0	12
<b>Total annual pumpage</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
Less: Water sold				0	13
Volume pumped but not sold				0	14
Volume sold as a percent of volume pumped				0%	15
Volume used for water production, water quality and system maintenance					16
Volume related to equipment/system malfunction					17
Non-utility volume NOT included in water sales					18
Total volume not sold but accounted for				0	19
Volume pumped but unaccounted for				0	20
Percent of water lost				0%	21
If more than 25%, indicate causes:					22
If more than 25%, state what action has been taken to reduce water loss:					23
Maximum gallons pumped by all methods in any one day during reporting year (000 gal.)					24
Date of maximum:					25
Cause of maximum:					26
Minimum gallons pumped by all methods in any one day during reporting year (000 gal.)					27
Date of minimum:					28
Total KWH used for pumping for the year				0	29
If water is purchased: Vendor Name:					30
Point of Delivery:					31
					32

**SOURCES OF WATER SUPPLY - GROUND WATERS**

<b>Location (a)</b>	<b>Identification Number (b)</b>	<b>Depth in feet (c)</b>	<b>Well Diameter in inches (d)</b>	<b>Yield Per Day in gallons (e)</b>	<b>Currently In Service? (f)</b>	
YVONNE VDP #4	AD933	300	12	150,000	No	1
LAC DU COUR WELL #2	BG632	450	12	280,000	No	2
JONQUIL VDP #6	BG637	350	12	70,000	No	3
FAIRY CHASM WELL	BO540	345	12	432,000	No	4
WAVERLY WELL	BO541	300	12	432,000	No	5

## SOURCES OF WATER SUPPLY - SURFACE WATERS

Location (a)	Intakes			
	Identification Number (b)	Distance From Shore in feet (c)	Depth Below Surface in feet (d)	Diameter in inches (e)
NONE				

### PUMPING & POWER EQUIPMENT

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)	
Identification	CONCORD RESERVOIR #1	CONCORD RESERVOIR #2	FAIRY CHASM WELL	1
Location	CONCORD RESERVOIR	CONCORD RESERVOIR	NORTH SHORE EAST	2
Purpose	B	B	S	3
Destination	D	D	D	4
Pump Manufacturer	LAYNE	LAYNE	GOULDS	5
Year Installed	1979	1979	2003	6
Type	VERTICAL TURBINE	VERTICAL TURBINE	VERTICAL TURBINE	7
Actual Capacity (gpm)	350	350	500	8
Pump Motor or Standby Engine Mfr	WESTINGHOUSE	WESTINGHOUSE	US ELECTRIC MOTORS	9 10
Year Installed	1979	1979	2003	11
Type	ELECTRIC	ELECTRIC	ELECTRIC	12
Horsepower	20	20	50	13

Particulars (a)	Unit D (b)	Unit E (c)	Unit F (d)	
Identification	UON #3 LAC DU COUR RIVER RD	MEQUON #5B WHITMAN	MEQUON #5C WHITMAN	14
Location	C-MEQUON	C-MEQUON	C-MEQUON	15
Purpose	S	B	B	16
Destination	D	D	D	17
Pump Manufacturer	AMERICAN TURBINE	CRANE DEMING	CRANE DEMING	18
Year Installed	1994	1994	1994	19
Type	VERTICAL TURBINE	CENTRIFUGAL	CENTRIFUGAL	20
Actual Capacity (gpm)	0	250	350	21
Pump Motor or Standby Engine Mfr	US ELECTRIC	US ELECTRIC	US ELECTRIC	22 23
Year Installed	1987	1994	1994	24
Type	ELECTRIC	ELECTRIC	ELECTRIC	25
Horsepower	50	20	30	26

### PUMPING & POWER EQUIPMENT

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)	
Identification	MEQUON #5D WHITMAN	IRT ROAD BOOSTER STATION #1	IRT ROAD BOOSTER STATION #2	1
Location	C-MEQUON	C - MEQUON	C - MEQUON	2
Purpose	S	B	B	3
Destination	D	D	D	4
Pump Manufacturer	CRANE DEMING	SYNCROFLO	SYNCROFLO	5
Year Installed	1994	2008	2008	6
Type	CENTRIFUGAL	CENTRIFUGAL	CENTRIFUGAL	7
Actual Capacity (gpm)	250	800	800	8
Pump Motor or Standby Engine Mfr	HERCULES	VALDOR	VALDOR	9 10
Year Installed	1994	2008	2008	11
Type	NATURAL GAS	ELECTRIC	ELECTRIC	12
Horsepower	50	40	40	13

Particulars (a)	Unit D (b)	Unit E (c)	Unit F (d)	
Identification	VILLE DU PARC #1 JONQUIL	VILLE DU PARC #1 RIVER RD	VILLE DU PARC #2 RIVER RD	14
Location	VILLE DU PARC	VILLE DU PARC	VILLE DU PARC	15
Purpose	S	B	B	16
Destination	D	D	D	17
Pump Manufacturer	BYRON JACK	WELLINE	WELLINE	18
Year Installed	1994	1978	1978	19
Type	VERTICAL TURBINE	VERTICAL TURBINE	VERTICAL TURBINE	20
Actual Capacity (gpm)	107	300	300	21
Pump Motor or Standby Engine Mfr	W/HDA SWITCH	GE	GE	22 23
Year Installed	1994	1978	1978	24
Type	ELECTRIC	ELECTRIC	ELECTRIC	25
Horsepower	40	20	20	26

### PUMPING & POWER EQUIPMENT

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)
Identification	VILLE DU PARC #2 YVONNE	WAVERLY WELL	1
Location	VILLE DU PARC	NORTH SHORE EAST	2
Purpose	S	S	3
Destination	D	D	4
Pump Manufacturer	BYRON JACK	GOULDS	5
Year Installed	1969	2003	6
Type	VERTICAL TURBINE	VERTICAL TURBINE	7
Actual Capacity (gpm)	220	500	8
Pump Motor or Standby Engine Mfr	W/HDA SWITCH	US ELECTRIC MOTORS	9 10
Year Installed	1969	2003	11
Type	ELECTRIC	ELECTRIC	12
Horsepower	40	50	13

Particulars (a)	Unit D (b)	Unit E (c)	Unit F (d)
Identification			14
Location			15
Purpose			16
Destination			17
Pump Manufacturer			18
Year Installed			19
Type			20
Actual Capacity (gpm)			21
Pump Motor or Standby Engine Mfr			22 23
Year Installed			24
Type			25
Horsepower			26

## RESERVOIRS, STANDPIPES & WATER TREATMENT

1. Identify as R (reservoir), S (standpipe) & ET (elevated tank).
2. Use a separate column for each using additional copies if necessary.
3. Enter elevation difference between highest water level in S or ET, (or R only on an elevated site) and the water main where the connection to the storage begins branching into the distribution system.

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)	
Identification number or name	WELL #5, WHITMAN PL	CONCORD PLACE	VILLE DU PARC	1
<b>RESERVOIRS, STANDPIPES OR ELEVATED TANKS</b>				<b>2</b>
Type: R (reservoir), S (standpipe) or ET (elevated tank)	R	R	R	3
Year constructed	1994	1986	1982	4
Primary material (earthen, steel, concrete, other)	CONCRETE	CONCRETE	CONCRETE	5
Elevation difference in feet (See Headnote 3.)	10	10	10	6
Total capacity in gallons (actual)	100,000	100,000	80,000	7
<b>WATER TREATMENT PLANT</b>				<b>8</b>
Disinfection, type of equipment (gas, liquid, powder, other)				9
Points of application (wellhouse, central facilities, booster station, other)				10
Filters, type (gravity, pressure, other, none)				11
Rated capacity of filter plant (m.g.d.) (note: 1,200,000 gal/day = 1.2 m.g.d.)				12
Is a corrosion control chemical used (yes, no)?				13
Is water fluoridated (yes, no)?				14
				15
				16
				17
				18
				19
				20
				21
				22
				23
				24
				25

## WATER MAINS

1. Report mains separately by pipe material, function and diameter.
2. Identify pipe material as: L (Lead), M (Metal for all other metal excluding lead), A (Asbestos-cement), or P (Plastic for plastic and all other non-metal excluding asbestos-cement).
3. Identify function as: T (Transmission), D (Distribution) or S (Supply).
4. Explain all reported adjustments as a schedule footnote.

Pipe Material (a)	Main Function (b)	Diameter in Inches (c)	Number of Feet				End of Year (h)	
			First of Year (d)	Added During Year (e)	Retired During Year (f)	Adjustments Increase or (Decrease) (g)		
P	D	4.000	0			0	1	
M	D	6.000	0			0	2	
P	D	6.000	0			0	3	
M	D	8.000	0			0	4	
P	D	8.000	0			0	5	
P	D	10.000	0			0	6	
M	D	12.000	0			0	7	
P	D	12.000	0			0	8	
P	D	16.000	0			0	9	
<b>Total Utility</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	

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## WATER MAINS

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**Water Mains (Page W-16)**

**If Added During Year column total is greater than zero, please explain financing following the criteria listed in the schedule headnote No. 5.**

Water main expenditures are initially financed with internally generated cash, or with short term debt, or may be covered by a customer contribution if applicable. On a long-term basis, investments in water mains not covered by customer contributions are financed with both equity and debt based on the company's overall target capitalization ratios.

