



PGL North Project - Installation of new HP/MP Vault

The Peoples Gas Light and Coke Company  
System Modernization Program  
***ICC 2018 4th Quarter Report***

SMP Progress through: December 31, 2018  
Published: February 14, 2019

**PEOPLES GAS®**

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## 1. Summary Observations & Analysis

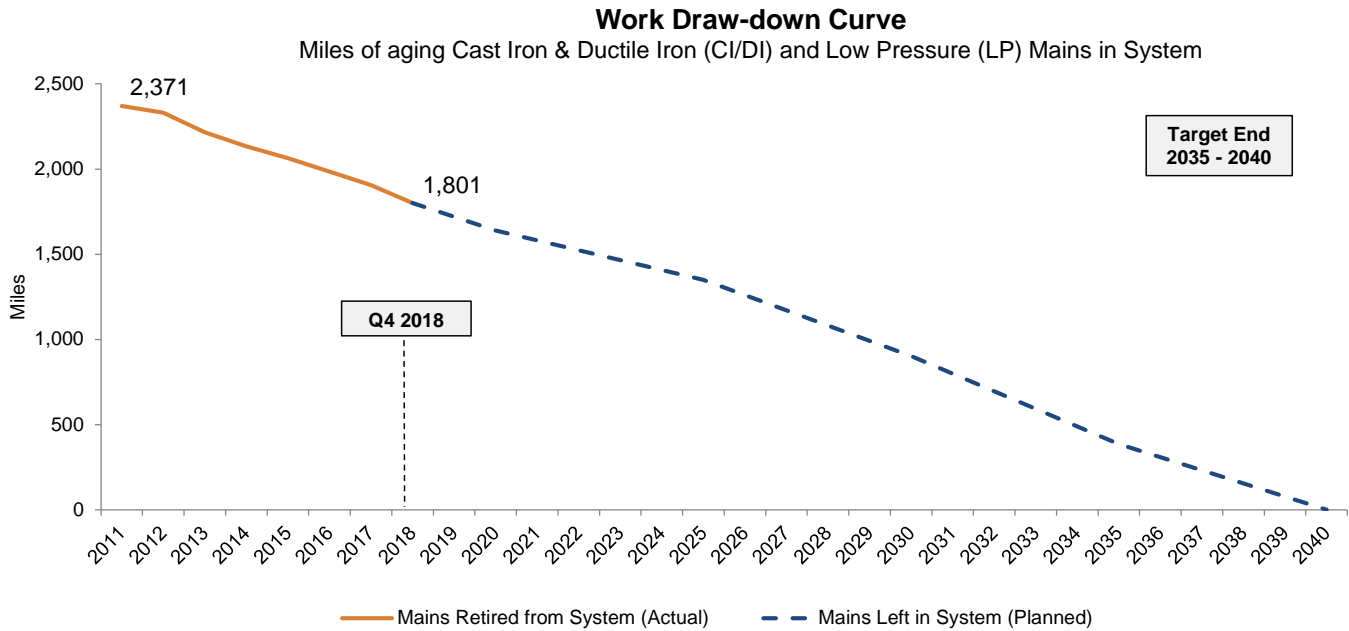
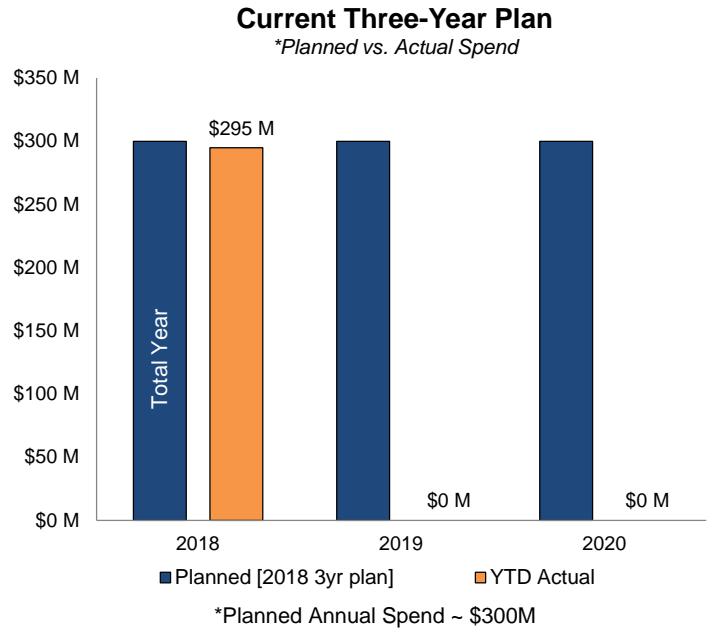
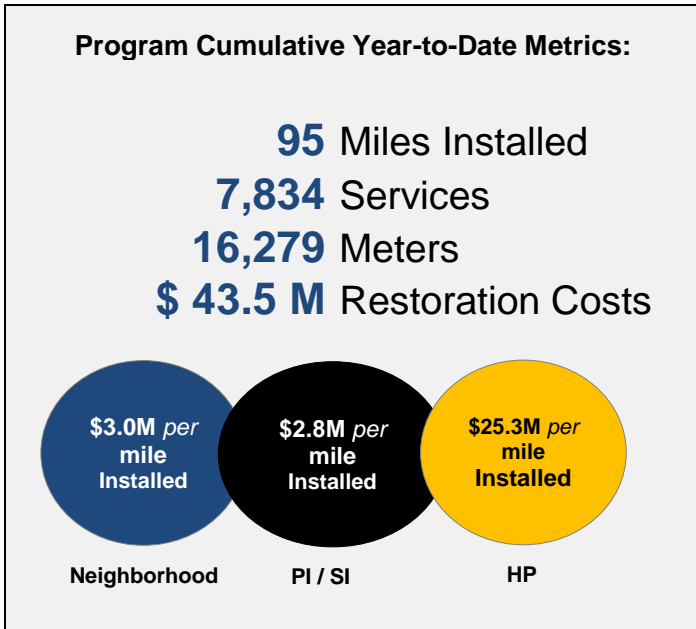
Enclosed is Peoples Gas' System Modernization Program (SMP) Fourth Quarter 2018 Report. The information displayed on the pages that follow are actual results recorded from January 2018 through December 2018 as measured against the plan established in the fourth quarter of 2017.

Peoples Gas continued to see variability with respect to both costs and installed/retired main and meters when compared to its 2018 plan. As explained below, the primary cause of this variability was adjustments to the mix of SMP work done in 2018 to take advantage of opportunities presented by third party construction projects. While these adjustments resulted in variations from the 2018 plan, they improved the collaboration of all stakeholders involved that utilize the City of Chicago public right-of-way. This quarter-to-quarter and year-to-year variability also supports the need to view the SMP over multiple years to get a realistic picture of program progress and performance.

Peoples Gas continues to make good progress on modernizing its natural gas system. As in past quarters, the rapid pace of economic development and modernization of sewer, water, communications, and road infrastructure required changes to our execution plan. New construction projects by multiple entities performing work in the public way created numerous opportunities to collaborate and share costs, but also deferred planned neighborhood work from one year to the next as resources were rebalanced.

- Neighborhood cost per installed mile remained steady but higher than planned throughout 2018. The need to accommodate emergent Public Improvement and finish the Northwest Interconnect Project (High Pressure) deferred 13 lower cost neighborhood projects that were originally slated for 2018 to 2019.
- Public Improvement/System Improvement (PI/SI) cost per installed mile were also impacted by variability in the projects being executed in 2018. There were over 25 new Public Improvement projects identified after the plan for the year was set including some projects in the Central Business District. As a result, several larger System Improvement projects were deferred to 2019.
- In 2018 Peoples Gas determined that completing more mark and bar activities to support 2019 projects would materially improve our flexibility and timeliness in the field. We grew our backlog in 2018 from approximately 3,000 to 11,000 mark and bar completions by year end. While this negatively impacts our dollar per meter in 2018, we greatly improved the value to our customers by reducing construction timelines, and expediting restoration. Nonetheless, as the process continues to mature and new employees grow their experience, we expect that efficiency will improve without sacrificing the substantial customer benefits this process has delivered.
- Peoples Gas spent more on High Pressure work in 2018 than originally budgeted as work from 2017 was re-sequenced and completed in 2018. A majority of the deferred work involved pressure regulation facility installation and associated restoration. Although the cost per mile was higher in 2018 due to this resequencing, the cost per installed mile for the project is still forecasted to be in line with the planned cost per installed mile when viewed across the multi-year installation timeline.
- Year-to-date (YTD) installation quantities were less than planned, as noted above, as we focused on emergent projects. This reduction in main installation quantities also reduced the anticipated number of services, meters, and field retirement quantities.

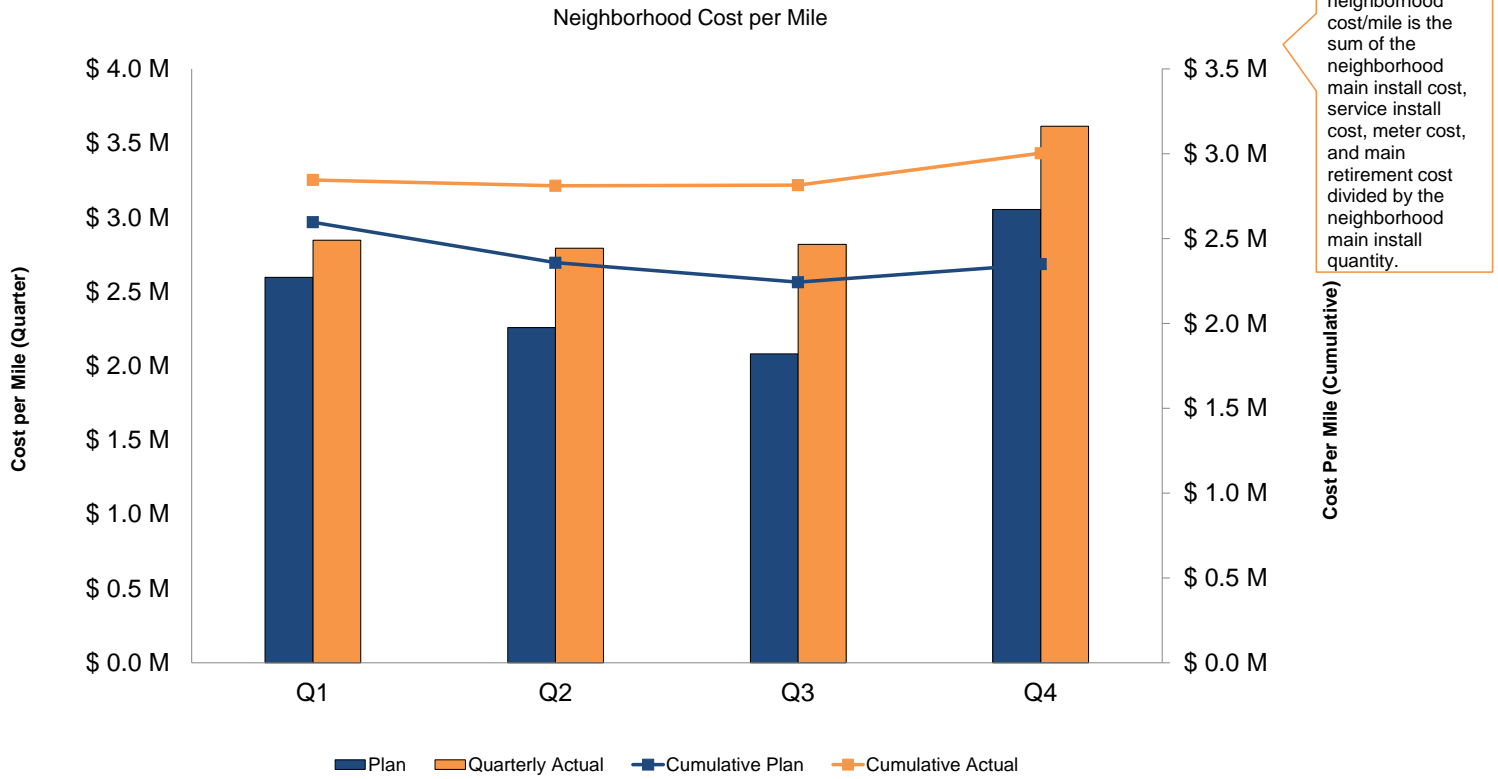
## 2. High Level Program Status



# Peoples Gas - System Modernization Program *2018 Q4 Report*

Neighborhood Replacement Program – Projects that Peoples Gas ranks, designs, and constructs based on the most at risk system components identified by the company's neighborhood ranking tool.

## 3A. Neighborhood Program Performance

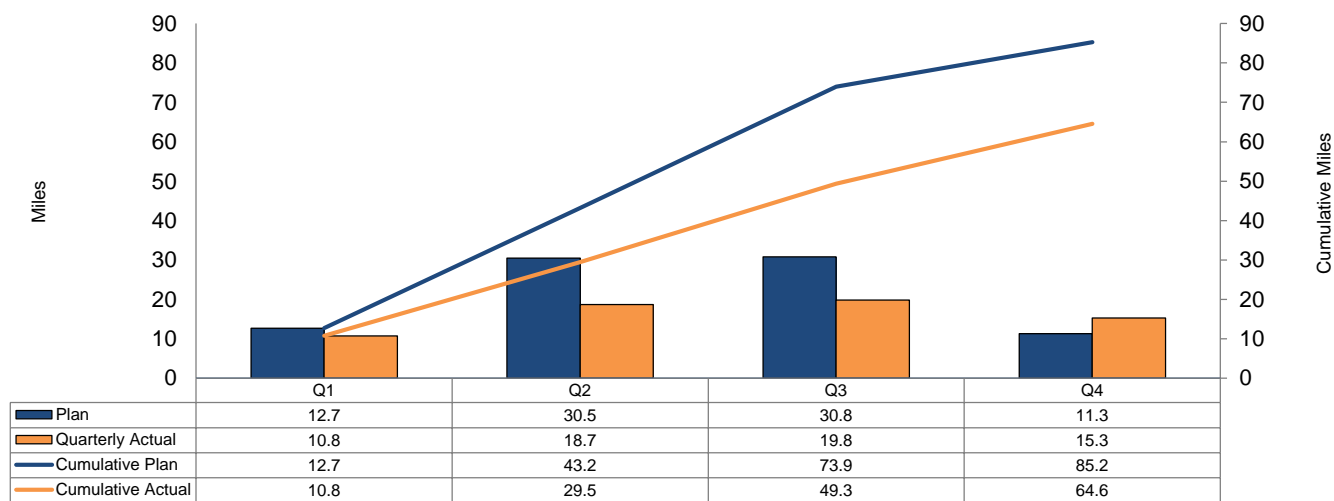


### Year-to-Date Numbers

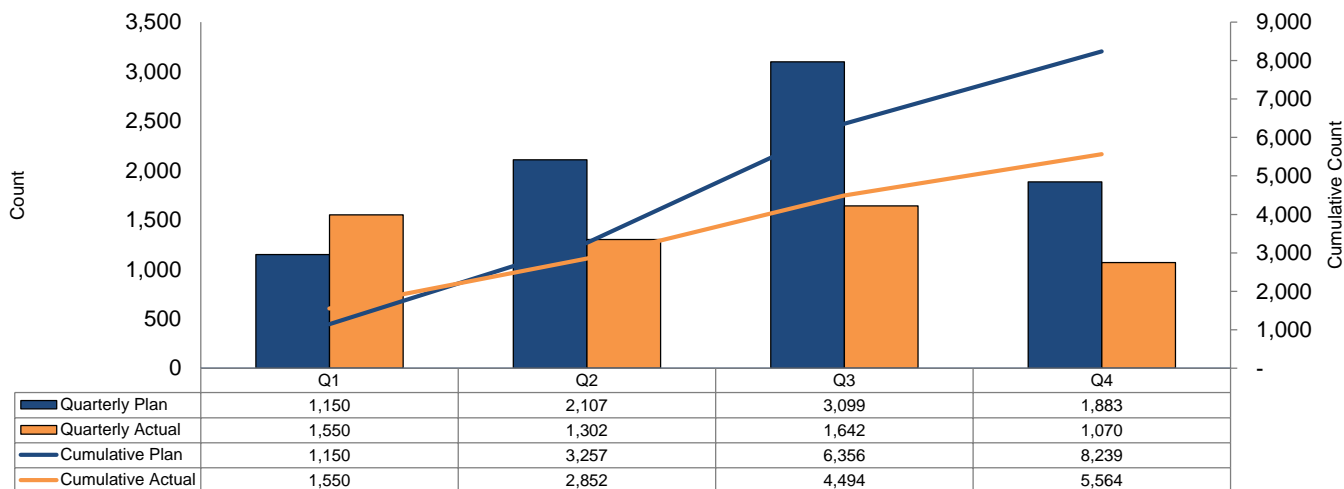
	Cumulative Planned			Cumulative Actual		
	Cost (A)	Unit (B)	Cost/Unit (C=A/B)	Cost (D)	Unit (E)	Cost/Unit (F=D/E)
<b>Main Install</b>	\$ 126.0 M	85.2	\$1.5 M / install mile	\$ 138.8 M	64.6	\$2.1 M / install mile
<b>Main Retirement</b>	\$ 5.5 M	53.5	\$0.1 M / retire mile	\$ 5.3 M	39.3	\$0.1 M / retire mile
<b>Service Replacement</b>	\$ 46.7 M	8,239	\$5,673 / service	\$ 21.2 M	5,564	\$3,806 / service
<b>Meter Moves (allocation)</b>	\$ 22.1 M	15,649	\$1,409 / meter	\$ 28.8 M	11,891	\$2,367 / meter
<b>TOTAL</b>	<b>\$ 200.3 M</b>	<b>85.2</b>	<b>\$2.4 M / install mile</b>	<b>\$ 194.0 M</b>	<b>64.6</b>	<b>\$3.0 M / install mile</b>