□□□□

□□□□

**Explain all reported Adjustments.**

n/a

**If Mains Additions column total is greater than zero AND Additions on both of the Plant in Service schedules (Accounts 316 and/or 343) are zero, please explain.**

water utility sold before annual unitization performed

**If Mains Retirements column total is greater than zero AND Retirements on both of the Plant in Service schedules (Accounts 316 and/or 343) are zero, please explain.**

n/a

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## WATER SERVICES

1. Explain all reported adjustments as a schedule footnote.
2. Report in column (h) the number of utility-owned services included in columns (c) through (g) which are temporarily shut off at the curb box or otherwise not in use at end of year.
3. Report services separately by pipe material and diameter.
4. Identify pipe material as: L (Lead), M (Metal for all other metal excluding lead), A (Asbestos-cement) or P (Plastic for plastic and all other non-metal excluding asbestos-cement).

Pipe Material (a)	Diameter in Inches (b)	First of Year (c)	Added During Year (d)	Removed or Permanently Disconnected During Year (e)	Adjustments Increase or (Decrease) (f)	End of Year (g)	Utility Owned Services Not In Use at End of Year (h)
X	0.000					0	1
<b>Total Utility</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

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## WATER SERVICES

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**Water Services (Page W-17)**

**General footnotes**

Water utility sold during 2009

**Explain all reported Adjustments.**

To reconcile to Engineering records

**If net additions are greater than zero, please explain financing by following criteria listed in schedule headnote No. 3.**

Water service expenditures are initially financed with internally generated cash, or with short term debt, or may be covered by a customer contribution if applicable. On a long-term basis, investments in water mains not covered by customer contributions are financed with both equity and debt based on the company's overall target capitalization ratios.

**If Services Additions are greater than zero AND Additions on both of the Plant in Service schedules (Account 345) are zero, please explain.**

n/a

**If Services Retirements are greater than zero AND Retirements on both of the Plant in Service schedules (Account 345) are zero, please explain.**

n/a

**If Utility-Owned Service Not In Use at End of Year is reported as zero, please explain.**

n/a

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## METERS

1. Include in Columns (b), (c), (d), (e) and (f) meters in stock as well as those in service.
2. Report in Column (c) all meters purchased during the year and in Column (d) all meters junked, sold or otherwise permanently retired during the year.
3. Use Column (e) to show correction to previously reported meter count because of inventory or property record corrections.
4. Totals by size in Column (f) should equal same size totals in Column (a).
5. Explain all reported adjustments as a schedule footnote.

### Number of Utility-Owned Meters

Size of Meter (a)	First of Year (b)	Added During Year (c)	Retired During Year (d)	Adjustments Increase or (Decrease) (e)	End of Year (f)	Tested During Year (g)
0.750	0				0	*
1.000	0				0	
1.500	0				0	
2.000	0				0	
3.000	0				0	*
4.000	0				0	
6.000	0				0	
<b>Total:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## METERS (cont.)

### Classification of All Meters at End of Year by Customers

Size of Meter (h)	Residential (i)	Commercial (j)	Industrial (k)	Public Authority (l)	Wholesale, Inter-Department or Utility Use (m)	In Stock and Deduct Meters (n)	Total (o)
0.750							0 *
1.000							0
1.500							0
2.000							0
3.000							0 *
4.000							0
6.000							0
<b>Total:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

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## METERS

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### Meters (Page W-18)

#### General footnotes

n/a

#### Explain all reported adjustments.

- (e) .75" retire current year additions  
3" Reconcile Property Accounting Records with Engineering Records

#### If Tested During Year column total is zero, please explain.

water utility sold 04/2009

#### If Meters Additions column total is greater than zero AND Additions on both of the Plant in Service schedules (Account 346) are zero, please explain.

n/a

#### If Meters Retirements column total is greater than zero AND Retirements on both of the Plant in Service schedules (Account 346) are zero, please explain.

n/a

#### Explain program for replacing or testing meters 1" or smaller.

Water meters 1" or smaller are replaced with new meters that have been tested by the manufacturer. Used water meters are normally retired and scrapped. If a 1" or smaller meter is kept to further use it is tested to verify it meets accuracy requirements.

#### If 2-inch or greater meters are reported as residential, please explain.

n/a

#### Ss. PSC 185.83(2) states "Station meters shall be maintained to ensure reasonable accuracy and shall have the accuracy checked at least once every 2 years." Are all station meters being tested every two years? Answer yes or no. If no, please explain.

Yes

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**METERS (cont.)**

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## HYDRANTS

1. Distinguish between fire and flushing hydrants by lead size.  
 a. Fire hydrants normally have a lead size of 6 inches or greater.  
 b. Record as a flushing hydrant where the lead size is less than 6 inches or if pressure is inadequate to provide fire flow.  
 2. Explain all reported adjustments in the schedule footnotes.

Hydrant Type (a)	Number In Service First of Year (b)	Added During Year (c)	Removed During Year (d)	Adjustments Increase or (Decrease) (e)	Number In Service End of Year (f)	
<b>Fire Hydrants</b>	0				0	1
<b>Total Fire Hydrants</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	
<b>Flushing Hydrants</b>	0				0	2
<b>Total Flushing Hydrants</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	

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## HYDRANTS

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**Hydrants (Page W-20)**

**General footnotes**

(e)

**If Hydrants Additions are greater than zero AND Additions on both of the Plant in Service schedules (Account 348) are zero, please explain.**

n/a

**If Hydrants Retirements are greater than zero AND Retirements on both of the Plant in Service schedules (Account 348) are zero, please explain.**

n/a

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## WATER CUSTOMERS SERVED

Number of customers in each city, village and town supplied directly with service by reporting utility at end of year.

Location (a)	Customers End of Year (b)
<b>Milwaukee County</b>	
<b>Villages</b>	
BAYSIDE	459
<b>Total Villages:</b>	<b>459</b>
<b>Total Milwaukee County:</b>	<b>459</b>
<b>Ozaukee County</b>	
<b>Cities</b>	
MEQUON	2,590
<b>Total Cities:</b>	<b>2,590</b>
<b>Villages</b>	
THIENSVILLE	86
<b>Total Villages:</b>	<b>86</b>
<b>Total Ozaukee County:</b>	<b>2,676</b>
<b>Total Company:</b>	<b>3,135</b>

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## APPENDIX

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The following items shall be attached to the completed report:

Notes to Financial Statements

Service Territory Maps

(For 2010 report:) If you normally complete any of the following schedules, please attach a copy:

Electric Plant Leased to Others (FERC p. 213)

Nonutility Property (FERC p. 221)

Extraordinary Property Losses (FERC p. 230)

Unrecovered Plant and Regulatory Study Costs (FERC p. 230)

Depreciation and Amortization of Electric Plant (FERC pp. 336-337)

Common Utility Plant and Expenses (FERC p. 356)

Pumped Storage Generating Plant Statistics (Large Plants) (FERC pp. 408-409)

Other documentation you are requested to provide.

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## APPENDIX

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The following items shall be attached to the completed report:

Notes to Financial Statements

Service Territory Maps

## Wisconsin Gas LLC

### NOTE 1 – REGULATORY REPORTING IN THIS REPORT COMPARED TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES

The accounting records of Wisconsin Gas LLC (Wisconsin Gas) are maintained as prescribed by the Federal Energy Regulatory Commission (FERC) modified for the requirements of the Public Service Commission of Wisconsin (PSCW). The accompanying financial statements have been prepared in accordance with the accounting requirements of these regulators, which differs from generally accepted accounting principles (GAAP). Wisconsin Gas classifies certain items in its accompanying Comparative Balance Sheet (primarily the components of accumulated depreciation, accumulated deferred income taxes, certain miscellaneous current and accrued liabilities and maturities of long-term debt) in a manner different than required by GAAP.

Wisconsin Gas collects future removal costs in rates for many assets that do not have an associated legal asset retirement obligation as defined by Statement of Financial Standards (SFAS) No. 43, Accounting for Asset Retirement Obligations. The liability for the estimated future removal costs collected in rates is recognized for regulatory accounting purposes in account 108 as part of accumulated depreciation. This classification differs from how Wisconsin Gas reports such amounts for GAAP reporting purposes. For GAAP reporting purposes, this liability of \$159.7 million and \$221.2 million as of December 31, 2010 and 2009, respectively, was classified as a regulatory liability on the balance sheets of Wisconsin Gas. For further information, see Regulatory Assets and Liabilities in Note C of the following Notes to Financial Statements.

As discussed in Note M – Divestitures and Discontinued Operations of the Notes to Financial Statements located in the appendix of this report, Wisconsin Gas sold its water utility to the City of Mequon, Wisconsin. These notes reflect adjustments for discontinued operations associated with Wisconsin Gas' disposition of its water operations and, as such, portions of the notes may not agree to other sections of this report.

The following additional Notes to Consolidated Financial Statements, modified for requirements of the PSCW, appear in the 2010 Annual Report for Wisconsin Gas LLC.

## **DEFINITION OF ABBREVIATIONS AND INDUSTRY TERMS**

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The abbreviations and terms set forth below are used throughout these financial statements and have the meanings assigned to them below.

### **Wisconsin Gas LLC Affiliates**

Wisconsin Electric	Wisconsin Electric Power Company
Wisconsin Energy	Wisconsin Energy Corporation

### **Federal and State Regulatory Agencies**

PSCW	Public Service Commission of Wisconsin
WDNR	Wisconsin Department of Natural Resources

### **Other Terms and Abbreviations**

Btu	British thermal unit(s)
Compensation Committee	Compensation Committee of the Wisconsin Energy Board of Directors
Dth	Dekatherm(s) (One Dth equals one million Btu)
ERISA	Employee Retirement Income Security Act of 1974
LLC	Limited Liability Company
OTC	Over-the-Counter
Plan	The Wisconsin Energy Corporation Retirement Account Plan
WICOR	WICOR, Inc.

### **Accounting Terms**

AFUDC	Allowance for Funds Used During Construction
ARO	Asset Retirement Obligation
CWIP	Construction Work in Progress
FASB	Financial Accounting Standards Board
GAAP	Generally Accepted Accounting Principles
OPEB	Other Post-Retirement Employee Benefits

## WISCONSIN GAS LLC

### NOTES TO FINANCIAL STATEMENTS

#### A -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**General:** The financial statements include the accounts of Wisconsin Gas LLC (the Company, our, we or us), a wholly-owned utility subsidiary of Wisconsin Energy. We are a public utility engaged in the distribution of natural gas throughout Wisconsin.

Wisconsin Gas and Wisconsin Electric, another utility subsidiary of Wisconsin Energy, have combined many of their common functions and operate under the trade name "We Energies".

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of certain assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Subsequent Events:** We have evaluated and determined that no material events took place after our balance sheet date of December 31, 2010 through April 8, 2011, the date the financial statements were available to be issued.

**Gas Distribution Revenues and Cost of Gas Sold:** We recognize revenues on the accrual basis and include estimated amounts for service rendered but not billed.

Our rate schedules contain provisions, which permit, subject to a sharing mechanism, the recovery of actual gas costs incurred. The difference between actual gas costs incurred (adjusted for the sharing mechanism) and costs recovered through rates is deferred as a current asset or liability. The deferred balance is returned to or recovered from customers at intervals throughout the year and any residual balance at the annual October 31 reconciliation date is subsequently refunded to or recovered from customers. We record sales of excess gas supplies and sales of excess pipeline capacity to third parties as a reduction in the cost of gas sold which is consistent with the gas cost recovery rules established by the PSCW.

**Property and Depreciation:** We record property, plant and equipment at cost. Cost includes material, labor, overheads and capitalized interest. Utility property also includes AFUDC - Equity. Additions to and significant replacements of property are charged to property, plant and equipment at cost; minor items are charged to maintenance expense. The cost of depreciable utility property less salvage value is charged to accumulated depreciation when property is retired.

We collect in our rates amounts representing future removal costs for many assets that do not have a legal ARO. We record a regulatory liability on our balance sheet for the estimated amounts we have collected in rates for future removal costs less amounts we have spent in removal activities. This liability was \$159.7 million and \$221.2 million as of December 31, 2010 and 2009, respectively.

Our utility depreciation rates are certified by the PSCW and include estimates for salvage value and removal costs. Depreciation expense as a percent of average depreciable utility plant was 2.7% and 3.8% in 2010 and 2009, respectively.

**Allowance For Funds Used During Construction:** AFUDC is included in utility plant accounts and represents the cost of borrowed funds (AFUDC - Debt) used during plant construction and a return on member's equity (AFUDC - Equity) used for construction purposes. AFUDC-Debt is recorded as a reduction of interest expense and AFUDC - Equity is recorded in Other Income and Deductions, net.

During 2009, we accrued AFUDC at a rate of 10.8% on 50% of our CWIP as authorized by the PSCW in its 2008 rate order. Our rates are set to provide a current return on CWIP that does not accrue AFUDC. Based on the 2010 PSCW rate order, effective January 1, 2010, Wisconsin Gas is recording AFUDC on 50% of all CWIP using an AFUDC rate of 9.05%.

## NOTES TO FINANCIAL STATEMENTS – (Cont'd)

**Materials, Supplies and Inventories:** We record substantially all materials, supplies and natural gas in storage inventories using the weighted-average cost method of accounting.

**Regulatory Accounting:** The economic effects of regulation can result in regulated companies recording costs that have been or are expected to be allowed in the rate making process in a period different from the period in which the costs would be charged to expense by an unregulated enterprise. When this occurs, costs are deferred as assets on the balance sheet (regulatory assets) and recorded as expenses in the periods when those same amounts are reflected in rates. We defer regulatory assets pursuant to specific orders or by a generic order issued by our regulators. Additionally, regulators can impose liabilities upon a regulated company for amounts previously collected from customers and for amounts that are expected to be refunded to customers (regulatory liabilities). We expect to recover our outstanding regulatory assets in rates over a period of no longer than 20 years. Regulatory assets and liabilities that are expected to be amortized within one year are recorded as current on the balance sheet. For further information, see Note C – Regulatory Assets and Liabilities.

**Goodwill and Intangible Assets:** Goodwill represents the excess of acquisition costs over the fair value of the net assets of acquired businesses, including Wisconsin Energy's acquisition of us as part of the WICOR acquisition in April 2000, less impairment charges. We recorded gross goodwill totaling \$441.9 million and accumulated impairment losses of \$346.0 million as of December 31, 2010 and 2009.

Goodwill and other intangibles with indefinite lives are not subject to amortization. However, they are subject to fair value-based rules for measuring impairment, and resulting write-downs, if any, are to be reflected in operating expense. We assess fair value by considering future discounted cash flows, a comparison of fair value based on public company trading multiples, and merger and acquisition transaction multiples for similar companies. This evaluation utilizes the information available under the circumstances, including reasonable and supportable assumptions and projections. We perform our annual impairment test as of August 31. There was no impairment to the recorded goodwill balance as of our annual 2010 impairment test date.

**Derivative Financial Instruments:** We have physical and financial derivative instruments which we report at fair value. However, our use of financial instruments is limited. For further information, see Note G – Derivative Instruments.

**Margin Accounts:** Cash deposited in brokerage accounts for margin requirements is recorded in Prepayments and other on our balance sheets.

**Restrictions:** Various financing arrangements and regulatory requirements impose certain restrictions on our ability to transfer funds to Wisconsin Energy in the form of cash dividends, loans or advances. In addition, under Wisconsin law, we are prohibited from loaning funds, either directly or indirectly, to Wisconsin Energy. We do not believe that these restrictions will materially affect our operations. For further information, see Note K – Member's Equity.

**Income Taxes:** We follow the liability method of accounting for income taxes. Accounting guidance for income taxes requires the recording of deferred assets and liabilities to recognize the expected future tax consequences of events that have been reflected in our financial statements or tax returns and the adjustment of deferred tax balances to reflect tax rate changes. We are required to assess the likelihood that our deferred tax assets would expire before being realized.

Investment tax credits related to our regulated utility assets are recorded as a deferred credit on the balance sheet and amortized to income over the applicable service lives of related properties in accordance with regulatory treatment. We are included in Wisconsin Energy's consolidated Federal income tax return. Wisconsin Energy allocates Federal tax expense or credits to us based on our separate tax computation. For further information on income taxes, see Note D – Income Taxes.

Wisconsin Energy allocates the tax benefit of exercised stock options to us to the extent the option holder's payroll cost was incurred by us. We record the allocated tax benefit as an addition to member's equity.

We recognize interest and penalties accrued related to unrecognized tax benefits in Income Taxes in our income statements, as well as Regulatory Assets or Regulatory Liabilities in our balance sheets.

## NOTES TO FINANCIAL STATEMENTS – (Cont'd)

We collect sales and use taxes from our customers and remit these taxes to governmental authorities. These taxes are recorded in our income statements on a net basis.

**Stock Options:** Our employees participate in the Wisconsin Energy stock-based compensation plan. The amounts reported represent the allocated costs related to options held by our employees. For more information on the plan, see Note K – Member's Equity.

Wisconsin Energy uses a binomial pricing model to estimate the fair value of stock options granted. Historically, all stock options have been granted with an exercise price equal to the fair market value of the common stock on the date of grant and expire no later than ten years from the grant date. Wisconsin Energy reports unearned stock-based compensation associated with non-vested restricted stock and performance awards within Other Paid in Capital in its Consolidated Statements of Common Equity. We report excess tax benefits as a financing cash inflow. For a discussion of the impacts to our financial statements, see Note K – Member's Equity.

The fair value of each Wisconsin Energy option was calculated using a binomial option pricing model. The following weighted-average assumptions were used:

	2010	2009
Risk-free interest rate	0.2% - 3.9%	0.3% - 2.5%
Dividend yield	3.7%	3.0%
Expected volatility	20.3%	25.9%
Expected life (years)	5.9	6.2
Expected forfeiture rate	2.0%	2.0%
Pro forma weighted average fair value of Wisconsin Energy stock options granted	\$6.72	\$8.01

## B -- RECENT ACCOUNTING PRONOUNCEMENTS

**Amendments to Variable Interest Entity Consolidation Guidance:** In June 2009, the FASB issued new accounting guidance related to variable interest entity consolidation. The purpose of this guidance is to improve financial reporting by enterprises with variable interest entities. The new guidance is effective for all new and existing variable interest entities for fiscal years beginning after November 15, 2009. We adopted these provisions on January 1, 2010. This adoption did not have any impact on our financial condition, results of operations or cash flows.