## 3B. Neighborhood - Quantity Graphs

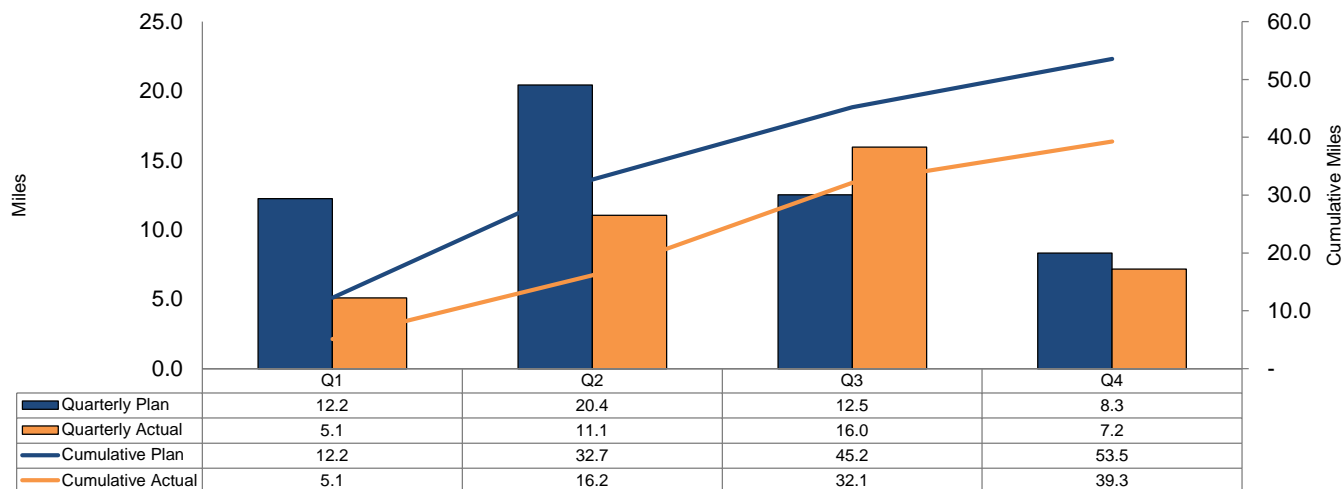
### Main Installation Miles



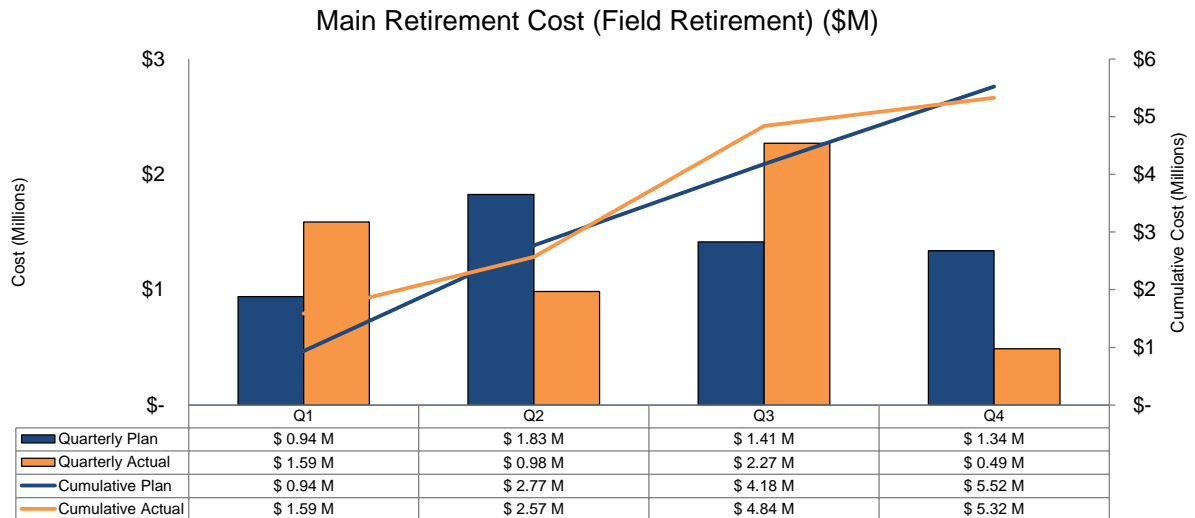
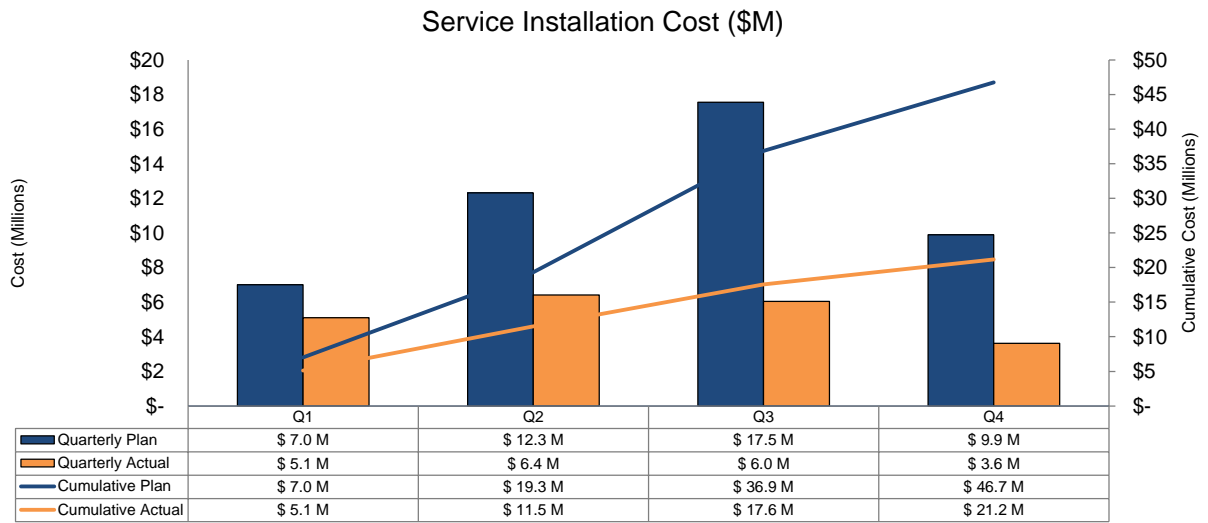
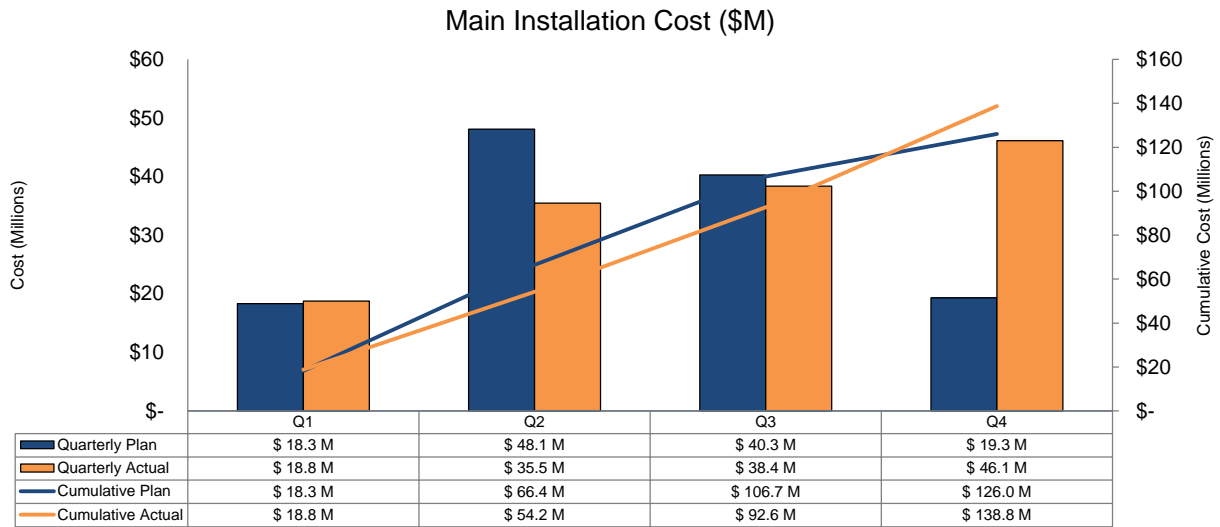
### Service Installation Count



### Main Retirement Miles (Field Retirement)



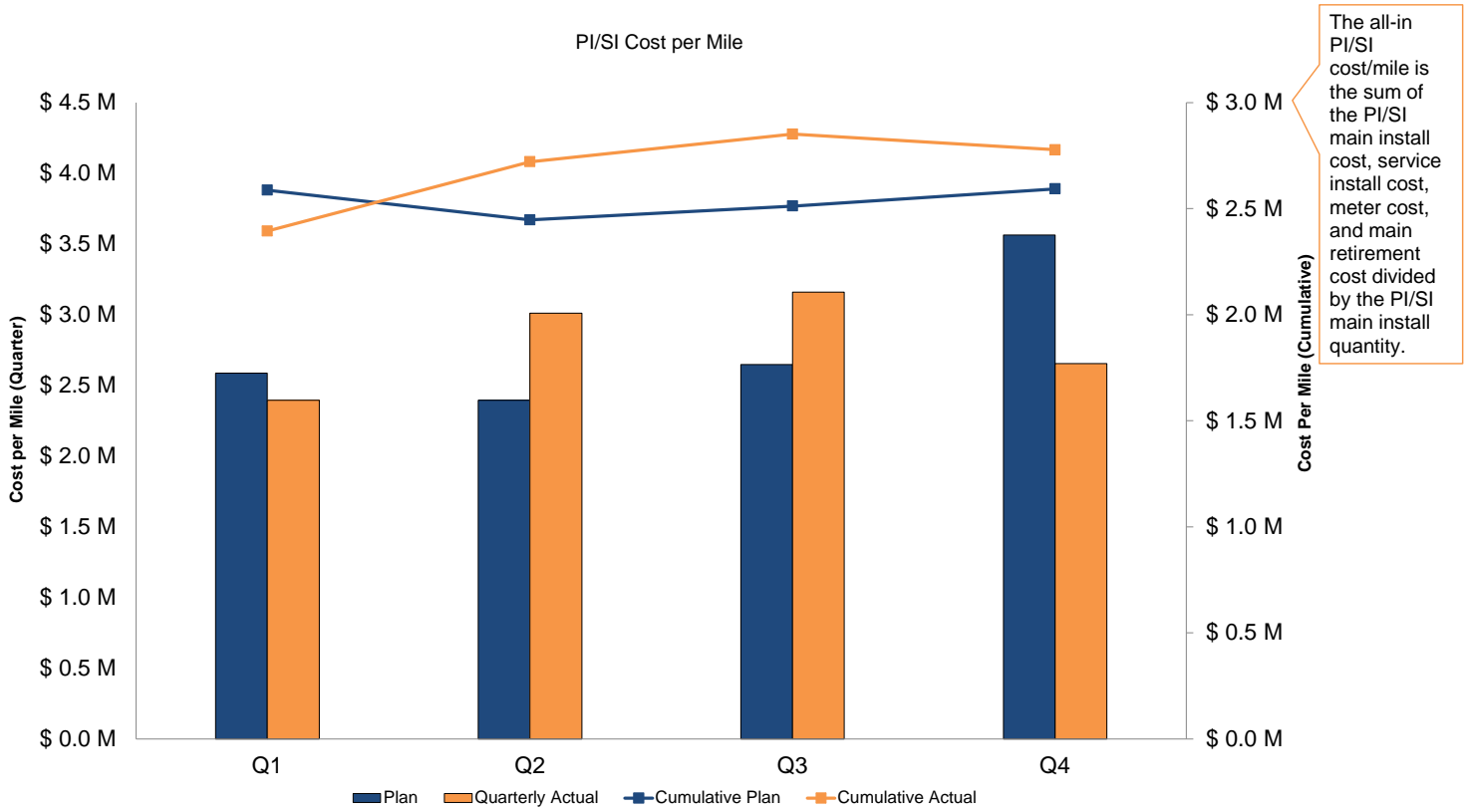
**3C. Neighborhood - Cost Graphs**



# Peoples Gas - System Modernization Program *2018 Q4 Report*

Public Improvement/System Improvement (PI/SI) - Projects similar to the Neighborhood Replacement Program, but other factors require the upgrade or relocation of existing vulnerable material - Peoples Gas is responding to a third party request to relocate or replace facilities due to conflicts with the third party or addressing capacity or reliability concerns.