## C -- REGULATORY ASSETS AND LIABILITIES

Our regulator, the PSCW, considers our regulatory assets and liabilities in two categories, escrowed and deferred. In escrow accounting we expense amounts that are included in rates. If actual costs exceed, or are less than the amounts that are allowed in rates, the difference in cost is escrowed on the balance sheet as a regulatory asset or regulatory liability and the escrowed balance is considered in setting future rates. Under deferred cost accounting, we defer amounts to our balance sheet based upon orders or correspondence with our regulator. These deferred costs will be considered in future rate setting proceedings. As of December 31, 2010 and 2009, we had approximately \$4.3 million and \$5.0 million, respectively, of net regulatory assets that were not earning a return.

In December 2009, the PSCW issued a rate order effective January 1, 2010 that, among other things, reaffirmed our accounting for the regulatory assets and liabilities identified below.

## NOTES TO FINANCIAL STATEMENTS – (Cont'd)

Our regulatory assets and liabilities as of December 31 consist of:

	2010	2009
	(Millions of Dollars)	
<b>Regulatory Assets</b>		
Deferred unrecognized pension costs	\$154.4	\$170.7
Deferred unrecognized post-retirement benefit costs	35.1	43.4
Deferred environmental costs	36.5	23.3
Escrowed bad debt costs	-	12.7
Deferred derivative amounts	11.0	7.5
Other, net	2.8	2.6
<b>Total regulatory assets</b>	<u>\$239.8</u>	<u>\$260.2</u>
<b>Regulatory Liabilities</b>		
Deferred cost of removal obligations	\$159.7	\$221.2
Deferred pension benefit costs	31.7	39.0
Deferred post-retirement benefit costs	17.4	21.4
Escrowed bad debt costs	13.4	-
Other, net	4.2	5.1
<b>Total regulatory liabilities</b>	<u>\$226.4</u>	<u>\$286.7</u>

Regulatory assets and liabilities that are expected to be amortized within one year are recorded as current on the balance sheet.

We have concluded that substantially all of the unrecognized costs resulting from the recognition of the funded status of the pension and OPEB plans qualify as a regulatory asset.

In January 2009, we filed a depreciation study with the PSCW proposing new depreciation rates that would reduce annual depreciation expense and reduce projected removal costs. The PSCW approved the depreciation study and the new rates became effective on January 1, 2010. As a result of the decrease in projected removal costs, we reduced our deferred cost of removal obligations by approximately \$61.0 million with an offsetting increase in accumulated depreciation.

We record deferred regulatory assets and liabilities representing the future expected impact of deferred taxes on utility revenues.

As of December 31, 2010, we have a regulatory liability of approximately \$13.4 million of escrowed bad debt costs. The PSCW authorized escrow accounting for residential bad debt costs whereby we defer actual bad debt write-offs that exceed amounts allowed in rates.

In connection with Wisconsin Energy's acquisition of WICOR in 2000, we recorded the funded status of our pension and post-retirement medical plans at fair value at the acquisition date. Due to the expected regulatory treatment of these items, we recorded a regulatory liability (deferred pension and deferred post-retirement benefit costs) that is being amortized over an average remaining service life of 15 years from the time of acquisition until 2015.

Consistent with a generic order from, and past rate-making practices of the PSCW, we defer as a regulatory asset costs associated with the remediation of former manufactured gas plant sites. As of December 31, 2010, we have recorded \$36.5 million of environmental costs associated with manufactured gas plant sites as a regulatory asset including \$5.0 million of deferrals for actual remediation costs incurred and a \$31.5 million accrual for estimated future site remediation costs (see Note L – Commitments and Contingencies). In addition, we have deferred \$0.2 million of insurance recoveries and \$0.6 million of interest associated with the environmental costs as regulatory liabilities. We amortize the deferred environmental costs actually incurred and associated insurance and interest deferrals over five years in accordance with prescribed PSCW rate-making treatment.

## NOTES TO FINANCIAL STATEMENTS – (Cont'd)

## D -- INCOME TAXES

The following table is a summary of income tax expense for each of the years ended December 31:

Income Taxes	2010	2009
	(Millions of Dollars)	
Current tax expense	\$11.4	\$0.2
Deferred income taxes, net	13.5	26.1
Investment tax credit, net	<u>(0.3)</u>	<u>(0.3)</u>
Total Income Tax Expense	<u>\$24.6</u>	<u>\$26.0</u>

The provision for income taxes for each of the years ended December 31 differs from the amount of income tax determined by applying the applicable U.S. statutory federal income tax rate to income before income taxes as a result of the following:

Income Tax Expense	2010		2009	
	Amount	Effective Tax Rate	Amount	Effective Tax Rate
	(Millions of Dollars)			
Expected tax at statutory federal tax rates	\$20.9	35.0%	\$23.7	35.0%
State income taxes net of federal tax benefit	3.1	5.3%	2.9	4.3%
Investment tax credit restored	(0.3)	(0.5)%	(0.3)	(0.5)%
Other, net	0.9	1.5%	(0.3)	(0.5)%
Total Income Tax Expense	<u>\$24.6</u>	<u>41.3%</u>	<u>\$26.0</u>	<u>38.3%</u>

## NOTES TO FINANCIAL STATEMENTS – (Cont'd)

The components of deferred income taxes classified as net current assets and net long-term liabilities as of December 31 are as follows:

Deferred Tax Assets	2010	2009
	(Millions of Dollars)	
<b>Current</b>		
Employee benefits and compensation	\$3.2	\$3.5
Bad debt reserve	14.9	7.7
Inventory	1.9	1.1
Other	0.3	0.2
<b>Total Current Deferred Tax Assets</b>	<b>20.3</b>	<b>12.5</b>
<b>Non-current</b>		
Property-related	-	0.9
Employee benefits and compensation	4.5	3.8
Other	2.9	3.7
<b>Total Non-current Deferred Tax Assets</b>	<b>7.4</b>	<b>8.4</b>
<b>Total Deferred Tax Assets</b>	<b>\$27.7</b>	<b>\$20.9</b>
<b>Deferred Tax Liabilities</b>		
	2010	2009
	(Millions of Dollars)	
<b>Current</b>		
Other	\$1.3	\$1.0
<b>Total Current Deferred Tax Liabilities</b>	<b>1.3</b>	<b>1.0</b>
<b>Non-current</b>		
Pension benefits	84.0	80.8
Property related	18.1	-
Post-retirement benefits	17.1	15.5
Environmental	1.7	2.4
Other	2.9	3.7
<b>Total Non-current Deferred Tax Liabilities</b>	<b>123.8</b>	<b>102.4</b>
<b>Total Deferred Tax Liabilities</b>	<b>\$125.1</b>	<b>\$103.4</b>
<b>Balance Sheet Presentation</b>		
Current Deferred Tax Asset	\$19.0	\$11.5
Non-current Deferred Tax Liability	\$116.4	\$94.0

Consistent with rate-making treatment, deferred taxes are offset in the above table for temporary differences which have related regulatory assets or liabilities.

On January 1, 2007, we adopted accounting guidance related to uncertainty in income taxes. The amount of unrecognized tax benefits was approximately \$0.4 million as of December 31, 2010 and 2009. The entire unrecognized tax benefit would impact the effective tax rate for continuing operations if it were to be recognized.

We recognize interest and penalties accrued related to unrecognized tax benefits as a component of income tax expense. For the year ended December 31, 2010 and 2009, we recognized no accrued interest or penalties in the income statements. We also had no accrued interest or penalties on the balance sheets as of December 31, 2010 and 2009.

We do not anticipate any significant increases or decreases in the total amounts of unrecognized tax benefits within the next twelve months.

Our primary tax jurisdictions include Federal and the state of Wisconsin. Currently, the tax years of 2004 through 2010 are subject to Federal and Wisconsin examination.

## NOTES TO FINANCIAL STATEMENTS -- (Cont'd)

**E -- SHORT-TERM DEBT**

Short-term notes payable balances and their corresponding weighted-average interest rates as of December 31 consist of:

	2010		2009	
	Balance	Interest Rate	Balance	Interest Rate
	(Millions of Dollars, except for percentages)			
Commercial paper	\$184.4	0.26%	\$155.5	0.20%

The following information relates to short-term debt for the years ending December 31:

	2010	2009
	(Millions of Dollars, except for percentages)	
Maximum Short-Term Debt Outstanding	\$194.0	\$197.1
Average Short-Term Debt Outstanding	\$119.6	\$116.8
Weighted- Average Interest Rate	0.26%	0.27%

In December 2010, we entered into a new bank back-up credit facility to maintain short-term credit liquidity which, among other terms, requires us to maintain, subject to certain exclusions, a minimum total funded debt to capitalization ratio of less than 65%.

As of December 31, 2010, we had approximately \$300.0 million of available, undrawn lines under our bank back-up facility. Our bank back-up facility expires in December 2013. As of December 31, 2010, we had approximately \$184.4 million of commercial paper outstanding that was supported by available lines of credit.

Our bank back-up credit facility contains customary covenants, including certain limitations on our ability to sell assets. The credit facility also contains customary events of default, including payment defaults, material inaccuracy of representations and warranties, covenant defaults, bankruptcy proceedings, certain judgments, ERISA defaults and change of control.