## 4A. Public Improvement / System Improvement Program Performance

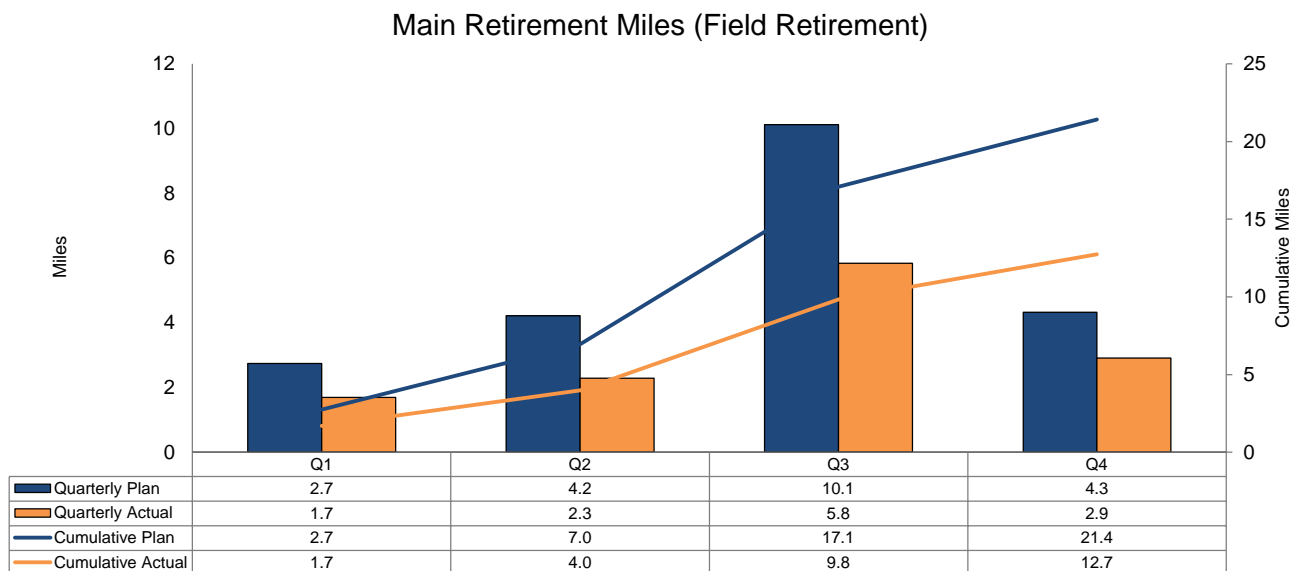
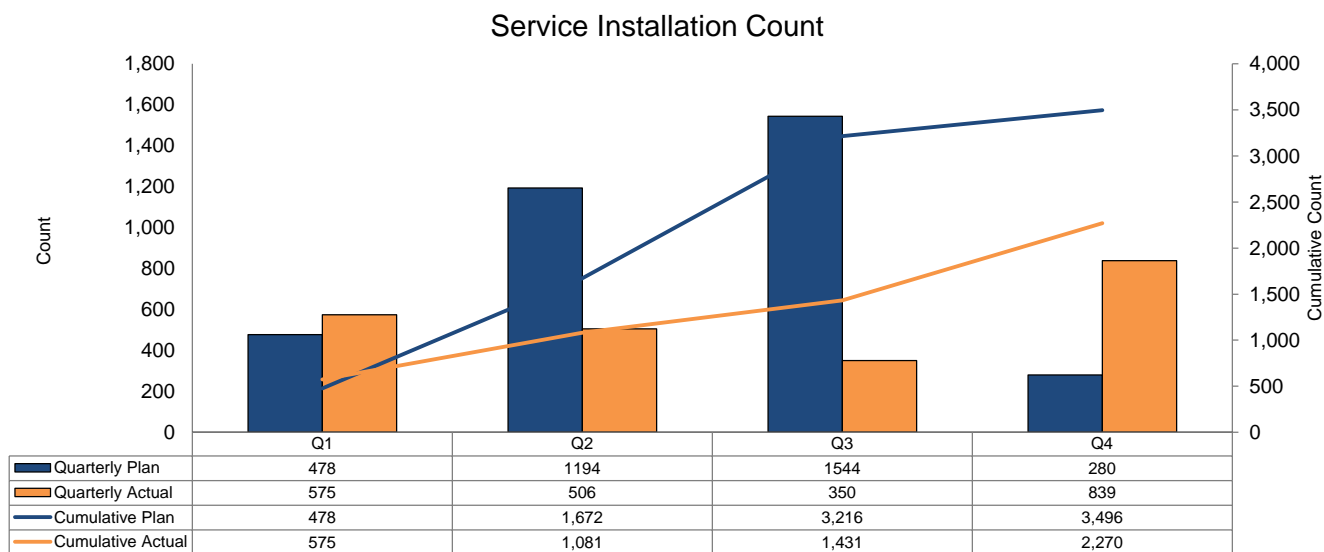
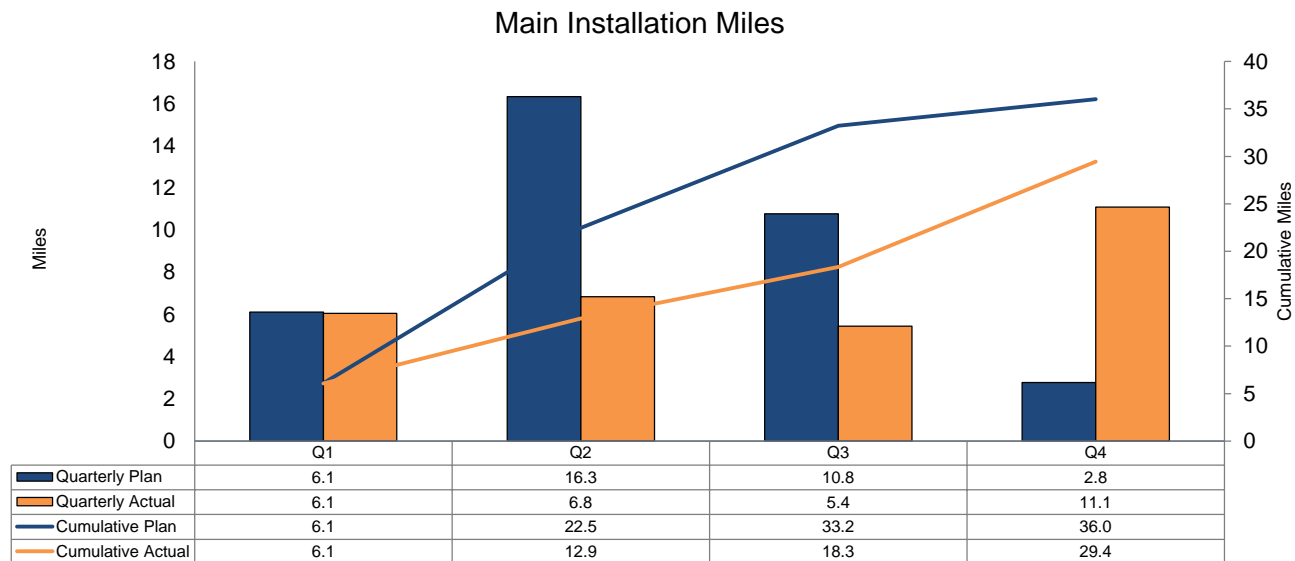


### Year-to-Date Numbers

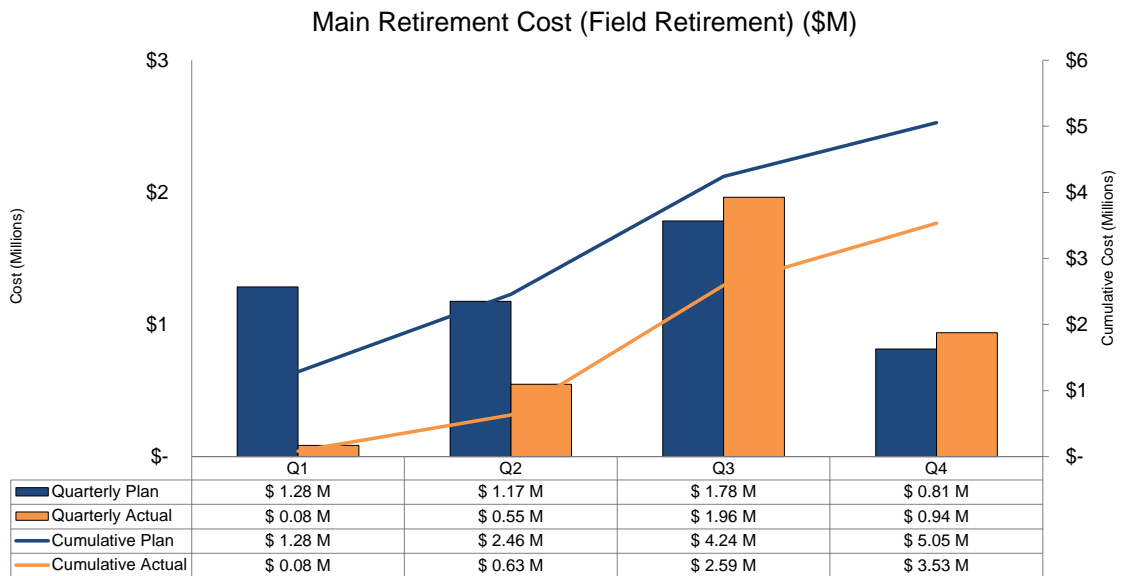
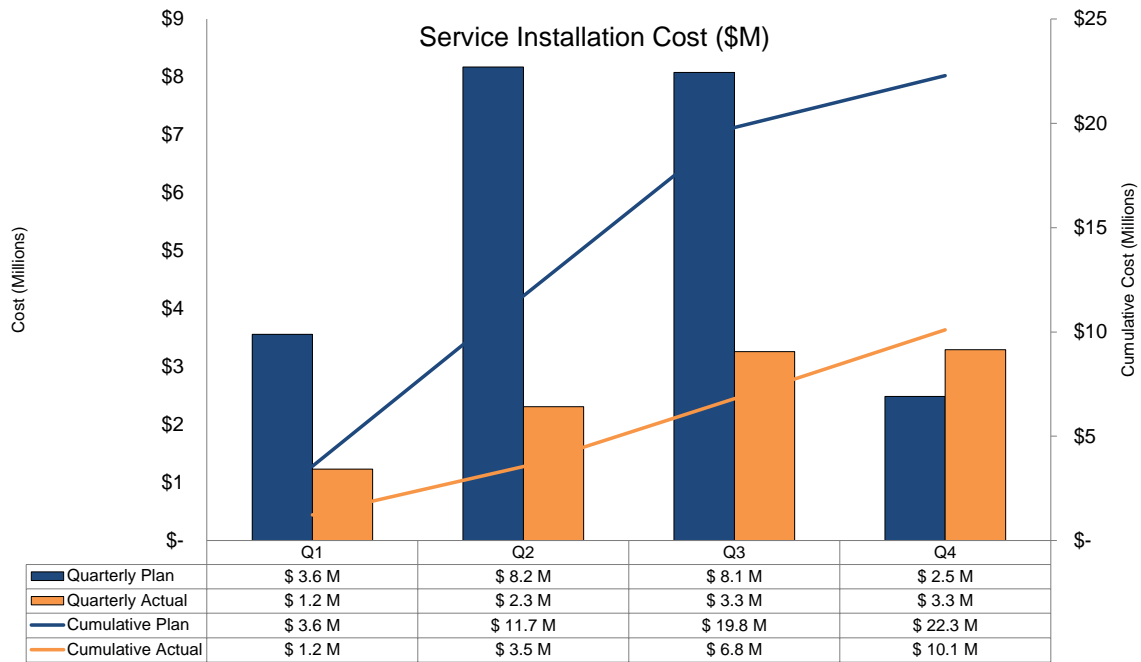
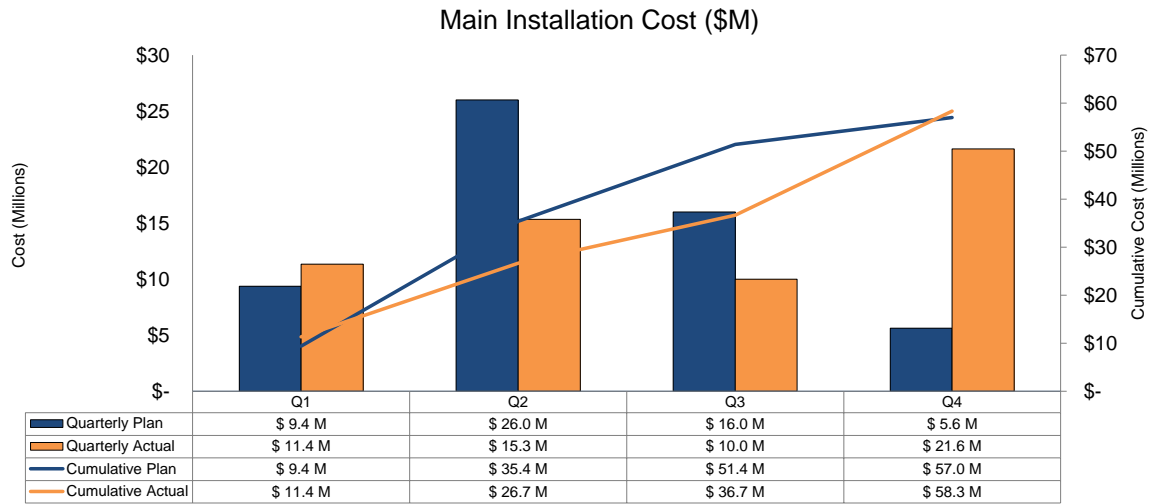
	Cumulative Planned			Cumulative Actual		
	Cost (A)	Unit (B)	Cost/Unit (C=A/B)	Cost (D)	Unit (E)	Cost/Unit (F=D/E)
<b>Main Install</b>	\$ 57.0 M	36.0	\$1.6 M / install mile	\$ 58.3 M	29.4	\$2.0 M / install mile
<b>Main Retirement</b>	\$ 5.1 M	21.4	\$0.2 M / retire mile	\$ 3.5 M	12.7	\$0.3 M / retire mile
<b>Service Replacement</b>	\$ 22.3 M	3,496	\$6,377 / service	\$ 10.1 M	2,270	\$4,450 / service
<b>Meter Moves (allocation)</b>	\$ 9.0 M	6,277	\$1,435 / meter	\$ 9.8 M	4,388	\$2,367 / meter
<b>TOTAL</b>	<b>\$ 93.4 M</b>	<b>36.0</b>	<b>\$2.6 M / install mile</b>	<b>\$ 81.7 M</b>	<b>29.4</b>	<b>\$2.8 M / install mile</b>



## 4B. Public Improvement / System Improvement - Quantity Graphs



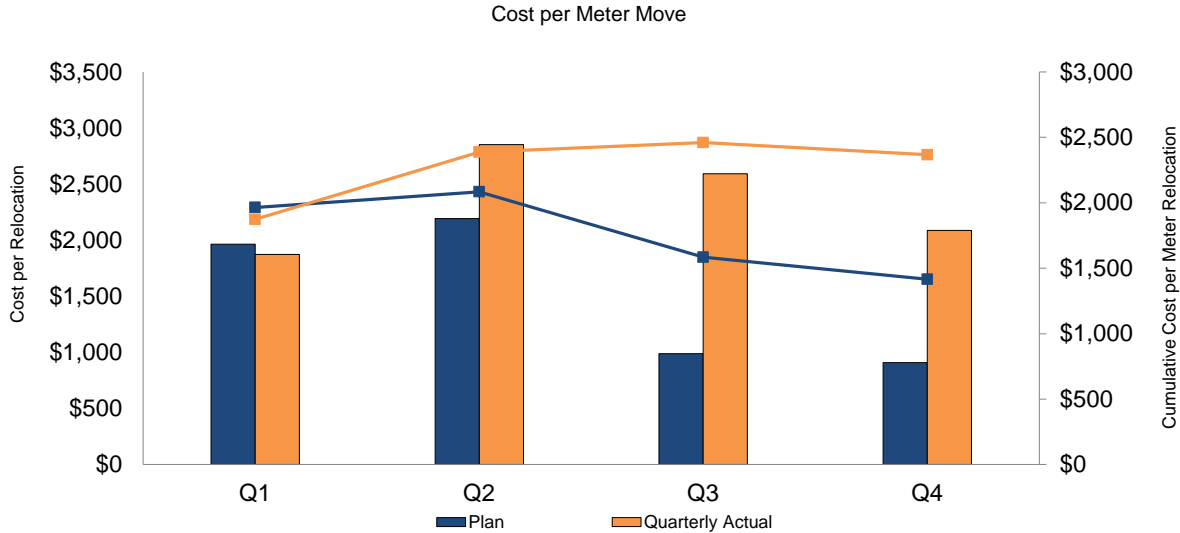
**4C. Public Improvement / System Improvement - Cost Graphs**



# Peoples Gas - System Modernization Program *2018 Q4 Report*

Meter Relocation – Costs associated with moving customer meters as part of the system modernization program.