As of December 31, 2010, we were in compliance with all financial covenants.

**F -- LONG-TERM DEBT**

**Debentures and Notes:** As of December 31, 2010, the maturities of our long-term debt outstanding were as follows:

	Millions of Dollars
2011	\$ -
2012	-
2013	45.0
2014	-
2015	125.0
Thereafter	90.0
Total	<u>\$260.0</u>

We amortize debt premiums, discounts and debt issuance costs over the lives of the debt and we include the costs in interest expense.

**NOTES TO FINANCIAL STATEMENTS – (Cont'd)**

During 2009, we retired \$50 million of long-term debt with the proceeds received from the issuance of short-term debt.

**G -- DERIVATIVE INSTRUMENTS**

We utilize derivatives as part of our risk management program to manage the volatility and cost of natural gas for the benefit of our customers. Our approach is non-speculative and designed to mitigate risk and protect against price volatility. Regulated hedging programs require prior approval by the PSCW.

We record derivative instruments on the balance sheet as an asset or liability measured at its fair value, and changes in the derivative's fair value are recognized currently in earnings unless specific hedge accounting criteria are met or we receive regulatory treatment for the derivative. For most of our energy related physical and financial contracts that qualify as derivatives, the PSCW allows the effects of the fair market value accounting to be offset to regulatory assets and liabilities. We do not offset fair value amounts recognized for the right to reclaim cash collateral or the obligation to return cash collateral against fair value amounts recognized for derivatives executed with the same counterparty under the same master netting arrangement. As of December 31, 2010, we recognized \$11.0 million in regulatory assets and \$1.6 million in regulatory liabilities related to derivatives in comparison to \$7.5 million in regulatory assets and \$1.0 million in regulatory liabilities as of December 31, 2009.

We record our current derivative assets on the balance sheets in Prepayments and other and the current portion of the liabilities in Other current liabilities. The long-term portion of our derivative liabilities of \$0.3 million is recorded in Other Deferred Credits and Other Liabilities.

Our income statements include losses on derivative instruments used in our risk management strategies for natural gas sold to our customers. Our estimated notional volumes of natural gas and losses for the year ended December 31, 2010 were 45.4 million Dth and \$20.4 million. Our estimated notional volumes of natural gas and losses for the year ended December 31, 2009 were 42.6 million Dth and \$27.1 million.

As of December 31, 2010 and 2009, we posted collateral of \$7.6 million and \$2.7 million, respectively, in our margin accounts. These amounts are recorded on the balance sheet in Prepayments and other.

**H -- FAIR VALUE MEASUREMENTS**

Fair value measurements require enhanced disclosures about assets and liabilities that are measured and reported at fair value and establish a hierarchal disclosure framework which prioritizes and ranks the level of observable inputs used in measuring fair value.

Fair value is the price that would be received upon the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (exit price). We primarily apply the market approach for recurring fair value measurements and attempt to utilize the best available information. Accordingly, we also utilize valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs. We are able to classify fair value balances based on the observability of those inputs. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3).

Assets and liabilities measured and reported at fair value are classified and disclosed in one of the following categories:

Level 1 -- Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions for the asset or liability occur in sufficient frequency and volume to provide pricing information on an on-going basis. Instruments in this category consist of financial instruments such as exchange-traded derivatives, cash equivalents and restricted cash investments.

Level 2 -- Pricing inputs are other than quoted prices in active markets, which are either directly or indirectly observable as of the reporting date, and fair value is determined through the use of models or other valuation methodologies. Instruments in this category include non-exchange-traded derivatives such as OTC forwards and options.

## NOTES TO FINANCIAL STATEMENTS – (Cont'd)

Level 3 -- Pricing inputs include significant inputs that are generally less observable from objective sources. The inputs in the determination of fair value require significant management judgment or estimation. At each balance sheet date, we perform an analysis of all instruments subject to fair value reporting and include in Level 3 all instruments whose fair value is based on significant unobservable inputs.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an instrument's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. Our assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the instrument.

The following table summarizes our financial assets and liabilities by level within the fair value hierarchy:

Recurring Fair Value Measures	As of December 31, 2010			
	Level 1	Level 2	Level 3	Total
	(Millions of Dollars)			
Assets:				
Derivatives	\$ -	\$1.6	\$ -	\$1.6
Total	\$ -	\$1.6	\$ -	\$1.6
Liabilities:				
Derivatives	\$3.0	\$2.3	\$ -	\$5.3
Total	\$3.0	\$2.3	\$ -	\$5.3
Recurring Fair Value Measures	As of December 31, 2009			
	Level 1	Level 2	Level 3	Total
	(Millions of Dollars)			
Assets:				
Derivatives	\$ -	\$1.0	\$ -	\$1.0
Total	\$ -	\$1.0	\$ -	\$1.0
Liabilities:				
Derivatives	\$0.3	\$2.4	\$ -	\$2.7
Total	\$0.3	\$2.4	\$ -	\$2.7

Derivatives reflect positions we hold in exchange-traded derivative contracts and OTC derivative contracts. Exchange-traded derivative contracts, which include futures and exchange-traded options, are generally based on unadjusted quoted prices in active markets and are classified within Level 1. Some OTC derivative contracts are valued using broker or dealer quotations, or market transactions in either the listed or OTC markets utilizing a mid-market pricing convention (the mid-point between bid and ask prices), as appropriate. In such cases, these derivatives are classified within Level 2. Certain OTC derivatives may utilize models to measure fair value. Generally, we use a similar model to value similar instruments. Valuation models utilize various inputs which include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, other observable inputs for the asset or liability, and market-corroborated inputs (i.e., inputs derived principally from or corroborated by observable market data by correlation or other means). Where observable inputs are available for substantially the full term of the asset or liability, the instrument is categorized in Level 2. Certain OTC derivatives are in less active markets with a lower availability of pricing information which might not be observable in or corroborated by the market. When such inputs have a significant impact on the measurement of fair value, the instrument is categorized in Level 3.

## NOTES TO FINANCIAL STATEMENTS – (Cont'd)

The carrying amount and estimated fair value of certain of our recorded financial instruments as of December 31 are as follows:

Financial Instruments	2010		2009	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
	(Millions of Dollars)			
Long-term debt including current portion	\$260.0	\$298.6	\$260.0	\$277.0

The carrying value of net accounts receivable, accounts payable and short-term borrowings approximates fair value due to the short-term nature of these instruments. The fair value of our long-term debt, including the current portion of long-term debt, but excluding unamortized discount on debt, is estimated based upon quoted market value for the same or similar issues or upon the quoted market prices of U.S. Treasury issues having a similar term to maturity, adjusted for the issuing company's bond rating and the present value of future cash flows.

**I -- BENEFITS**

**Pensions and Other Post-retirement Benefits:** We participate in Wisconsin Energy's defined benefit pension plans that cover substantially all of our employees. The plans provide defined benefits based upon years of service and final average salary.

We also participate in Wisconsin Energy's OPEB plans that cover substantially all of our employees. The health care plans are contributory with participants' contributions adjusted annually; the life insurance plans are noncontributory. The accounting for the health care plans anticipates future cost sharing changes to the written plans that are consistent with our expressed intent to maintain the current cost sharing levels. The post-retirement health care plans include a limit on our share of costs for recent and future retirees.

The assets, obligations and components of our pension costs are allocated by Wisconsin Energy's actuary to each of the participating companies as if each participating company had its own plan. The disclosures below are based on an allocation to us of the amounts for Wisconsin Energy's pension plans.

Wisconsin Energy uses a year-end measurement date to measure the funded status of all of the pension and OPEB plans. Due to the regulated nature of our business, we have concluded that substantially all of the unrecognized costs resulting from the recognition of the funded status of the pension and OPEB plans qualify as a regulatory asset.

## NOTES TO FINANCIAL STATEMENTS – (Cont'd)

The following table presents additional details about the pension and OPEB plans:

	Pension		OPEB	
	2010	2009	2010	2009
	(Millions of Dollars)			
<b>Change in Benefit Obligation</b>				
Benefit Obligation at January 1	\$146.6	\$151.5	\$67.5	\$67.0
Service cost	1.5	1.7	0.5	0.5
Interest cost	8.1	9.0	3.7	3.9
Participants' contributions	-	-	0.4	0.4
Plan amendments	-	-	0.3	-
Actuarial (gain) loss	(2.5)	(2.9)	0.9	0.2
Gross benefits paid	(10.8)	(12.7)	(4.4)	(4.7)
Federal subsidy on benefits paid	N/A	N/A	0.2	0.2
<b>Benefit Obligation at December 31</b>	<b>\$142.9</b>	<b>\$146.6</b>	<b>\$69.1</b>	<b>\$67.5</b>
<b>Change in Plan Assets</b>				
Fair Value at January 1	\$216.4	\$197.9	\$73.2	\$61.7
Actual earnings on plan assets	23.6	30.5	9.4	13.5
Employer contributions	0.7	0.7	2.1	2.3
Participants' contributions	-	-	0.4	0.4
Gross benefits paid	(10.8)	(12.7)	(4.4)	(4.7)
<b>Fair Value at December 31</b>	<b>\$229.9</b>	<b>\$216.4</b>	<b>\$80.7</b>	<b>\$73.2</b>
<b>Net Asset</b>	<b>\$87.0</b>	<b>\$69.8</b>	<b>\$11.6</b>	<b>\$5.7</b>