## 5A. Meter Moves Program Performance

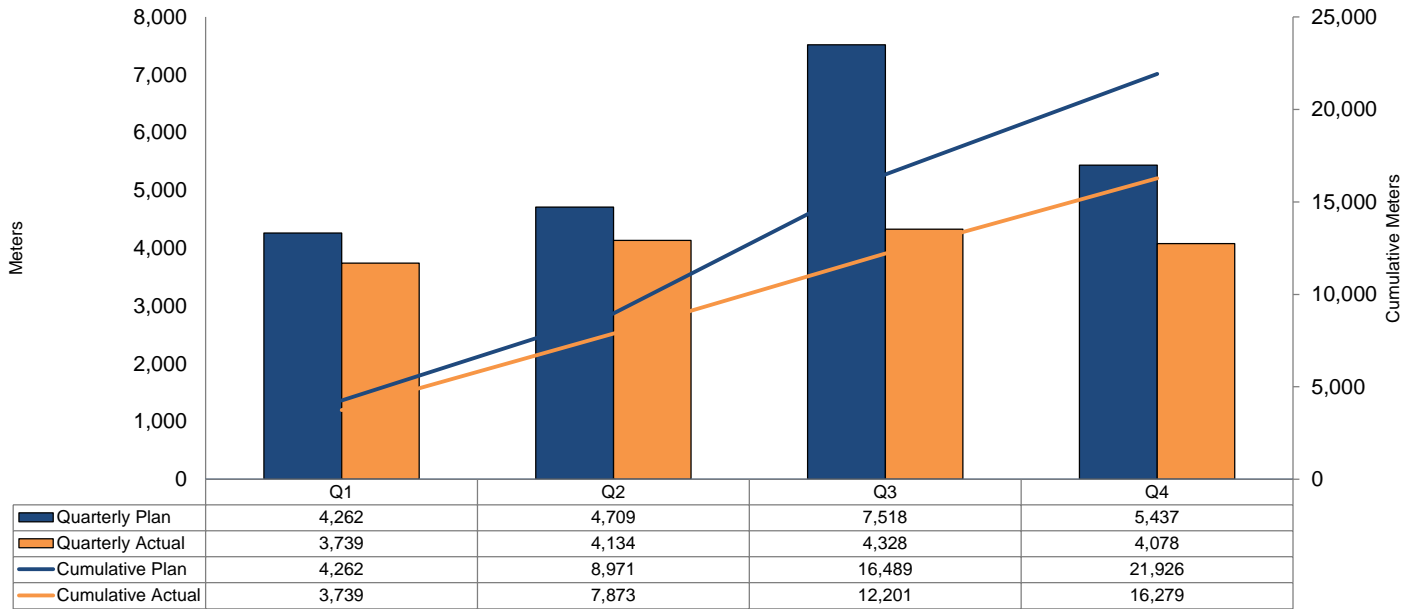


### Year-to-Date Numbers

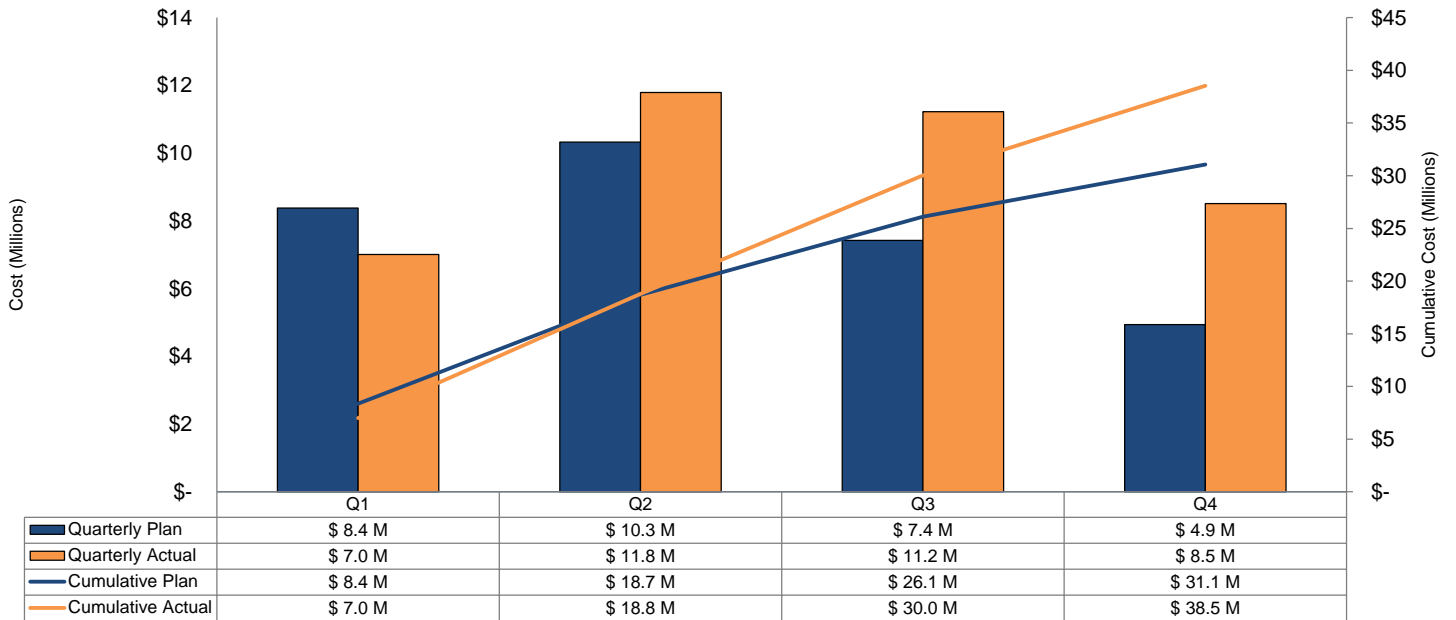
	Cumulative Planned			Cumulative Actual		
	Cost (A)	Unit (B)	Cost/Unit (C=A/B)	Cost (D)	Unit (E)	Cost/Unit (F=D/E)
<b>Meter Moves (allocation)</b>	\$ 31.1 M	21,926	\$1,417 / meter	\$ 38.5 M	16,279	\$2,367 / meter

## 5B. Meter Relocation Quantity and Cost

### Meter Quantity



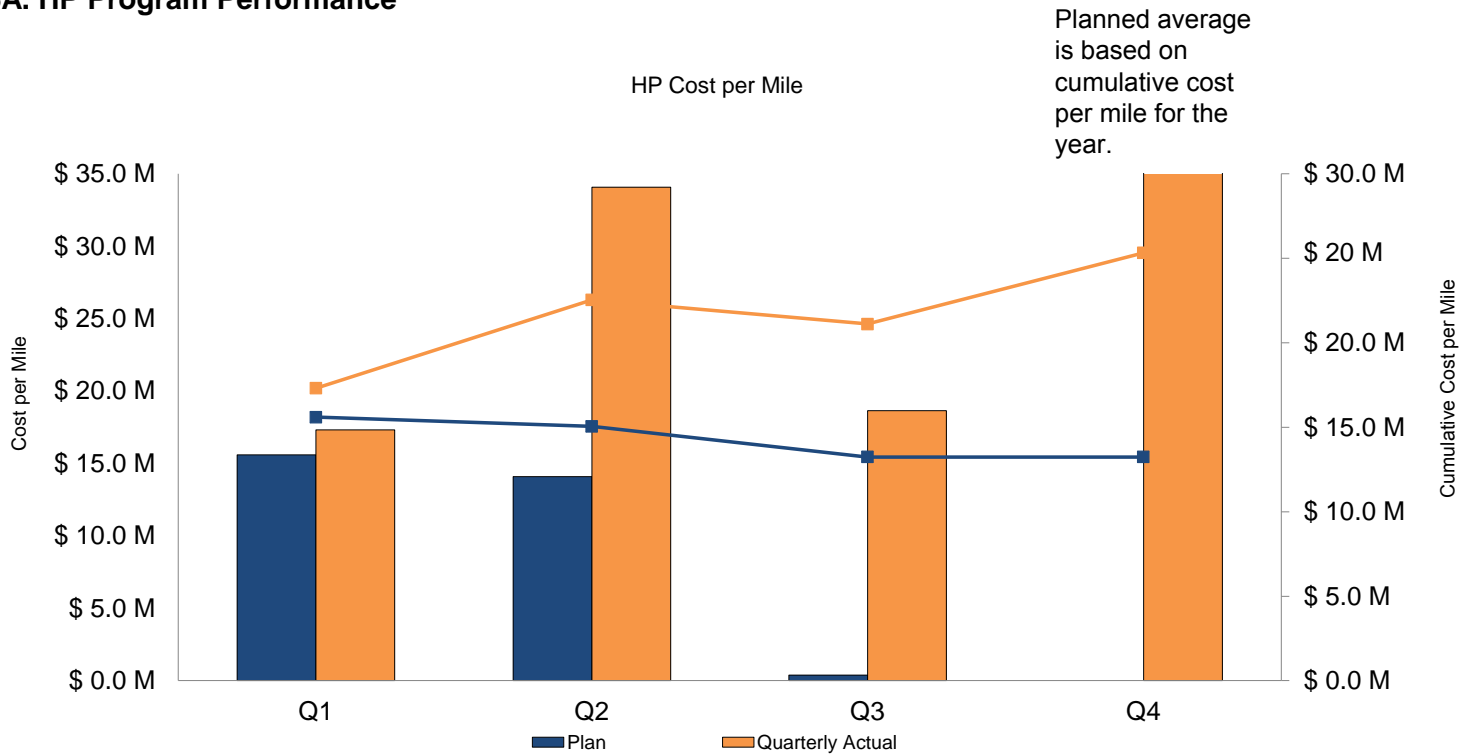
### Meter Cost (\$M)



# Peoples Gas - System Modernization Program *2018 Q4 Report*

High Pressure - Projects that support upgrading the system from Low Pressure to Medium pressure as well as projects establishing records and maximum allowable operating pressures.

## 6A. HP Program Performance

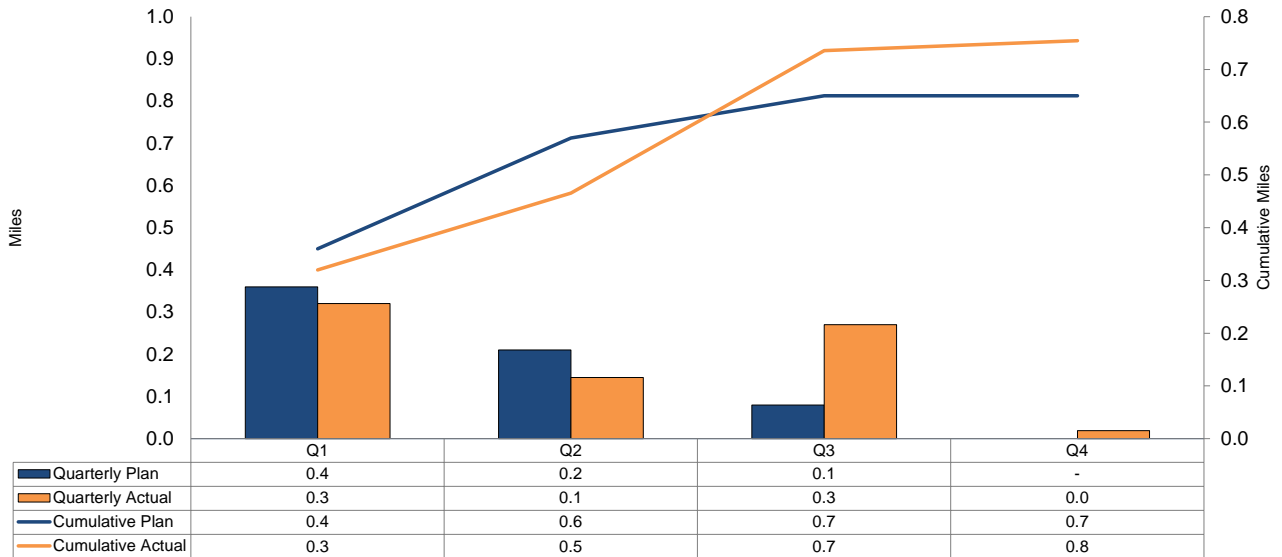


### Year-to-Date Numbers

	Cumulative Planned			Cumulative Actual		
	Cost (A)	Unit (B)	Cost/Unit (C=A/B)	Cost (D)	Unit (E)	Cost/Unit (F=D/E)
<b>Main Install</b>	\$ 8.6 M	0.65	\$13.2 M / install mile	\$ 19.1 M	0.75	\$25.3 M / install mile

## 6B. High Pressure Main Installation

### High Pressure Main Installation Quantity



### High Pressure Main Installation Cost (\$M)



# Peoples Gas - System Modernization Program *2018 Q4 Report*

## 7A. Disconnection Metrics

### A.1. Number of Disconnections per month

	2018-01	2018-02	2018-03	2018-04	2018-05	2018-06	2018-07	2018-08	2018-09	2018-10	2018-11	2018-12	YTD Total
Res Heating -Low Income <sup>(1)</sup>	-	-	-	1	328	285	377	421	380	358	12	-	2,162
Res Heating -Not-Low Income <sup>(1)</sup>	-	-	-	1	1,351	1,655	2,704	2,547	2,484	1,421	90	-	12,253
Res Non-Heating	-	-	-	-	19	30	94	119	144	43	2	-	451
Non Residential	36	13	26	83	96	172	291	302	195	93	19	2	1,328
<b>Total</b>	<b>36</b>	<b>13</b>	<b>26</b>	<b>85</b>	<b>1,794</b>	<b>2,142</b>	<b>3,466</b>	<b>3,389</b>	<b>3,203</b>	<b>1,915</b>	<b>123</b>	<b>2</b>	<b>16,194</b>

### A.2. Percentage of Disconnections per month

	2018-01	2018-02	2018-03	2018-04	2018-05	2018-06	2018-07	2018-08	2018-09	2018-10	2018-11	2018-12	YTD Total
Res Heating -Low Income <sup>(1)</sup>	-	-	-	0.0001%	0.0408%	0.0354%	0.0469%	0.0523%	0.0472%	0.0445%	0.0015%	-	0.2688%
Res Heating -Not-Low Income <sup>(1)</sup>	-	-	-	0.0001%	0.1680%	0.2058%	0.3362%	0.3167%	0.3088%	0.1767%	0.0112%	-	1.5234%
Res Non-Heating	-	-	-	-	0.0024%	0.0037%	0.0117%	0.0148%	0.0179%	0.0053%	0.0002%	-	0.0561%
Non-Residential	0.0401%	0.0145%	0.0290%	0.0925%	0.1070%	0.1918%	0.3244%	0.3367%	0.2174%	0.1037%	0.0212%	0.0022%	1.4806%

### A.3. Number of Accounts Eligible for Disconnection

	2018-01	2018-02	2018-03	2018-04	2018-05	2018-06	2018-07	2018-08	2018-09	2018-10	2018-11	2018-12	YTD Total
Res Heating -Low Income <sup>(1)</sup>	-	-	-	173	497	584	524	538	606	1,231	595	-	4,748
Res Heating -Not-Low Income <sup>(1)</sup>	-	-	-	6,458	24,142	34,806	28,496	31,039	30,053	31,984	16,820	-	203,798
Res Non-Heating	-	-	-	104	377	1,472	1,516	2,537	3,017	4,611	2,706	-	16,340
Non Residential	2,449	2,517	2,838	818	2,948	3,282	3,112	2,916	2,076	3,550	1,837	260	28,603
<b>Total</b>	<b>2,449</b>	<b>2,517</b>	<b>2,838</b>	<b>7,553</b>	<b>27,964</b>	<b>40,144</b>	<b>33,648</b>	<b>37,030</b>	<b>35,752</b>	<b>41,376</b>	<b>21,958</b>	<b>260</b>	<b>253,489</b>

### A.4. Number of Reconnections per month

	2018-01	2018-02	2018-03	2018-04	2018-05	2018-06	2018-07	2018-08	2018-09	2018-10	2018-11	2018-12	YTD Total
Res Heating -Low Income <sup>(1)</sup>	19	3	10	-	5	31	9	18	17	131	181	108	532
Res Heating -Not-Low Income <sup>(1)</sup>	27	5	34	14	167	474	645	777	712	904	731	201	4,691
Res Non-Heating	-	-	1	-	1	3	8	6	13	8	2	4	46
Non Residential	41	7	11	34	12	27	41	84	69	157	94	24	601
<b>Total</b>	<b>87</b>	<b>15</b>	<b>56</b>	<b>48</b>	<b>185</b>	<b>535</b>	<b>703</b>	<b>885</b>	<b>811</b>	<b>1,200</b>	<b>1,008</b>	<b>337</b>	<b>5,870</b>

Notes:

<sup>(1)</sup>Low Income is defined as accounts that received LIHEAP funding in the current program year which runs September through August.