## NOTES TO FINANCIAL STATEMENTS – (Cont'd)

Amounts recognized in our balance sheets as of December 31 related to the funded status of the benefit plans consisted of:

	Pension		OPEB	
	2010	2009	2010	2009
	(Millions of Dollars)			
Other deferred charges	\$ 94.5	\$ 78.6	\$ 38.1	\$ 12.4
Other long-term liabilities	7.5	8.8	26.5	6.7
Net asset	<u>\$ 87.0</u>	<u>\$ 69.8</u>	<u>\$ 11.6</u>	<u>\$ 5.7</u>

The following table shows the amounts that have not yet been recognized in our net periodic benefit cost as of December 31 and are recorded as a regulatory asset on our balance sheets:

	Pension		OPEB	
	2010	2009	2010	2009
	(Millions of Dollars)			
Net actuarial loss	\$ 153.4	\$ 169.7	\$ 32.9	\$ 38.8
Prior service costs (credits)	1.0	1.0	(1.2)	(1.5)
Transition obligation	-	-	3.4	6.1
Total	<u>\$ 154.4</u>	<u>\$ 170.7</u>	<u>\$ 35.1</u>	<u>\$ 43.4</u>

The estimated net actuarial loss for our pension plan that will be amortized as a component of net periodic benefit costs during 2011 is \$9.1 million. The estimated net actuarial loss for our OPEB plans that will be amortized as a component of net periodic benefit cost during 2011 is \$1.9 million. The estimated amount of prior service costs being amortized in 2011 is immaterial.

Information for the pension plan, which has an accumulated benefit obligation in excess of the fair value of its assets as of December 31, is as follows:

	2010	2009
	(Millions of Dollars)	
Projected benefit obligation	\$9.1	\$8.8
Accumulated benefit obligation	\$9.1	\$8.8
Fair value of plan assets	\$ -	\$ -

## NOTES TO FINANCIAL STATEMENTS – (Cont'd)

The components of net periodic pension and OPEB costs for the years ended December 31 are as follows:

	Pension		OPEB	
	2010	2009	2010	2009
	(Millions of Dollars)			
Net Periodic Benefit Cost				
Service cost	\$ 1.5	\$ 1.7	\$ 0.5	\$ 0.5
Interest cost	8.1	9.0	3.7	3.9
Expected return on plan assets	(17.5)	(20.9)	(5.1)	(4.7)
Amortization of:				
Prior service cost	0.1	-	-	-
Actuarial loss	7.7	5.7	2.5	3.4
Net Periodic Benefit (Income) Cost	<u>(\$ 0.1)</u>	<u>(\$ 4.5)</u>	<u>\$ 1.6</u>	<u>\$ 3.1</u>

Weighted-Average assumptions used to determine benefit obligations as of Dec. 31

Discount rate	5.60%	6.05%	5.70%	5.75%
Rate of compensation increase	4.00%	4.00%	N/A	N/A

Weighted-Average assumptions used to determine net cost for year ended Dec. 31

Discount rate	6.05%	6.50%	5.75%	6.50%
Expected return on plan assets	7.25%	8.25%	7.50%	8.25
Rate of compensation increase	4.00%	4.00%	N/A	N/A

Assumed health care cost trend rates as of Dec. 31

Health care cost trend rate assumed for next year (Pre 65 / Post 65)	7.5%/16%	7.5%/20%
Rate that the cost trend rate gradually adjusts to	5.0%	5.0%
Year that the rate reaches the rate it is assumed to remain at (Pre 65/Post 65)	2015/2016	2015/2016

The expected long-term rate of return on pension and OPEB plan assets was 7.25% and 7.5%, respectively, in 2010. The expected long-term rate of return for all plan assets was 8.25% in 2009. Wisconsin Energy consults with its investment advisors on an annual basis to help forecast expected long-term returns on plan assets by reviewing historical returns as well as calculating expected total trust returns using the weighted-average of long-term market returns for each of the major target asset categories utilized in the fund.

A one-percentage-point change in assumed health care cost trend rates would have the following effects:

Effect on	1% Increase	1% Decrease
	(Millions of Dollars)	
Post-retirement benefit obligation	\$1.0	(\$1.0)
Total of service and interest cost components	\$0.1	(\$0.1)

We use various Employees' Benefit Trusts to fund a major portion of OPEB. The majority of the trusts' assets are mutual funds or commingled funds.

**Plan Assets:** Current pension trust assets and amounts which are expected to be contributed to the trusts in the future will be adequate to meet pension payment obligations to current and future retirees.

The Investment Trust Policy Committee oversees investment matters related to all of our funded benefit plans. The Committee works with external actuaries and investment consultants on an on-going basis to establish and monitor investment strategies and target asset allocations. Forecasted cash flows for plan liabilities are regularly updated based on annual valuation results. Target allocations are determined utilizing projected benefit payment cash flows

## NOTES TO FINANCIAL STATEMENTS – (Cont'd)

and risk analyses of appropriate investments. They are intended to reduce risk, provide long-term financial stability for the plans and maintain funded levels which meet long-term plan obligations while preserving sufficient liquidity for near-term benefit payments.

Our current pension plan target asset allocation is 45% equity investments and 55% fixed income investments. The current OPEB target asset allocation is 60% equity investments and 40% fixed income investments. Equity securities include investments in large-cap, mid-cap and small-cap companies primarily located in the United States. Fixed income securities include corporate bonds of companies from diversified industries, mortgage and other asset backed securities, commercial paper and U.S. Treasuries.

The following table summarizes the fair value of our share of pension plan assets by asset category within the fair value hierarchy (for further level information, see Note H – Fair Value Instruments):

Asset Category – Pension	As of December 31, 2010			Total
	Level 1	Level 2	Level 3	
	(Millions of Dollars)			
Cash and Cash Equivalents	\$4.6	\$ -	\$ -	\$4.6
Equities:				
U.S. Equity	47.1	53.7	-	100.8
International Equity	17.6	4.7	-	22.3
Fixed Income:				
Short, Intermediate and Long-term Bonds (a)				
U.S. Bonds	10.8	78.4	-	89.2
International Bonds	6.9	6.1	-	13.0
Total	<u>\$87.0</u>	<u>\$142.9</u>	<u>\$ -</u>	<u>\$229.9</u>

Asset Category – Pension	As of December 31, 2009			Total
	Level 1	Level 2	Level 3	
	(Millions of Dollars)			
Cash and Cash Equivalents	\$2.3	\$ -	\$ -	\$2.3
Equities:				
U.S. Equity	38.7	45.5	-	84.2
International Equity	12.4	7.1	-	19.5
Fixed Income:				
Short, Intermediate and Long-term Bonds (a)				
U.S. Bonds	94.6	-	-	94.6
International Bonds	9.2	-	-	9.2
Commercial Paper (b)	6.6	-	-	6.6
Total	<u>\$163.8</u>	<u>\$52.6</u>	<u>\$ -</u>	<u>\$216.4</u>

- (a) This category represents investment grade bonds of U.S. and foreign issuers denominated in U.S. dollars from diverse industries.
- (b) This category represents investment in commercial paper issued by Wisconsin Energy. The plan did not hold Wisconsin Energy's commercial paper as of December 31, 2010.

## NOTES TO FINANCIAL STATEMENTS – (Cont'd)

The following table summarizes the fair value of our share of OPEB plan assets by asset category within the fair value hierarchy:

Asset Category – OPEB	As of December 31, 2010			Total
	Level 1	Level 2	Level 3	
	(Millions of Dollars)			
Cash and Cash Equivalents	\$0.6	\$ -	\$ -	\$0.6
Equities:				
U.S. Equity	15.5	29.8	-	45.3
International Equity	1.9	0.5	-	2.4
Fixed Income:				
Short, Intermediate and Long-term Bonds (a)				
U.S. Bonds	8.2	22.1	-	30.3
International Bonds	0.7	1.4	-	2.1
Total	<u>\$26.9</u>	<u>\$53.8</u>	<u>\$ -</u>	<u>\$80.7</u>

Asset Category – OPEB	As of December 31, 2009			Total
	Level 1	Level 2	Level 3	
	(Millions of Dollars)			
Cash and Cash Equivalents	\$0.3	\$ -	\$ -	\$0.3
Equities:				
U.S. Equity	13.5	26.3	-	39.8
International Equity	1.3	0.7	-	2.0
Fixed Income:				
Short, Intermediate and Long-term Bonds (a)				
U.S. Bonds	29.5	-	-	29.5
International Bonds	0.9	-	-	0.9
Commercial Paper (b)	0.7	-	-	0.7
Total	<u>\$46.2</u>	<u>\$27.0</u>	<u>\$ -</u>	<u>\$73.2</u>

- (a) This category represents investment grade bonds of U.S. and foreign issuers denominated in U.S. dollars from diverse industries.
- (b) This category represents investment in commercial paper issued by Wisconsin Energy. The plan did not hold Wisconsin Energy's commercial paper as of December 31, 2010.

In January 2009, the committee that oversees the investment of the pension assets authorized the Trustee of Wisconsin Energy's pension plan to invest in the commercial paper of Wisconsin Energy. As of December 31, 2010 and 2009, the Pension Trust and OPEB plan assets included our share of approximately zero and \$7.3 million of commercial paper issued by Wisconsin Energy, which represents less than 10% of total assets of the plan.

**Cash Flows:**

Employer Contributions	Pension		OPEB
	Qualified	Non-Qualified	
	(Millions of Dollars)		
2009	\$ -	\$0.7	\$2.3
2010	\$ -	\$0.7	\$2.1

We do not expect to make a contribution to the qualified plan in 2011. Wisconsin Energy rebalanced the investment portfolio to the targeted asset allocation levels. Future contributions to the plans will be dependent upon many factors, including the performance of existing plan assets and long-term discount rates.

## NOTES TO FINANCIAL STATEMENTS – (Cont'd)

The entire contribution to the OPEB plans during 2010 was discretionary as the plans are not subject to any minimum regulatory funding requirements.

The following table identifies our expected benefit payments over the next ten years:

<u>Year</u>	<u>Pension</u>	<u>Gross OPEB</u> (Millions of Dollars)	<u>Expected Medicare Part D Subsidy</u>
2011	\$8.6	\$5.1	(\$0.1)
2012	\$10.6	\$5.6	\$ -
2013	\$10.1	\$6.2	\$ -
2014	\$9.4	\$6.4	\$ -
2015	\$11.7	\$6.3	\$ -
2016-2020	\$65.3	\$30.6	\$ -

**Savings Plans:** We participate in savings plans sponsored by Wisconsin Energy which allow employees to contribute a portion of their pre-tax and/or after-tax income in accordance with plan-specified guidelines. Under these plans, we expensed matching contributions of \$1.2 million and \$1.3 million during 2010 and 2009.

**Post-Employment Benefits:** Postemployment benefits provided to former or inactive employees are recognized when an event occurs. As of December 31, 2010, we have recorded an estimated liability, based on an accrual analysis, of \$4.1 million.

#### J -- RELATED PARTIES

Managerial, financial, accounting, legal, data processing and other services may be rendered between associated companies and are billed in accordance with service agreements approved by the PSCW. During 2010 and 2009, Wisconsin Energy and Wisconsin Electric allocated certain administrative and operating expenses to us using an allocation method approved by the PSCW. The table below shows the amounts allocated from Wisconsin Energy and Wisconsin Electric to us:

	<u>2010</u>	<u>2009</u>
	(Millions of Dollars)	
Wisconsin Energy	\$ 1.8	\$ 1.5
Wisconsin Electric	\$ 64.8	\$ 58.2

As of December 31, 2010 and 2009, our balance sheets included accounts payable balances with Wisconsin Electric of \$14.1 million and \$17.4 million, respectively.

#### K -- MEMBER'S EQUITY

**Share-Based Compensation Plans:** Employees of Wisconsin Gas participate in a plan approved by Wisconsin Energy stockholders that provides a long-term incentive through equity interests in Wisconsin Energy to outside directors, selected officers and key employees of Wisconsin Energy and its subsidiaries. The plan provides for the granting of Wisconsin Energy stock options, stock appreciation rights, restricted stock awards and performance shares. Awards may be paid in Wisconsin Energy common stock, cash or a combination thereof. We utilize the straight-line attribution method for recognizing share-based compensation expense. Accordingly, for employee awards, equity classified share-based compensation cost is measured at the grant date based on the fair value of the award and is recognized as expense over the requisite service period. There were no modifications to the terms of outstanding Wisconsin Energy stock options held by our employees during the period. The impact of our portion of Wisconsin Energy's total share-based compensation expense, on an after-tax basis, was \$0.1 million and \$0.2 million in 2010 and 2009, respectively.

## NOTES TO FINANCIAL STATEMENTS – (Cont'd)

The exercise price of a Wisconsin Energy stock option under the plan is to be no less than 100% of the common stock's fair market value on the grant date and options may not be exercised within six months of the grant date except in the event of a change in control. Option grants consist of non-qualified stock options and vest on a cliff-basis after a three-year period. Options expire no later than ten years from the date of grant. For further information regarding stock-based compensation and the valuation of Wisconsin Energy stock options, see Note A – Summary of Significant Accounting Policies.

In January 2011 and 2010, the Compensation Committee approved Wisconsin Energy restricted stock grants to certain of our key employees. Recipients of the Wisconsin Energy restricted shares, who have the right to vote the shares and to receive dividends, are not required to provide consideration to us other than rendering service. These awards have a three-year vesting period, with one-third of the award vesting on each anniversary of the grant date. Wisconsin Energy records the market value of the restricted stock awards on the date of grant. We then amortize our share of the allocated expense over the vesting period of the awards.

In January 2011, 2010 and 2009, the Compensation Committee granted Wisconsin Energy performance units to our officers and other key employees under the Wisconsin Energy Performance Unit Plan. Under the grants, the ultimate number of units which will be awarded is dependent upon the achievement of certain financial performance of Wisconsin Energy's common stock over a three year-period. Under the terms of the award, participants may earn between 0% and 175% of the base performance award. We are accruing our share of compensation costs over the three-year period based on our estimate of the final expected value of the award. All grants will be settled in cash.

**Restrictions:** Various financing arrangements and regulatory requirements impose certain restrictions on our ability to transfer funds to Wisconsin Energy in the form of cash distributions, loans or advances. In addition, under Wisconsin law, we are prohibited from loaning funds, either directly or indirectly, to Wisconsin Energy.

The January 2010 PSCW rate order requires us to maintain a capital structure that differs from GAAP as it reflects regulatory adjustments. We are required to maintain a common equity range of between 45.0% and 50.0%. We must obtain PSCW approval to make distributions above the test year levels that would cause us to fall below our authorized level of common equity.

Regulated member equity is approximately \$171 million less than GAAP equity due to purchase accounting and other factors. As of December 31, 2010, our restricted net assets were approximately \$371 million.

The PSCW has determined that we must obtain specific approval to make distributions that exceed normal levels as long as any tax issue or appeals related to the sale of Wisconsin Energy's manufacturing business and/or the conversion of Wisconsin Gas to a LLC remain outstanding. The PSCW may modify such provisions by a future order.

See Note E – Short-Term Debt for discussion of certain financial and other covenants related to our bank back-up credit facility.

We do not believe these restrictions will materially affect our operations or limit any normal distribution payments in the foreseeable future.

## L -- COMMITMENTS AND CONTINGENCIES

**Capital Expenditures:** We have made certain commitments in connection with 2011 capital expenditures. During 2011, we estimate that total capital expenditures will be approximately \$72.1 million.

**Gas Supply:** We have agreements for firm pipeline and storage capacity that expire at various dates through 2024. As of December 31, 2010, the aggregate amount of required payments under such agreements totaled approximately \$536.8 million, with required payments of \$111.2 million in 2011, \$133.7 million for 2012 through 2013, and \$291.9 million thereafter. The purchased gas adjustment provisions of our rate schedules permit the recovery of gas costs, including payments for firm pipeline and storage capacity, from our customers subject to our gas cost recovery mechanism.

Transportation costs billed to us are being recovered from customers under the purchased gas provisions within our rate schedules.

## NOTES TO FINANCIAL STATEMENTS – (Cont'd)

**Environmental Matters:** We periodically review our exposure for environmental remediation costs as evidence becomes available indicating that our remediation liability has changed. Given current information, including the following, we believe that future costs in excess of the amounts accrued and/or disclosed on all presently known and quantifiable environmental contingencies will not be material to our financial position or results of operations.

We have a program of comprehensive environmental remediation planning for former manufactured gas plant sites. We perform ongoing assessments of our manufactured gas plant sites and related disposal sites used by us, as discussed below. We are working with the WDNR in our investigation and remediation planning. At this time, we cannot estimate future remediation costs associated with these sites beyond those described below.

**Manufactured Gas Plant Sites:** We have identified several sites at which we or a predecessor company historically owned or operated a manufactured gas plant. We have substantially completed planned remediation activities at some of those sites and certain other sites are at various stages of investigation, monitoring and remediation. We have also identified other sites that may have been impacted by historical manufactured gas plant activities. Based upon on-going analysis, we estimate that the future costs for detailed site investigation and future remediation costs may range from \$25 to \$40 million over the next ten years. This estimate is dependent upon several variables including, among other things, the extent of remediation, changes in technology and changes in regulation. As of December 31, 2010, we have established reserves of approximately \$31.5 million related to future remediation costs.

The PSCW has allowed Wisconsin utilities, including us, to defer the costs spent on the remediation of manufactured gas plant sites, and has allowed for these costs to be recovered in rates over five years. Accordingly, we have recorded a regulatory asset for remediation costs.

**Cash Balance Pension Plan:** On June 30, 2009, a lawsuit was filed by Alan M. Downes, a former employee of Wisconsin Electric, against the Plan in the U.S. District Court for the Eastern District of Wisconsin. Counsel representing the plaintiff is attempting to seek class certification for other similarly situated plaintiffs. The complaint alleges that Plan participants who received a lump sum distribution under the Plan prior to their normal retirement age did not receive the full benefit to which they were entitled in violation of the Employee Retirement Income Security Act of 1974 (ERISA) and are owed additional benefits, because the Plan failed to apply the correct interest crediting rate to project the cash balance account to their normal retirement age. On September 6, 2010, the plaintiff filed a First Amended Class Action Complaint alleging additional claims under ERISA and adding Wisconsin Energy Corporation as a defendant. The plaintiff has not specified the amount of relief he is seeking. An adverse outcome of this lawsuit could have a material adverse effect on Plan funding and expense and our results of operations. Although we are currently unable to predict the final outcome or impact of this litigation, we are aware that courts in two similar lawsuits filed in Wisconsin found that the interest crediting rates applied by the pension plan involved in those cases were not in compliance with ERISA.