# Peoples Gas - System Modernization Program *2018 Q4 Report*

## 7B. Uncollectibles Metrics

### B.1. Dollar Amount of Uncollectibles

	2018-01	2018-02	2018-03	2018-04	2018-05	2018-06	2018-07	2018-08	2018-09	2018-10	2018-11	2018-12	YTD Total
S.C. 1 Heating - Low Income <sup>(1)</sup>	\$ 28,638.72	\$ 33,273.05	\$ 22,050.04	\$ 49,565.81	\$ 53,691.01	\$ 8,927.38	\$ 164,634.47	\$ 246,133.73	\$ 261,629.01	\$196,407.24	\$182,665.14	\$ 200,846.35	\$ 1,448,461.95
S.C. 1 Heating - Not Low Income <sup>(1)</sup>	\$ 1,922,930.47	\$ 1,528,553.72	\$ 1,741,809.12	\$ 2,858,555.51	\$ 2,599,283.07	\$ 131,787.82	\$ 2,532,215.59	\$ 2,687,564.91	\$ 2,682,973.06	\$3,434,168.59	\$2,643,262.39	\$3,339,725.03	\$ 28,102,829.28
S.C. 1 Non-Heating	\$ 151,256.63	\$ 115,896.46	\$ 113,278.27	\$ 161,615.06	\$ 173,972.33	\$ 2,475,082.04	\$ 136,084.43	\$ 153,320.80	\$ 178,688.97	\$520,341.59	\$505,229.88	\$639,182.28	\$ 5,323,948.75
S.C. 2	\$ 179,717.18	\$ 215,767.31	\$ 168,537.15	\$ 99,257.08	\$ 429,511.21	\$ 251,692.52	\$ 411,793.67	\$ 418,670.65	\$ 318,267.93	\$396,596.34	\$461,930.20	\$ 276,800.96	\$ 3,628,542.18
S.C. 4	\$ -	\$ -	\$ -	\$ 3,642.03	\$ -	\$ -	\$ -	\$ -	\$ 19,885.84	\$ -	\$ -	\$ -	\$ 23,527.87
S.C. 8	\$ -	\$ -	\$ -	\$ 751.85	\$ -	\$ 26.13	\$ 519.64	\$ 141.05	\$ -	\$ -	\$ (141.62)	\$ -	\$ 1,297.05
<b>Total</b>	<b>\$ 2,282,543.00</b>	<b>\$ 1,893,490.54</b>	<b>\$ 2,045,674.58</b>	<b>\$ 3,173,387.34</b>	<b>\$ 3,256,457.61</b>	<b>\$ 2,867,515.89</b>	<b>\$ 3,245,247.80</b>	<b>\$ 3,505,831.14</b>	<b>\$ 3,461,444.81</b>	<b>\$ 4,547,513.76</b>	<b>\$ 3,792,945.99</b>	<b>\$ 4,456,554.62</b>	<b>\$ 38,528,607.08</b>

Notes:

<sup>(1)</sup>Low Income is defined as accounts that received LIHEAP funding in the current program year which runs September through August.



# Peoples Gas - System Modernization Program *2018 Q4 Report*

## 7C. Bill Impact Metrics

### Average residential heating customer's monthly bill

#### Service Classification No. 1 - Residential Heating Customer

	Therms <sup>(1)</sup>	Base Rates <sup>(2)</sup>	Rider QIP	Gas Charges	Other Riders <sup>(3)</sup>	Other State Charges <sup>(4)</sup>	State & Municipal Taxes <sup>(5)</sup>	Total
<b>January</b>	206.94	\$ 81.79	\$ 5.71	\$ 68.21	\$ 7.86	\$ 0.53	\$ 18.65	\$ 182.75
<b>February</b>	180.96	\$ 75.58	\$ 5.20	\$ 58.65	\$ 6.77	\$ 0.53	\$ 16.58	\$ 163.31
<b>March</b>	122.26	\$ 61.55	\$ 5.18	\$ 39.47	\$ 4.51	\$ 0.53	\$ 12.21	\$ 123.44
<b>April</b>	76.36	\$ 51.44	\$ 5.66	\$ 23.41	\$ 3.22	\$ 0.53	\$ 8.86	\$ 93.12
<b>May</b>	30.08	\$ 39.20	\$ 5.63	\$ 9.22	\$ 1.27	\$ 0.53	\$ 5.38	\$ 61.24
<b>June</b>	29.59	\$ 38.40	\$ 6.51	\$ 9.17	\$ 1.26	\$ 0.55	\$ 5.37	\$ 61.27
<b>July</b>	16.87	\$ 35.58	\$ 6.51	\$ 5.35	\$ 0.73	\$ 0.55	\$ 4.47	\$ 53.18
<b>August</b>	15.86	\$ 35.30	\$ 6.81	\$ 5.78	\$ 0.69	\$ 0.55	\$ 4.48	\$ 53.60
<b>September</b>	17.26	\$ 35.56	\$ 6.95	\$ 6.17	\$ 0.74	\$ 0.55	\$ 4.58	\$ 54.56
<b>October</b>	59.24	\$ 44.69	\$ 6.78	\$ 18.41	\$ 2.49	\$ 0.55	\$ 7.50	\$ 80.43
<b>November</b>	102.66	\$ 54.12	\$ 6.60	\$ 35.66	\$ 4.37	\$ 0.55	\$ 10.91	\$ 112.23
<b>December</b>	170.88	\$ 68.95	\$ 7.36	\$ 77.73	\$ 7.79	\$ 0.55	\$ 17.64	\$ 180.03
<b>Calendar Year</b>	1,028.96	\$ 622.17	\$ 74.90	\$ 357.23	\$ 41.73	\$ 6.50	\$ 116.65	\$ 1,219.17

Notes:

- <sup>(1)</sup>Weather normalized therms
- <sup>(2)</sup>Base Rate charges in effect and include Rider UEA, Rider VBA, Rider SSC, Rider VITA, and Rider ICTA
- <sup>(3)</sup>Charges under Rider UEA-Gas Cost, Rider 11 and Rider EOA
- <sup>(4)</sup>Additional state charges and PUAC under Rider 1
- <sup>(5)</sup>Additional charges for state and municipal utility taxes under Rider 1

# Peoples Gas - System Modernization Program *2018 Q4 Report*

## 7C. Bill Impact Metrics - October 2018

Line No.	Service Classification [A]	Therm Sales <sup>(1)</sup> [B]	Number of Customers <sup>(2)</sup> [C]	Average monthly usage per service classification [D] = [B] / [C]	Base Rate Charges <sup>(3)</sup> [E]	Rider QIP Charges <sup>(4)</sup> [F]	Gas Charges <sup>(5)</sup> [G]	Other Rider Charges <sup>(6)</sup> [H]	Other State Charges <sup>(7)</sup> [I]	State and Municipal Taxes <sup>(8)</sup> [J]	Total [K] Sum of col. [E]-[J]
<b>1 Sales</b>											
2	S. C. 1 Non-Htg	563,823	92,783	6	\$ 1,693,464	\$ 257,510	\$ 176,769	\$ 27,644	\$ 54,207	\$ 196,969	\$ 2,406,563
3	S. C. 1 Heating	34,582,974	618,980	56	\$ 27,382,063	\$ 4,124,124	\$ 10,802,614	\$ 1,456,551	\$ 345,430	\$ 4,443,167	\$ 48,553,950
4	S. C. 2	16,148,871	60,412	267	7,134,053	1,083,381	5,050,974	601,511	356,925	1,555,592	15,782,437
5	S. C. 4	141,029	4	35,257	23,287	3,070	40,491	2,757	11	9,191	78,806
6	S. C. 5 / 7	-	-	-	-	-	-	-	-	-	-
7	S. C. 8	4,411	13	339	1,683	179	1,365	86	18	356	3,687
8	<b>Total Sales</b>	<b>51,441,108</b>	<b>772,192</b>		<b>\$ 36,234,550</b>	<b>\$ 5,468,263</b>	<b>\$ 16,072,214</b>	<b>\$ 2,088,550</b>	<b>\$ 756,590</b>	<b>\$ 6,205,275</b>	<b>\$ 66,825,442</b>
<b>9 Transportation</b>											
10	S. C. 1 Non-Htg	63,495	9,488	7	172,170	26,215	1,308	2,095	5,592	23,001	230,382
11	S. C. 1 Heating	3,092,910	52,325	59	2,416,740	368,329	95,039	102,443	30,632	523,785	3,536,968
12	S. C. 2	25,781,722	18,123	1,423	6,505,365	993,551	640,905	860,837	103,209	2,814,441	11,918,307
13	S. C. 4	17,461,946	157	111,223	2,403,184	357,052	121,760	336,389	4,505	1,522,297	4,745,186
14	S. C. 5 / 7	2,395,275	3	798,425	142,202	-	-	9,350	418	1,766	153,736
15	S. C. 8	57,991	3	19,330	7,963	1,143	391	1,128	11	5,267	15,903
16	Contract and Pool	-	-	-	134,733	12,308	626,727	-	-	9,879	783,647
17	<b>Total Transportation</b>	<b>48,853,338</b>	<b>80,099</b>		<b>\$ 11,782,355</b>	<b>\$ 1,758,598</b>	<b>\$ 1,486,131</b>	<b>\$ 1,312,242</b>	<b>\$ 144,367</b>	<b>\$ 4,900,436</b>	<b>\$ 21,384,128</b>
<b>18 Sales and Transportation</b>											
19	S. C. 1 Non-Htg	627,318	102,271	6	1,865,634	283,725	178,078	29,739	59,799	219,970	2,636,944
20	S. C. 1 Heating	37,675,884	671,305	56	29,798,803	4,492,453	10,897,653	1,558,994	376,062	4,966,952	52,090,918
21	S. C. 2	41,930,593	78,535	534	13,639,418	2,076,932	5,691,879	1,462,348	460,133	4,370,033	27,700,743
22	S. C. 4	17,602,975	161	109,335	2,426,471	360,122	162,251	339,147	4,516	1,531,487	4,823,993
23	S. C. 5 / 7	2,395,275	3	798,425	142,202	-	-	9,350	418	1,766	153,736
24	S. C. 8	62,403	16	3,900	9,646	1,322	1,756	1,213	29	5,624	19,590
25	Contract and Pool	-	-	-	134,733	12,308	626,727	-	-	9,879	783,647
26	<b>Total Sales and Transportation</b>	<b>100,294,446</b>	<b>852,291</b>		<b>\$ 48,016,905</b>	<b>\$ 7,226,861</b>	<b>\$ 17,558,345</b>	<b>\$ 3,400,791</b>	<b>\$ 900,957</b>	<b>\$ 11,105,711</b>	<b>\$ 88,209,571</b>
27	<b>Add: Other Revenues <sup>(9)</sup></b>										<b>\$ 8,219,624</b>
28	<b>Operating Revenues plus State and Municipalities Taxes and Other State Charges (line 26 + line 27)</b>										<b>\$ 96,429,194</b>

\* There may be differences due to rounding.

- Notes: (1) Excludes Company Use of 646,110 therms.  
 (2) Number of customers at October 16, 2018.  
 (3) Base Rate charges in effect and include Rider UEA, Rider VBA, Rider SSC, Rider ICTA and Rider VITA.  
 (4) Rider QIP charges  
 (5) Gas charge and refund adjustments.  
 (6) Charges under Rider UEA-Gas Cost, Rider 11 and Rider EOA.  
 (7) Additional state charges under Rider 1.  
 (8) Additional charge for state and municipal utility taxes under Rider 1.  
 (9) Other revenues consist of amounts in ICC Account 487, 488, 489.3, 493 and 495.

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## 7C. Bill Impact Metrics - November 2018

Line No.	Service Classification [A]	Therm Sales <sup>(1)</sup> [B]	Number of Customers <sup>(2)</sup> [C]	Average monthly usage per service classification [D] = [B] / [C]	Base Rate Charges <sup>(3)</sup> [E]	Rider QIP Charges <sup>(4)</sup> [F]	Gas Charges <sup>(5)</sup> [G]	Other Rider Charges <sup>(6)</sup> [H]	Other State Charges <sup>(7)</sup> [I]	State and Municipal Taxes <sup>(8)</sup> [J]	Total [K] Sum of col. [E]-[J]
<b>1 Sales</b>											
2	S. C. 1 Non-Htg	929,944	93,601	10	\$ 1,607,931	\$ 195,819	\$ 319,006	\$ 46,608	\$ 49,900	\$ 206,460	\$ 2,425,724
3	S. C. 1 Heating	84,062,577	627,515	134	\$ 38,005,588	\$ 4,674,640	\$ 28,916,812	\$ 3,576,319	\$ 343,254	\$ 8,333,593	\$ 83,850,206
4	S. C. 2	34,194,798	61,200	559	9,924,145	1,224,287	11,763,697	1,271,263	327,084	2,860,848	27,371,324
5	S. C. 4	222,430	3	74,143	48,196	6,116	77,082	4,207	19	12,763	148,382
6	S. C. 5 / 7	-	-	-	-	-	-	-	-	-	-
7	S. C. 8	1,925	23	84	3,856	238	676	36	31	334	5,171
<b>8 Total Sales</b>		<b>119,411,673</b>	<b>782,342</b>		<b>\$ 49,589,716</b>	<b>\$ 6,101,100</b>	<b>\$ 41,077,273</b>	<b>\$ 4,898,433</b>	<b>\$ 720,287</b>	<b>\$ 11,413,998</b>	<b>\$ 113,800,807</b>
<b>9 Transportation</b>											
10	S. C. 1 Non-Htg	90,844	9,519	10	157,814	19,206	1,394	2,971	5,093	23,938	210,417
11	S. C. 1 Heating	7,571,303	52,631	144	3,083,914	379,522	96,726	247,093	28,144	986,761	4,822,161
12	S. C. 2	59,821,915	18,118	3,302	10,471,424	1,284,077	694,056	1,968,918	97,226	5,847,918	20,363,621
13	S. C. 4	26,412,610	158	167,168	3,162,865	386,241	142,886	498,378	6,562	1,333,906	5,530,837
14	S. C. 5 / 7	2,668,989	3	889,663	114,824	-	-	14,680	1,249	17,209	147,962
15	S. C. 8	69,189	3	23,063	9,686	1,193	504	1,309	17	6,799	19,508
16	Contract and Pool	-	-	-	22,483	(7,489)	10,595	-	-	2,773	28,362
<b>17 Total Transportation</b>		<b>96,634,849</b>	<b>80,432</b>		<b>\$ 17,023,010</b>	<b>\$ 2,062,751</b>	<b>\$ 946,161</b>	<b>\$ 2,733,349</b>	<b>\$ 138,290</b>	<b>\$ 8,219,306</b>	<b>\$ 31,122,867</b>
<b>18 Sales and Transportation</b>											
19	S. C. 1 Non-Htg	1,020,788	103,120	10	1,765,746	215,025	320,400	49,579	54,993	230,399	2,636,141
20	S. C. 1 Heating	91,633,880	680,146	135	41,089,502	5,054,162	29,013,538	3,823,412	371,398	9,320,354	88,672,367
21	S. C. 2	94,016,713	79,318	1,185	20,395,569	2,508,365	12,457,753	3,240,181	424,310	8,708,767	47,734,944
22	S. C. 4	26,635,040	161	165,435	3,211,061	392,357	219,968	502,585	6,580	1,346,669	5,679,219
23	S. C. 5 / 7	2,668,989	3	889,663	114,824	-	-	14,680	1,249	17,209	147,962
24	S. C. 8	71,113	26	2,735	13,541	1,431	1,181	1,346	48	7,134	24,680
25	Contract and Pool	-	-	-	22,483	(7,489)	10,595	-	-	2,773	28,362
<b>26 Total Sales and Transportation</b>		<b>216,046,523</b>	<b>862,774</b>		<b>\$ 66,612,725</b>	<b>\$ 8,163,851</b>	<b>\$ 42,023,434</b>	<b>\$ 7,631,782</b>	<b>\$ 858,578</b>	<b>\$ 19,633,304</b>	<b>\$ 144,923,674</b>
<b>27 Add: Other Revenues <sup>(9)</sup></b>											<b>\$ 6,028,356</b>
<b>28 Operating Revenues plus State and Municipalities Taxes and Other State Charges (line 26 + line 27)</b>											<b>\$ 150,952,030</b>

\* There may be differences due to rounding.

- Notes: (1) Excludes Company Use of 656,060 therms.  
 (2) Number of customers at November 16, 2018.  
 (3) Base Rate charges in effect and include Rider UEA, Rider VBA, Rider SSC, Rider ICTA and Rider VITA.  
 (4) Rider QIP charges  
 (5) Gas charge and refund adjustments.  
 (6) Charges under Rider UEA-Gas Cost, Rider 11 and Rider EOA.  
 (7) Additional state charges under Rider 1.  
 (8) Additional charge for state and municipal utility taxes under Rider 1.  
 (9) Other revenues consist of amounts in ICC Account 487, 488, 489.3, 493 and 495.

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## 7C. Bill Impact Metrics - December 2018

Line No.	Service Classification [A]	Therm Sales <sup>(1)</sup> [B]	Number of Customers <sup>(2)</sup> [C]	Average monthly usage per service classification [D] = [B] / [C]	Base Rate Charges <sup>(3)</sup> [E]	Rider QIP Charges <sup>(4)</sup> [F]	Gas Charges <sup>(5)</sup> [G]	Other Rider Charges <sup>(6)</sup> [H]	Other State Charges <sup>(7)</sup> [I]	State and Municipal Taxes <sup>(8)</sup> [J]	Total [K]
											Sum of col. [E]-[J]
<b>1</b>	<b>Sales</b>										
2	S. C. 1 Non-Htg	1,378,086	94,144	15	\$ 1,724,703	\$ 184,233	\$ 604,115	\$ 75,435	\$ 51,953	\$ 252,318	\$ 2,892,757
3	S. C. 1 Heating	104,307,998	632,898	165	\$ 42,554,663	\$ 4,554,115	\$ 46,695,019	\$ 4,735,786	\$ 343,524	\$ 10,719,872	\$ 109,602,979
4	S. C. 2	44,003,809	61,908	711	11,755,641	1,264,947	19,575,473	1,684,688	345,119	3,917,875	38,543,743
5	S. C. 4	298,886	3	99,629	36,508	3,845	133,066	5,622	18	22,680	201,738
6	S. C. 5 / 7	-	-	-	-	-	-	-	-	-	-
7	S. C. 8	(492)	21	(23)	(3,079)	(216)	(34)	(9)	(9)	(189)	(3,537)
<b>8</b>	<b>Total Sales</b>	<b>149,988,287</b>	<b>788,974</b>		<b>\$ 56,068,436</b>	<b>\$ 6,006,923</b>	<b>\$ 67,007,639</b>	<b>\$ 6,501,522</b>	<b>\$ 740,605</b>	<b>\$ 14,912,555</b>	<b>\$ 151,237,680</b>
<b>9</b>	<b>Transportation</b>										
10	S. C. 1 Non-Htg	124,477	9,560	13	171,261	18,274	1,599	4,050	5,357	27,662	228,204
11	S. C. 1 Heating	9,118,077	53,007	172	3,474,477	371,996	105,269	296,413	29,571	1,151,191	5,428,917
12	S. C. 2	53,499,044	18,127	2,951	9,359,873	986,876	714,942	1,754,025	100,341	4,863,771	17,779,827
13	S. C. 4	25,458,121	158	161,127	2,797,549	292,827	142,453	478,213	5,770	1,676,250	5,393,061
14	S. C. 5 / 7	2,792,022	3	930,674	112,203	-	-	15,356	413	17,071	145,043
15	S. C. 8	67,691	3	22,564	9,502	1,021	526	1,273	17	6,447	18,786
16	Contract and Pool	-	-	-	176,880	16,082	715,958	-	-	49,691	958,611
<b>17</b>	<b>Total Transportation</b>	<b>91,059,432</b>	<b>80,858</b>		<b>\$ 16,101,746</b>	<b>\$ 1,687,076</b>	<b>\$ 1,680,746</b>	<b>\$ 2,549,330</b>	<b>\$ 141,467</b>	<b>\$ 7,792,084</b>	<b>\$ 29,952,449</b>
<b>18</b>	<b>Sales and Transportation</b>										
19	S. C. 1 Non-Htg	1,502,563	103,704	14	1,895,964	202,507	605,714	79,485	57,310	279,980	3,120,961
20	S. C. 1 Heating	113,426,075	685,905	165	46,029,140	4,926,111	46,800,288	5,032,199	373,095	11,871,063	115,031,896
21	S. C. 2	97,502,852	80,035	1,218	21,115,514	2,251,823	20,290,415	3,438,713	445,460	8,781,645	56,323,570
22	S. C. 4	25,757,008	161	159,981	2,834,057	296,672	275,518	483,834	5,788	1,698,929	5,594,798
23	S. C. 5 / 7	2,792,022	3	930,674	112,203	-	-	15,356	413	17,071	145,043
24	S. C. 8	67,199	24	2,800	6,423	805	492	1,264	8	6,258	15,249
25	Contract and Pool	-	-	-	176,880	16,082	715,958	-	-	49,691	958,611
<b>26</b>	<b>Total Sales and Transportation</b>	<b>241,047,718</b>	<b>869,832</b>		<b>\$ 72,170,181</b>	<b>\$ 7,693,999</b>	<b>\$ 68,688,385</b>	<b>\$ 9,050,851</b>	<b>\$ 882,072</b>	<b>\$ 22,704,639</b>	<b>\$ 181,190,128</b>
27	Add: Other Revenues <sup>(9)</sup>										\$ (6,058,368)
<b>28</b>	<b>Operating Revenues plus State and Municipalities Taxes and Other State Charges (line 26 + line 27)</b>										<b>\$ 175,131,760</b>

\* There may be differences due to rounding.

- Notes: (1) Excludes Company Use of 432,490 therms.  
 (2) Number of customers at December 18, 2018.  
 (3) Base Rate charges in effect and include Rider UEA, Rider VBA, Rider SSC, Rider ICTA and Rider VITA.  
 (4) Rider QIP charges  
 (5) Gas charge and refund adjustments.  
 (6) Charges under Rider UEA-Gas Cost, Rider 11 and Rider EOA.  
 (7) Additional state charges under Rider 1.  
 (8) Additional charge for state and municipal utility taxes under Rider 1.  
 (9) Other revenues consist of amounts in ICC Account 487, 488, 489.3, 493 and 495.

# Peoples Gas - System Modernization Program *2018 Q4 Report*

## 7D. System Modernization Program (SMP)

	D1.		D2.	S.C. No. 1 Rider QIP <sup>(2)</sup>	D3.
	SMP Dollars Spent	QIP Dollars Spent	SMP % of QIP		S.C. No. 1 SMP <sup>(3)</sup>
January <sup>(1)</sup>	\$ 21,873,918.39	\$ 18,663,052.64	117.2%	\$ 5.71	\$ 6.69
February <sup>(1)</sup>	\$ 6,670,437.00	\$ 9,710,307.72	68.7%	\$ 5.20	\$ 3.57
March <sup>(1)</sup>	\$ 22,124,324.74	\$ 22,047,020.03	100.4%	\$ 5.18	\$ 5.19
April	\$ 31,162,812.11	\$ 32,017,946.29	97.3%	\$ 5.66	\$ 5.51
May <sup>(4)</sup>	\$ 17,814,984.07	\$ 17,436,866.29	102.2%	\$ 5.63	\$ 5.75
June	\$ 28,836,366.32	\$ 28,838,585.28	100.0%	\$ 6.51	\$ 6.51
July	\$ 42,759,684.60	\$ 42,830,425.65	99.8%	\$ 6.51	\$ 6.50
August	\$ 26,866,038.72	\$ 26,863,509.87	100.0%	\$ 6.81	\$ 6.81
September	\$ 7,802,438.66	\$ 7,811,114.08	99.9%	\$ 6.95	\$ 6.94
October	\$ 37,449,646.50	\$ 37,459,848.05	100.0%	\$ 6.78	\$ 6.78
November	\$ 31,487,905.02	\$ 31,532,026.03	99.9%	\$ 6.60	\$ 6.59
December	\$ 19,253,229.88	\$ 19,264,572.19	99.9%	\$ 7.36	\$ 7.35
Calendar Year	\$ 294,101,786.01	\$ 294,475,274.12	99.9%	\$ 74.90	\$ 74.21

### Notes:

<sup>(1)</sup>In January, 2018 Peoples Gas experienced both business and system process changes with the implementation of a new ERP system. As we worked through stabilizing these changes in the first quarter of 2018 we experienced abnormal splits between SMP and QIP spend.

<sup>(2)</sup>Rider QIP charges from Bill Impact Metric C4.

<sup>(3)</sup>Derived by taking D2. multiplied by the Rider QIP charges from Bill Impact Metric C4.

<sup>(4)</sup>QIP Dollars Spent this month are less than SMP Dollars Spent due to negative actuals in non-SMP work from an accrual reversal.

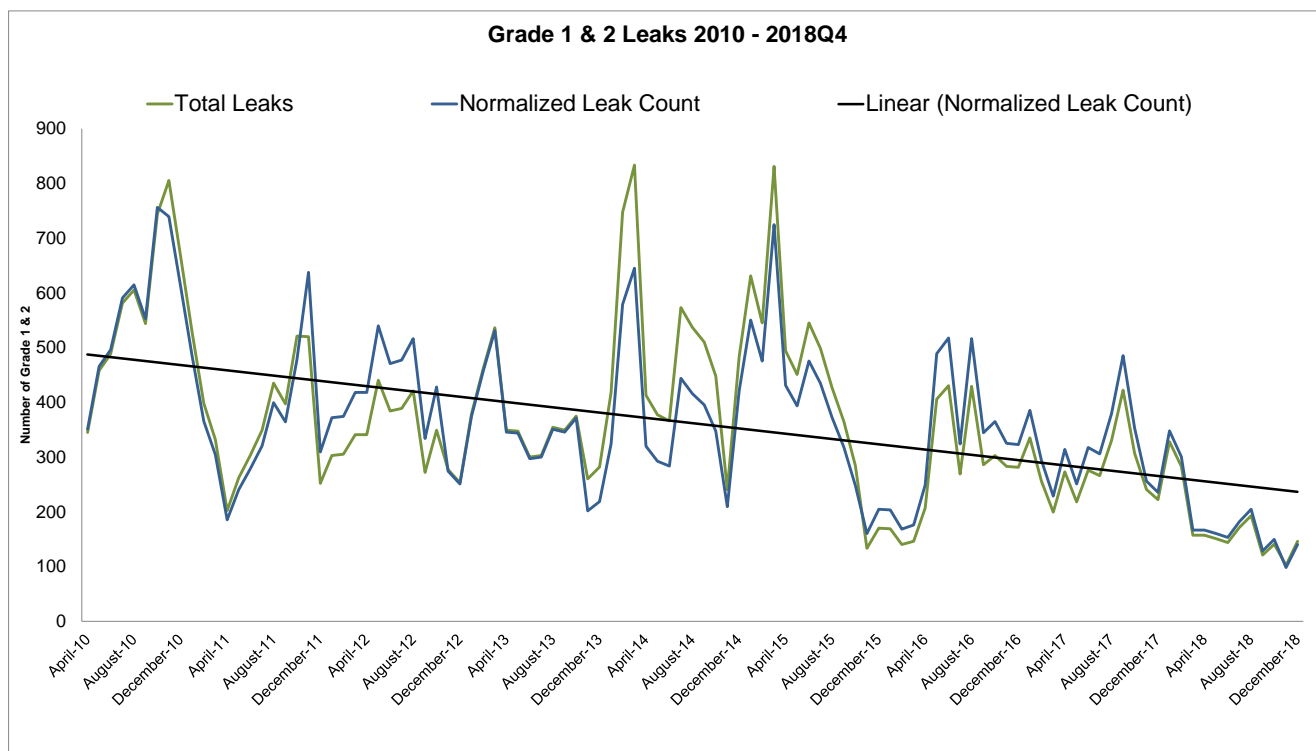
## 8. Company Overall Average Leak Rate

<b>Company Leak Rate - Overall (both replaced and to-be-replaced mains)</b>	Leak Count	2,641
	Mileage	1,787
	Leak Rate	1.48

$$\text{Leak Rate} = \text{Leak Count} \div \text{Mileage}$$

<b>Company Leak Rate - Remaining Main (using only to-be-replaced mains)</b>	Leak Count	2,587
	Mileage	1,362
	Leak Rate	1.90

$$\text{Leak Rate} = \text{Leak Count} \div \text{Mileage}$$



# Peoples Gas - System Modernization Program *2018 Q4 Report*

## APPENDIX A - NEIGHBORHOOD METRICS

Neighborhood	Construction Status	REMAINING					Start Year	End Year	Jan2018 Risk Rank	Mean UMRI
		Install Miles	Retirement Miles	Services	Meters	Cost (\$M)				
South Shore	In Progress	0.2	-	0	0	0.7	In Progress	2019		
Portage Park	Complete	-	-	0	0	-	In Progress	2018		
South Austin	Complete	-	-	0	0	-	In Progress	2018		
Albany Park	In Progress	17.0	17.0	1,686	4,975	43.0	In Progress	2020		
Ravenswood Manor*	In Progress	*Included in Albany Park					In Progress	2020		
Irving Park*	In Progress	*Included in Albany Park					In Progress	2020		
Beverly	Complete	-	-	0	0	-	In Progress	2018		
West Humboldt Park	Complete	-	-	0	0	-	In Progress	2018		
Morgan Park W	In Progress	0.2	3.0	90	98	5.1	In Progress	2019		
West Morgan Park	In Progress	0.4	2.0	0	0	2.6	In Progress	2020		
Stony Island Park	In Progress	7.0	5.0	766	1,052	19.7	2018	2019	8	0.196
South Edgebrook	In Progress	5.7	3.3	345	344	17.6	2018	2019	23	0.246
Bowmanville	In Progress	8.1	6.0	703	1,715	21.0	2018	2020	2	0.213
Mayfair	Not Started	18.0	10.0	1,520	2,807	40.5	2018	2020	3	0.278
West Elsdon	In Progress	40.6	24.8	4,273	4,804	90.0	2018	2022	17	0.263
Lincoln Square	Not Started	5.3	3.4	459	1,216	11.4	2019	2021	14	0.135
North Mayfair	Not Started	11.7	7.4	1,248	1,616	25.0	2019	2022	12	0.217
Norwood Park East	Not Started	27.6	17.6	2,118	2,912	59.1	2019	2023	7	0.197
Old Norwood Park	Not Started	14.9	9.5	802	883	31.0	2020	2022	6	0.180
Kenwood	Not Started	7.0	5.5	466	860	14.1	2020	2021	18	0.164
Union Ridge	Not Started	15.0	9.5	1,539	1,742	31.1	2020	2023	9	0.198
Schorsch Village	Not Started	15.9	10.1	1,757	2,164	33.1	2020	2023	16	0.226
Marquette Park	Not Started	40.3	25.7	4,377	6,611	83.9	2020	2023	34	0.216
Magnolia Glen	Not Started	2.2	1.4	110	300	4.4	2021	2021	21	0.109
Princeton Park	Not Started	7.9	5.0	644	975	12.2	2021	2022	26	0.334
Avalon Park	Not Started	10.1	6.5	896	879	20.5	2021	2022	33	0.158
Irving Woods	Not Started	13.4	8.5	1,439	1,648	27.2	2021	2023	4	0.386
Budlong Woods	Not Started	14.7	9.4	1,146	3,217	29.8	2021	2024	19	0.208
Cragin	Not Started	48.6	30.9	4,648	8,127	98.3	2021	2025	10	0.181
Old Irving Park	Not Started	16.4	10.4	1,062	2,154	32.6	2022	2024	20	0.135
Edgewater	Not Started	18.2	11.6	1,070	3,720	36.1	2022	2025	22	0.181
Garfield Ridge	Not Started	65.6	41.8	7,691	8,243	130.5	2022	2026	38	0.235
Oriole Park	Not Started	18.5	11.8	1,531	1,713	36.1	2023	2025	25	0.434
West Englewood	Not Started	48.6	30.9	4,372	4,297	94.9	2023	2026	35	0.243
Belmont Heights	Not Started	32.1	20.5	3,900	4,475	62.8	2023	2028	24	0.312
Edgebrook	Not Started	7.7	4.9	497	535	14.7	2024	2025	32	0.075
Andersonville	Not Started	9.9	6.3	781	2,213	19.0	2024	2026	29	0.164
Roscoe Village	Not Started	13.1	8.3	1,615	3,196	25.1	2024	2026	30	0.218
Bridgeport	Not Started	18.1	11.5	833	1,618	34.7	2024	2026	39	0.091
Norwood Park West	Not Started	23.8	15.2	2,047	2,137	45.7	2024	2027	11	0.292
Ravenswood	Not Started	35.8	22.8	2,624	8,438	68.7	2024	2027	27	0.162
South Chicago	Not Started	52.6	33.5	4,698	6,453	100.9	2024	2027	37	0.156
Jefferson Park	Not Started	86.6	55.1	8,699	11,837	166.1	2024	2028	36	0.188
Calumet Heights	Not Started	39.5	25.1	3,940	4,506	75.2	2025	2027	40	0.271
Trumbull Park	Not Started	0.4	0.2	9	13	0.7	2026	2026	42	0.888
Belmont Terrace	Not Started	8.2	5.2	816	887	15.5	2026	2027	41	0.262
Hermosa	Not Started	5.8	3.7	498	820	11.0	2026	2027	43	0.079
Jeffery Manor	Not Started	16.1	10.3	1,795	1,859	30.5	2026	2028	45	0.214
West Rogers Park	Not Started	68.6	43.7	5,257	11,563	129.6	2026	2029	46	0.147
Gage Park	Not Started	29.6	18.9	3,101	4,070	56.0	2026	2030	47	0.158
Rosemoor	Not Started	16.5	10.5	1,872	2,011	31.3	2027	2029	48	0.152
Chatham	Not Started	40.9	26.1	3,963	6,057	77.6	2027	2030	50	0.190
Brainerd	Not Started	29.6	18.9	2,704	3,328	56.1	2027	2031	49	0.192
Galewood	Not Started	29.4	18.7	2,905	3,440	55.8	2027	2031	51	0.196
Wrightwood	Not Started	31.5	20.0	3,110	3,232	59.6	2027	2031	52	0.200
Peterson Park	Not Started	4.1	2.6	414	615	7.8	2028	2028	53	0.390
Edison Park	Not Started	2.4	1.5	124	388	4.6	2028	2028	54	0.046
Hyde Park	Not Started	1.3	0.8	14	49	2.4	2028	2028	57	0.041
South East Ravenswood	Not Started	3.7	2.4	246	810	7.1	2028	2029	62	0.064
Little Village	Not Started	20.4	13.0	602	1,198	38.8	2028	2030	55	0.075
West Woodlawn	Not Started	18.0	11.5	1,216	2,471	34.2	2028	2030	60	0.156
Arcadia Terrace	Not Started	8.8	5.6	963	2,001	16.8	2028	2030	63	0.259