## M -- DIVESTITURES AND DISCONTINUED OPERATIONS

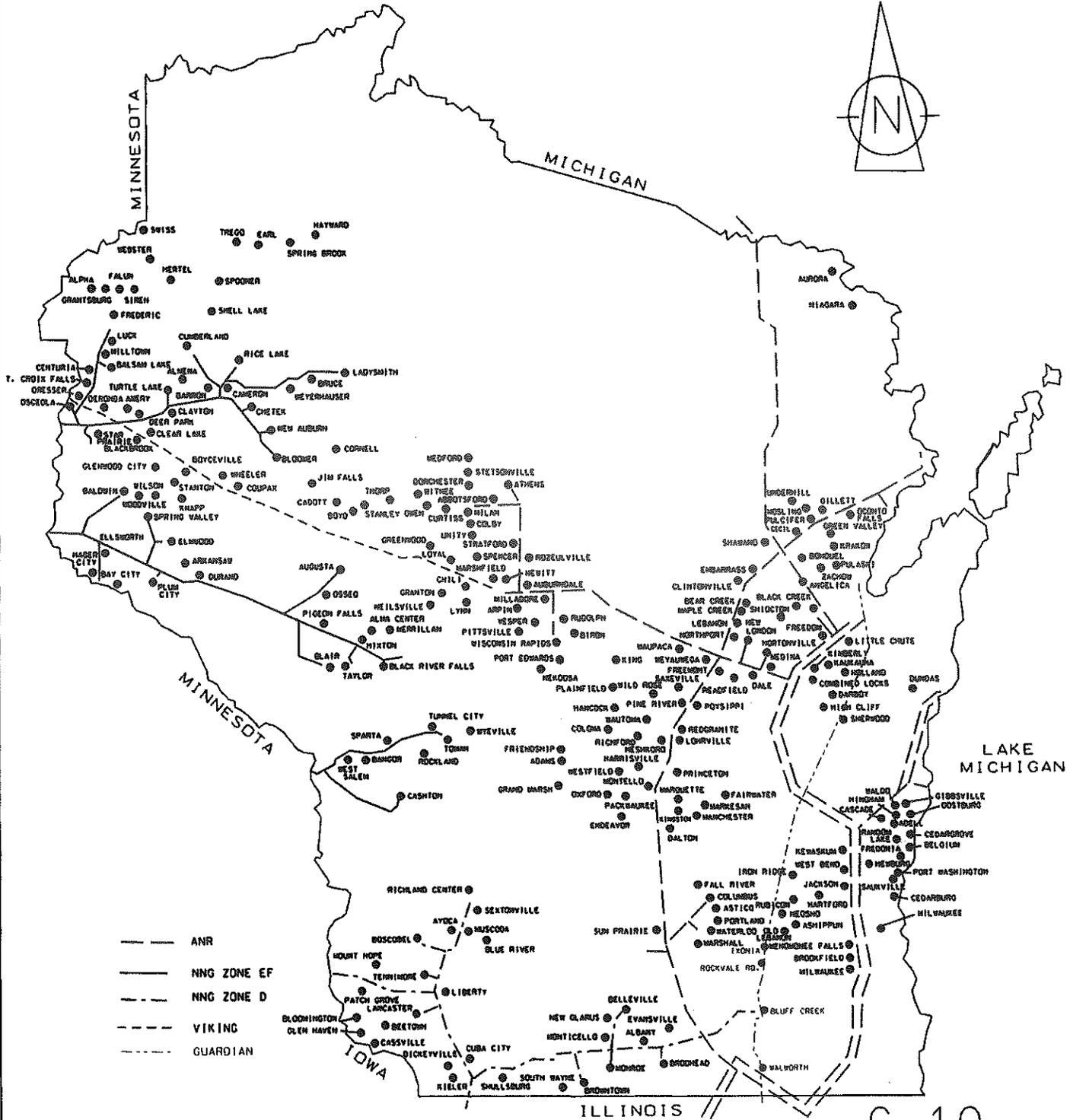
**Water Utility Operations:** Effective April 30, 2009, we sold our water utility to the City of Mequon, Wisconsin for approximately \$14.5 million. In that regard, we reclassified the water utility income as discontinued operations in the accompanying income statements.

Discontinued water operations had no material impact on the Statement of Cash Flows for the year ended December 31, 2009.

**Wisconsin Gas LLC**  
**2009-2010 Purchase Accounting Amounts**

<u>Account</u>	<u>Description</u>	<u>Account Title</u>	<u>PSC Pages Changed</u>	<u>2010 DR (CR)</u>	<u>2009 DR (CR)</u>
<b>Income Statement</b>					
425	Goodwill Amortization	Other Income/Expense	F-8	\$ -	\$ -
426	Goodwill Adjustment (Impairment)		F-8	\$ -	\$ -
425	MOB Write down	Other Amortization	F-8	-	-
430	Debt Pushdown Interest	Other Interest Expense	F-8	-	-
926	Amort Reg Liability	Employee Pensions & Benefits	F-3, F-61, G-5	(11,317,992)	(11,317,992)
926					
409	Purchase Act Fed Tax Impact	Income Taxes - Federal	F-2, F-56	-	-
409	Purchase Act State Tax Impact	Income Taxes - Other	F-2, F-56	-	-
410	Purchase Act Fed Def Tax Impact	Income Taxes - Deferred-Federal	F-2, F-56	3,961,297	3,961,297
410	Purchase Act State Def Tax Impact	Income Taxes - Deferred-Other	F-2, F-56	568,103	568,103
	Total		Current Year Income	(6,788,592)	(6,788,592)
			Prior Years Purch Acctg Income	300,805,537	307,594,129
			Total Effect on RE	294,016,945	300,805,537
<b>Balance Sheet</b>					
114	MOB Fixed Asset Write Up	Utility Plant	F-4	\$ -	\$ -
174		Misc/Current Accrued Assets (Vacation)	F-4	-	-
184		Misc Clearing Account (Vacation)	F-4	-	-
186	Post-Retirement Medical	Misc Deferred Debits	F-4, F-33	60,129,000	60,129,000
186	Prepaid Pension	Misc Deferred Debits	F-4, F-33	109,631,000	109,631,000
186	Goodwill	Misc Deferred Debits	F-4, F-33	115,071,345	115,071,345
186	Goodwill Accumulated Amort	Misc Deferred Debits	F-4, F-33	(19,182,800)	(19,182,800)
190	Accum Def Inc Taxes - Federal	Accum Defd Income Tax Current	F-4, F-36	-	-
190	Accum Def Inc Taxes - State	Accum Defd Income Tax Current	F-4, F-36	-	-
190	Current Deferred Taxes - Federal	Accum Defd Income Tax Current	F-4, F-36	-	-
190	Current Deferred Taxes - State	Accum Defd Income Tax Current	F-4, F-36	-	-
211	Paid In Capital	Other Paid in Capital	F-4	(451,912,000)	(451,912,000)
215	Minimum Pension Liability	Capital Stock Expense	F-4	-	-
216	Retained Earnings	Retained Earnings	F-4	294,016,945	300,805,537
221	Long Term Debt	Bonds	F-4	-	-
232	Short Term Borrowing Needs	Accounts Payable to Assoc Co (234)	F-4	(10,351,997)	(10,179,459)
233	Additional Debt	A/P to Associated Co.	F-4	-	-
236	FIT Liability	Taxes Accrued	F-4	-	-
236	SIT Liability	Taxes Accrued	F-4	-	-
242	Severance Benefits	Misc Current Liabilities	F-4	-	-
242	Merger Accruals	Misc Current Liabilities	F-4	-	-
253	WICOR Deferred Directors Liability	WICOR Deferred Directors Liability	F-4, F-45	-	(166,681)
253	Supplemental Pension	Other Deferred Credits	F-4, F-45	-	-
253	A/P Deferred Comp	Other Deferred Credits	F-4, F-45	-	-
254	Reg Liability - Pension	Other Deferred Credits	F-4, F-46	(31,669,036)	(38,978,032)
254	Reg Liability - OPEB Medical	Other Deferred Credits	F-4, F-46	(17,367,036)	(21,376,032)
254	Reg Liability - LTD	Other Deferred Credits	F-4, F-46	-	-
282	Def Inc Tax-Fed	Acc Def Inc Tax-Fed-Purch Actg-Prop	F-4, F-51	-	-
282	Deferred Income Taxes	Acc Def Inc Tax-St-Purch Actg-Prop	F-4, F-51	-	-
283	Deferred Taxes - Federal	Accum Defd Income Tax	F-4, F-53	(42,253,375)	(38,292,077)
283	Deferred Taxes - State	Accum Defd Income Tax	F-4, F-53	(6,112,046)	(5,549,801)
	Deferred Income Taxes	Accum Defd Income Tax	F-4	-	-
	Total			\$ -	\$ -

# WISCONSIN GAS COMPANY



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