**APPENDIX A - NEIGHBORHOOD METRICS**

Neighborhood	Construction Status	REMAINING					Start Year	End Year	Jan2018 Risk Rank	Mean UMRI
		Install Miles	Retirement Miles	Services	Meters	Cost (\$M)				
Heart of Chicago	Not Started	19.5	12.4	2,235	5,524	37.0	2028	2032	58	0.136
West Lawn	Not Started	51.8	33.0	6,036	6,871	98.3	2028	2032	59	0.185
Grand Crossing	Not Started	33.3	21.2	2,246	3,711	63.3	2028	2032	61	0.183
Ashburn	Not Started	36.3	23.1	3,691	3,827	68.9	2028	2033	56	0.165
University Village / Little Italy	Not Started	2.1	1.3	6	1	4.0	2029	2029	66	0.033
East Chatham	Not Started	12.4	7.9	843	2,889	23.8	2029	2031	64	0.164
Brighton Park	Not Started	36.2	23.1	3,131	5,115	69.6	2029	2031	67	0.113
Lawndale	Not Started	30.6	19.5	1,896	3,471	58.9	2029	2033	65	0.077
Hanson Park	Not Started	2.3	1.5	269	500	4.5	2030	2030	72	0.321
South Old Irving Park	Not Started	1.9	1.2	133	304	3.8	2030	2030	75	0.202
The Bush	Not Started	6.3	4.0	513	741	12.3	2030	2031	68	0.237
Chicago Lawn	Not Started	10.0	6.4	955	1,372	19.5	2030	2031	69	0.119
Washington Heights	Not Started	13.4	8.5	1,135	1,116	26.1	2030	2031	77	0.124
Washington Park	Not Started	14.6	9.3	450	1,806	28.4	2030	2032	71	0.124
Roseland	Not Started	43.8	27.9	3,645	3,672	85.4	2030	2032	74	0.156
Sauganash	Not Started	25.8	16.4	2,053	2,269	50.2	2030	2033	70	0.169
Wrightwood Neighbors	Not Started	13.9	8.9	1,200	3,673	27.2	2030	2033	73	0.163
Fernwood	Not Started	22.4	14.3	2,242	2,091	43.6	2030	2033	76	0.189
Kelvin Park	Not Started	4.3	2.7	348	504	8.5	2031	2031	78	0.125
Heart of Italy	Not Started	0.9	0.6	2	7	1.8	2031	2031	83	0.122
Pulaski Park	Not Started	10.8	6.9	1,104	1,140	21.3	2031	2032	79	0.307
McKinley Park	Not Started	12.7	8.1	1,389	2,469	25.2	2031	2033	80	0.119
Big Oaks	Not Started	16.9	10.8	1,787	1,809	33.5	2031	2033	84	0.220
North Austin	Not Started	20.4	13.0	1,760	2,990	40.5	2031	2034	81	0.085
Park Manor	Not Started	36.3	23.1	3,151	5,406	71.8	2031	2034	82	0.144
Ravenswood Gardens	Not Started	1.2	0.8	120	342	2.4	2032	2032	86	0.201
Gladstone Park	Not Started	5.8	3.7	540	841	11.7	2032	2033	87	0.475
Ukrainian Village	Not Started	9.4	6.0	773	2,588	18.9	2032	2034	94	0.144
Archer Heights	Not Started	24.1	15.4	2,046	2,719	48.7	2032	2035	88	0.142
West Town	Not Started	40.1	25.5	2,841	6,952	80.8	2032	2035	89	0.097
West Pullman	Not Started	49.9	31.8	4,070	4,027	100.5	2032	2035	91	0.116
Rogers Park	Not Started	1.8	1.2	22	59	3.7	2032	2035	93	0.020
Bronzeville	Not Started	24.1	15.4	670	1,864	48.7	2032	2035	95	0.076
Lake View	Not Started	61.2	39.0	5,555	16,560	123.3	2032	2036	85	0.130
East Pilsen	Not Started	2.6	1.6	113	217	5.2	2033	2033	100	0.098
Sheffield Neighbors	Not Started	1.1	0.7	30	42	2.3	2033	2033	105	0.052
Cottage Grove Heights	Not Started	7.9	5.0	874	850	16.2	2033	2034	96	0.145
Marynook	Not Started	8.2	5.2	898	949	16.8	2033	2034	97	0.346
Longwood Manor	Not Started	15.1	9.6	1,665	1,625	31.0	2033	2035	101	0.158
Park West	Not Started	9.2	5.9	726	2,167	18.9	2033	2035	103	0.180
Old Town	Not Started	8.6	5.5	510	2,123	17.7	2033	2035	104	0.096
Morgan Park E	Not Started	27.1	17.3	2,567	2,603	55.6	2033	2036	98	0.137
Belmont Central	Not Started	39.7	25.3	4,542	6,497	81.4	2033	2036	99	0.146
Back of the Yards	Not Started	16.1	10.3	1,573	2,997	33.1	2033	2036	102	0.059
Logan Square	Not Started	64.4	41.0	6,113	14,892	132.1	2033	2037	106	0.101
East Beverly	Not Started	5.4	3.4	153	124	11.3	2034	2034	107	0.027
Lithuanian Plaza	Not Started	1.4	0.9	175	264	2.9	2034	2034	110	0.190
West Loop Gate	Not Started	0.5	0.3	3	67	1.0	2034	2034	111	0.079
Scottsdale	Not Started	41.1	26.2	4,153	4,282	85.7	2034	2036	109	0.232
Uptown	Not Started	15.2	9.7	768	3,996	31.7	2034	2037	113	0.136
Humboldt Park	Not Started	49.7	31.6	4,672	10,865	103.7	2034	2038	112	0.153
Montclare	Not Started	33.5	21.3	3,334	4,547	69.8	2034	2039	108	0.144
O'Hare	Not Started	3.5	2.2	93	338	7.3	2035	2035	114	0.043
Chinatown	Not Started	2.6	1.7	226	694	5.6	2035	2035	116	0.126
Forest Glen	Not Started	4.7	3.0	444	471	10.0	2035	2035	119	0.265
Wrigleyville	Not Started	3.6	2.3	379	1,304	7.6	2035	2036	115	0.147
North Park	Not Started	8.1	5.1	797	1,647	17.1	2035	2036	117	0.144
Near North	Not Started	9.5	6.1	225	583	20.2	2035	2036	121	0.058
Burnside	Not Started	16.6	10.6	1,306	1,423	35.3	2035	2037	122	0.088
South Deering	Not Started	27.0	17.2	2,227	2,482	57.4	2035	2038	120	0.085
Gresham	Not Started	65.5	41.7	5,651	7,473	139.2	2035	2039	118	0.118
Schorsch Forest View	Not Started	1.1	0.7	2	2	2.4	2036	2036	126	0.060



# Peoples Gas - System Modernization Program *2018 Q4 Report*

## APPENDIX A - NEIGHBORHOOD METRICS

Neighborhood	Construction Status	REMAINING					Start Year	End Year	Jan2018 Risk Rank	Mean UMRI
		Install Miles	Retirement Miles	Services	Meters	Cost (\$M)				
West De Paul	Not Started	1.7	1.1	109	276	3.6	2036	2036	127	0.038
Lathrop Homes	Not Started	3.1	2.0	129	595	6.7	2036	2036	128	0.034
The Island	Not Started	0.0	0.0	-	-	0.0	2036	2036	129	0.070
Dearborn Homes	Not Started	0.6	0.4	-	-	1.4	2036	2036	131	0.130
Pill Hill	Not Started	5.7	3.6	579	600	12.3	2036	2037	130	0.342
Noble Square	Not Started	10.6	6.8	987	3,369	23.0	2036	2038	123	0.094
Pilsen	Not Started	20.6	13.1	1,343	3,744	44.7	2036	2039	125	0.099
Woodlawn	Not Started	17.7	11.2	910	2,799	38.3	2036	2039	132	0.074
Englewood	Not Started	73.0	46.5	5,623	6,715	158.6	2036	2040	135	0.103
Lincoln Park	Not Started	22.4	14.3	1,613	4,187	48.6	2036	2040	143	0.209
East Garfield Park	Not Started	31.5	20.1	1,912	3,502	68.5	2036	2040	161	0.094
The Gap	Not Started	1.0	0.6	2	7	2.1	2037	2037	138	0.063
Winneconna Parkway	Not Started	1.5	0.9	64	123	3.3	2037	2037	139	0.125
West Garfield Park	Not Started	2.2	1.4	-	-	4.8	2037	2037	140	0.032
West Chatham	Not Started	4.3	2.8	460	578	9.7	2037	2037	141	0.082
Parkview	Not Started	2.2	1.4	221	244	4.9	2037	2037	144	0.051
Goose Island	Not Started	4.0	2.6	30	78	9.0	2037	2037	145	0.056
Near West Side	Not Started	6.8	4.3	257	562	15.0	2037	2038	134	0.046
West Chesterfield	Not Started	9.0	5.7	931	943	19.9	2037	2038	136	0.141
Hollywood Park	Not Started	4.9	3.1	539	1,117	10.9	2037	2038	137	0.122
South Loop	Not Started	10.6	6.7	152	669	23.4	2037	2038	146	0.051
Edgewater Beach	Not Started	10.2	6.5	485	2,792	22.7	2037	2039	142	0.103
Buena Park	Not Started	8.3	5.3	392	2,286	18.5	2037	2039	148	0.124
East Ukrainian Village	Not Started	11.6	7.4	1,270	3,900	25.8	2037	2040	147	0.116
Lake View East	Not Started	13.5	8.6	668	4,154	30.0	2037	2040	151	0.081
Bucktown	Not Started	32.0	20.4	3,416	7,865	71.1	2037	2040	167	0.048
Wicker Park	Not Started	18.9	12.0	1,549	4,466	41.9	2037	2040	173	0.053
Edgewater Glen	Not Started	2.1	1.3	160	385	4.8	2038	2038	154	0.110
Ida B. Wells / Darrow Homes	Not Started	0.8	0.5	-	-	1.9	2038	2038	156	0.037
Dunning	Not Started	10.0	6.4	1,240	1,427	22.7	2038	2039	149	0.063
Vittum Park	Not Started	7.8	5.0	903	960	17.7	2038	2039	152	0.229
Palmer Square	Not Started	8.4	5.4	778	2,047	19.1	2038	2039	153	0.175
North Center	Not Started	9.4	6.0	708	1,551	21.3	2038	2039	155	0.076
Belmont Gardens	Not Started	5.0	3.2	403	898	11.4	2038	2039	157	0.084
Avondale	Not Started	13.1	8.3	847	1,856	29.6	2038	2040	162	0.042
Gold Coast	Not Started	12.8	8.2	652	1,595	29.1	2038	2040	182	0.080
River North	Not Started	4.2	2.6	138	525	9.6	2039	2039	163	0.055
Lakewood - Balmoral	Not Started	2.9	1.9	251	484	6.8	2039	2039	164	0.070
Hegewisch	Not Started	0.1	0.0	-	-	0.2	2039	2039	165	0.022
Graceland West	Not Started	3.0	1.9	239	696	6.9	2039	2039	166	0.147
Clearing (W)	Not Started	0.5	0.3	-	-	1.1	2039	2039	169	0.008
Prairie Shores	Not Started	0.4	0.3	3	1	1.0	2039	2039	172	0.049
Illinois Medical District	Not Started	0.6	0.4	10	26	1.3	2039	2039	175	0.031
Ickes Prairie Homes	Not Started	0.9	0.6	2	4	2.0	2039	2039	176	0.040
Ranch Triangle	Not Started	0.6	0.4	5	13	1.5	2039	2039	177	0.043
Lake Meadows	Not Started	0.7	0.5	1	3	1.7	2039	2039	179	0.029
East Hyde Park	Not Started	0.0	0.0	2	1	0.1	2039	2039	180	0.025
Stateway Gardens	Not Started	0.0	0.0	-	-	0.0	2039	2039	183	0.015
Beverly View	Not Started	2.9	1.8	246	252	6.7	2039	2039	184	0.131
LeClaire Courts	Not Started	2.9	1.8	340	331	6.7	2039	2039	185	0.056
Homan Square	Not Started	0.3	0.2	4	2	0.8	2039	2039	186	0.027
Ford City	Not Started	0.0	0.0	-	-	0.1	2039	2039	187	0.002
Printers Row	Not Started	1.4	0.9	31	181	3.2	2039	2039	188	0.084
Fifth City	Not Started	4.7	3.0	199	552	10.9	2039	2039	190	0.073
Kilbourn Park	Not Started	6.3	4.0	433	798	14.7	2039	2040	158	0.139
Douglas Park	Not Started	6.3	4.0	260	589	14.7	2039	2040	160	0.138
Sheridan Park	Not Started	5.1	3.3	318	1,943	11.9	2039	2040	168	0.109
Old Town Triangle	Not Started	9.1	5.8	734	1,809	21.1	2039	2040	170	0.143
London Town	Not Started	4.3	2.7	445	758	9.9	2039	2040	174	0.048
Margate Park	Not Started	3.5	2.3	179	817	8.2	2039	2040	178	0.089
The Loop	Not Started	8.6	5.5	147	323	20.0	2039	2040	189	0.029
Parkway Gardens	Not Started	0.6	0.4	4	5	1.4	2040	2040	191	0.011

**APPENDIX A - NEIGHBORHOOD METRICS**

Neighborhood	Construction Status	REMAINING					Start Year	End Year	Jan2018 Risk Rank	Mean UMRI
		Install Miles	Retirement Miles	Services	Meters	Cost (\$M)				
Cabrini Green	Not Started	0.3	0.2	-	-	0.6	2040	2040	192	0.026
North Kenwood	Not Started	0.2	0.1	4	18	0.5	2040	2040	193	0.024
Prairie District	Not Started	0.9	0.6	10	40	2.2	2040	2040	194	0.026
South Commons	Not Started	1.4	0.9	80	107	3.3	2040	2040	196	0.017
Magnificent Mile	Not Started	0.4	0.3	1	1	0.9	2040	2040	197	0.049
Tri-Taylor	Not Started	-	-	-	-	-	2040	2040	198	0.061
The Villa	Not Started	0.6	0.4	-	-	1.5	2040	2040	199	0.030
Dearborn Park	Not Started	1.7	1.1	121	203	4.0	2040	2040	202	0.021
West Beverly	Complete	-	-	-	-	-		2017		0.048
Mount Greenwood	Complete	-	-	-	-	-				0.029
Altgeld Gardens	Complete	-	-	-	-	-				0.015
Horner Park	Complete	-	-	-	-	-				0.054
East Side	Complete	-	-	-	-	-				0.032
Sleepy Hollow	Complete	-	-	-	-	-				0.006
Wentworth Gardens	Complete	-	-	-	-	-				0.042
Canaryville	Complete	-	-	-	-	-				0.037
Fuller Park	Complete	-	-	-	-	-				0.032
Marycrest	Complete	-	-	-	-	-				0.031
Oakland	Complete	-	-	-	-	-				0.030
River West	Complete	-	-	-	-	-				0.029
Fulton River District	Complete	-	-	-	-	-				0.026
Jackson Park Highlands	Complete	-	-	-	-	-				0.025
Harbour Point Estates	Complete	-	-	-	-	-				0.025
Streeterville	Complete	-	-	-	-	-				0.025
Beverly Woods	Complete	-	-	-	-	-				0.025
Tally's Corner	Complete	-	-	-	-	-				0.024
The Robert Taylor Homes	Complete	-	-	-	-	-				0.019
Riverdale	Complete	-	-	-	-	-				0.016
Near East Side	Complete	-	-	-	-	-				0.016
Chrysler Village	Complete	-	-	-	-	-				0.015
Brynford Park	Complete	-	-	-	-	-				0.014
Kennedy Park	Complete	-	-	-	-	-				0.014
Pullman	Complete	-	-	-	-	-				0.011
Golden Gate	Complete	-	-	-	-	-				0.011
Wildwood	Complete	-	-	-	-	-				0.010
Eden Green	Complete	-	-	-	-	-				0.009
Mount Greenwood Heights	Complete	-	-	-	-	-				0.007
River's Edge	Complete	-	-	-	-	-				0.007
Groveland Park	Complete	-	-	-	-	-				0.006
Clearing (E)	Complete	-	-	-	-	-				0.005
Sauganash Woods	Complete	-	-	-	-	-				0.002
Greektown	Complete	-	-	-	-	-				0.001
Old Edgebrook	Complete	-	-	-	-	-				0

**APPENDIX B - NEIGHBORHOOD LEAK RATES & 2 YEAR AVERAGE**

NEIGHBORHOOD	2018 LEAK RATE (PER MILE)	2018 NORMALIZED RATE	NORMALIZED LEAK RATE (2 YR AVG)
Albany Park	3.70	3.93	4.02
Altgeld Gardens	0.00	0.00	0.00
Andersonville	1.20	1.27	1.09
Arcadia Terrace	1.22	1.30	1.00
Archer Heights	1.11	1.18	1.01
Ashburn	0.82	0.87	0.69
Avalon Park	0.63	0.66	0.45
Avondale	4.04	4.29	3.67
Back of the Yards	6.32	6.71	5.69
Belmont Central	0.80	0.85	1.10
Belmont Gardens	7.08	7.52	5.65
Belmont Heights	0.22	0.23	0.36
Belmont Terrace	0.57	0.60	0.51
Beverly	11.25	11.94	11.28
Beverly View	0.71	0.76	0.38
Beverly Woods	0.00	0.00	0.00
Big Oaks	1.00	1.06	0.66
Bowmanville	3.75	3.98	3.64
Brainerd	0.69	0.73	0.98
Bridgeport	2.43	2.58	3.21
Brighton Park	2.43	2.58	3.39
Bronzeville	1.36	1.45	2.27
Brynford Park	0.00	0.00	0.00
Bucktown	5.13	5.44	5.62
Budlong Woods	0.84	0.89	0.99
Buena Park	1.38	1.46	1.12
Burnside	1.48	1.57	1.10
Cabrini Green	0.00	0.00	0.00
Calumet Heights	1.19	1.26	0.93
Canaryville	0.00	0.00	0.00
Chatham	0.82	0.87	1.96
Chicago Lawn	3.19	3.39	3.02
Chinatown	2.14	2.27	1.54
Chrysler Village	0.00	0.00	0.00
Clearing (E)	0.00	0.00	0.00
Clearing (W)	33.33	35.37	25.23
Cottage Grove Heights	0.68	0.72	1.26
Cragin	1.31	1.39	1.37
Dearborn Homes	0.00	0.00	0.00
Dearborn Park	40.00	42.44	26.88
Douglas Park	1.25	1.33	0.66
Dunning	3.67	3.89	2.70
East Beverly	0.00	0.00	2.48
East Chatham	0.78	0.83	0.77
East Garfield Park	2.92	3.10	4.67
East Hyde Park	0.00	0.00	0.00
East Pilsen	7.50	7.96	4.45
East Side	0.00	0.00	0.00
East Ukrainian Village	3.60	3.82	3.72
Eden Green	0.00	0.00	0.00
Edgebrook	4.00	4.24	2.69
Edgewater	0.90	0.95	0.70
Edgewater Beach	0.85	0.90	1.05
Edgewater Glen	0.00	0.00	0.44
Edison Park	4.00	4.24	6.27
Englewood	1.79	1.90	2.08
Fernwood	2.45	2.60	1.62
Fifth City	2.86	3.03	7.18
Ford City	0.00	0.00	0.00
Forest Glen	0.38	0.41	0.20
Fuller Park	0.00	0.00	0.00
Fulton River District	0.00	0.00	0.00
Gage Park	1.32	1.41	1.12
Galewood	1.58	1.68	1.86
Garfield Ridge	0.75	0.80	0.79
Gladstone Park	1.60	1.70	1.30
Gold Coast	2.00	2.12	1.85
Golden Gate	0.00	0.00	0.00
Goose Island	4.29	4.55	2.54
Graceland West	1.18	1.25	0.62
Grand Crossing	1.20	1.27	1.31
Greektown	0.00	0.00	0.00
Gresham	2.12	2.25	1.98

**APPENDIX B - NEIGHBORHOOD LEAK RATES & 2 YEAR AVERAGE**

NEIGHBORHOOD	2018 LEAK RATE (PER MILE)	2018 NORMALIZED RATE	NORMALIZED LEAK RATE (2 YR AVG)
Groveland Park	0.00	0.00	0.00
Hanson Park	0.00	0.00	1.74
Harbour Point Estates	0.00	0.00	0.00
Heart of Chicago	4.00	4.24	4.03
Heart of Italy	1.43	1.52	0.76
Hegewisch	0.00	0.00	0.00
Hermosa	4.21	4.47	3.13
Hollywood Park	1.15	1.22	1.70
Homan Square	0.00	0.00	0.00
Horner Park	0.00	0.00	0.00
Humboldt Park	3.08	3.26	2.87
Hyde Park	12.50	13.26	10.17
Ickes Praire Homes	0.00	0.00	0.00
Ida B. Wells / Darrow Homes	0.00	0.00	0.00
Illinois Medical District	6.67	7.07	3.54
Irving Park	9.57	10.15	10.49
Irving Woods	0.85	0.91	1.01
Jackson Park Highlands	0.00	0.00	0.00
Jefferson Park	2.01	2.13	1.74
Jeffery Manor	1.01	1.07	0.92
Kelvin Park	2.22	2.36	1.18
Kennedy Park	0.00	0.00	0.00
Kenwood	2.55	2.71	1.84
Kilbourn Park	2.33	2.48	2.56
Lake Meadows	2.00	2.12	7.86
Lake View	2.30	2.44	2.38
Lake View East	1.34	1.43	1.39
Lakewood - Balmoral	1.43	1.52	2.38
Lathrop Homes	5.00	5.31	3.01
Lawndale	5.23	5.54	5.99
LeClaire Courts	0.59	0.62	0.31
Lincoln Park	2.52	2.68	2.40
Lincoln Square	1.54	1.63	3.43
Lithuanian Plaza	3.33	3.54	5.54
Little Village	3.33	3.54	3.32
Logan Square	3.07	3.25	3.48
London Town	0.95	1.01	0.77
Longwood Manor	1.79	1.90	1.96
Magnificent Mile	0.00	0.00	5.66
Magnolia Glen	2.50	2.65	2.03
Margate Park	0.56	0.59	0.61
Marquette Park	1.73	1.83	1.63
Marycrest	0.00	0.00	0.00
Marynook	0.63	0.66	0.69
Mayfair	5.09	5.41	3.34
McKinley Park	3.33	3.54	5.98
Montclare	1.10	1.16	1.20
Morgan Park E	0.96	1.01	0.72
Morgan Park W	12.94	13.73	16.52
Mount Greenwood	0.00	0.00	0.00
Mount Greenwood Heights	0.00	0.00	0.00
Near East Side	0.00	0.00	0.00
Near North	3.27	3.46	4.16
Near West Side	1.92	2.04	2.76
Noble Square	4.35	4.61	4.03
North Austin	3.62	3.84	3.73
North Center	3.13	3.32	3.90
North Kenwood	10.00	10.61	44.94
North Mayfair	2.90	3.08	2.91
North Park	0.71	0.76	1.46
Norwood Park East	2.89	3.06	2.06
Norwood Park West	0.72	0.76	1.16
O'Hare	6.67	7.07	4.35
Oakland	0.00	0.00	0.00
Old Edgebrook	0.00	0.00	0.00
Old Irving Park	2.23	2.37	1.73
Old Norwood Park	0.82	0.88	0.96
Old Town	3.64	3.86	4.25
Old Town Triangle	0.75	0.80	0.96
Oriole Park	1.84	1.96	1.25
Palmer Square	3.10	3.29	3.60
Park Manor	0.94	1.00	0.97
Park West	3.42	3.63	3.60

**APPENDIX B - NEIGHBORHOOD LEAK RATES & 2 YEAR AVERAGE**

NEIGHBORHOOD	2018 LEAK RATE (PER MILE)	2018 NORMALIZED RATE	NORMALIZED LEAK RATE (2 YR AVG)
Parkview	1.67	1.77	2.30
Parkway Gardens	0.00	0.00	0.00
Peterson Park	1.00	1.06	3.64
Pill Hill	0.00	0.00	0.39
Pilsen	3.65	3.87	3.82
Portage Park	2.50	2.65	3.80
Prairie District	0.00	0.00	5.66
Prairie Shores	0.00	0.00	0.00
Princeton Park	0.64	0.68	0.94
Printers Row	0.00	0.00	4.04
Pulaski Park	1.06	1.13	0.91
Pullman	0.00	0.00	0.00
Ranch Triangle	30.00	31.83	24.41
Ravenswood	1.54	1.64	2.14
Ravenswood Gardens	1.25	1.33	0.66
Ravenswood Manor	0.00	0.00	7.08
River North	6.15	6.53	5.88
River West	0.00	0.00	0.00
River's Edge	0.00	0.00	0.00
Riverdale	0.00	0.00	0.00
Rogers Park	6.25	6.63	8.98
Roscoe Village	1.32	1.40	1.20
Roseland	1.55	1.64	1.46
Rosemoor	1.61	1.71	1.34
Sauganash	2.05	2.18	1.75
Sauganash Woods	0.00	0.00	0.00
Schorsch Forest View	0.00	0.00	0.00
Schorsch Village	1.51	1.60	1.83
Scottsdale	0.25	0.26	0.44
Sheffield Neighbors	15.71	16.67	9.95
Sheridan Park	4.21	4.47	4.02
Sleepy Hollow	0.00	0.00	0.00
South Austin	17.37	18.43	14.28
South Chicago	0.98	1.04	1.50
South Commons	0.00	0.00	0.00
South Deering	0.56	0.59	0.61
South East Ravenswood	0.00	0.00	2.02
South Edgebrook	1.90	2.02	1.55
South Loop	2.45	2.60	3.01
South Old Irving Park	9.09	9.65	4.82
South Shore	11.33	12.03	9.79
Stateway Gardens	0.00	0.00	0.00
Stony Island Park	0.98	1.04	1.90
Streeterville	0.00	0.00	0.00
Tally's Corner	0.00	0.00	0.00
The Bush	1.22	1.29	1.06
The Gap	6.67	7.07	8.26
The Island	0.00	0.00	0.00
The Loop	6.36	6.75	6.72
The Robert Taylor Homes	0.00	0.00	0.00
The Villa	2.50	2.65	2.74
Tri-Taylor	0.00	0.00	0.00
Trumbull Park	0.00	0.00	1.89
Ukrainian Village	4.76	5.05	4.41
Union Ridge	0.47	0.49	0.77
University Village / Little Italy	6.15	6.53	5.01
Uptown	0.85	0.91	1.21
Vittum Park	1.36	1.45	1.11
Washington Heights	0.97	1.03	0.83
Washington Park	0.79	0.84	1.59
Wentworth Gardens	0.00	0.00	0.00
West Beverly	10.00	10.61	56.26
West Chatham	5.50	5.84	4.62
West Chesterfield	2.67	2.83	1.54
West De Paul	1.43	1.52	3.18
West Elsdon	0.92	0.97	1.03
West Englewood	1.69	1.80	1.43
West Garfield Park	5.71	6.06	9.10
West Humboldt Park	0.00	0.00	0.00
West Lawn	0.56	0.59	0.87
West Loop Gate	5.00	5.31	5.48
West Morgan Park	4.00	4.24	12.31
West Pullman	0.93	0.98	1.24

**APPENDIX B - NEIGHBORHOOD LEAK RATES & 2 YEAR AVERAGE**

NEIGHBORHOOD	2018 LEAK RATE (PER MILE)	2018 NORMALIZED RATE	NORMALIZED LEAK RATE (2 YR AVG)
West Rogers Park	1.27	1.35	1.13
West Town	2.45	2.60	2.19
West Woodlawn	2.39	2.54	2.63
Wicker Park	4.74	5.03	4.00
Wildwood	0.00	0.00	0.00
Winneconna Parkway	1.43	1.52	1.57
Woodlawn	1.41	1.49	2.07
Wrightwood	0.58	0.61	0.72
Wrightwood Neighbors	3.15	3.34	4.08
Wrigleyville	2.08	2.21	2.76

# Peoples Gas - System Modernization Program *2018 Q4 Report*

## APPENDIX C - PI/SI METRICS

Project	Construction Status	Driver	Install Miles	Retirement Miles	Services	Meters	Cost (\$M)	Meets UMRI Threshold*
60TH & GREEN	Complete - Q4	SI	0.6	0.2	34	112	\$ .7	NO
65TH & WINCHESTER POOR SUPPLY	Complete - Q4	SI	0.9	0.5	60	48	\$1.7	NO
8600-8620 S PULASKI	Complete - Q4	SI	1.4	0.5	126	146	\$3.0	NO
SEWER 6429 - 114TH PL & EDBROOKE	Complete - Q4	PI	0.0	0.0	0	0	\$ .1	NO
SEWER 6958A - 87TH & HONORE	Complete - Q4	PI	1.2	0.9	133	159	\$2.5	NO
SEWER 7002A - 64TH & PEORIA	Complete - Q4	PI	1.1	0.4	80	170	\$2.2	NO
SEWER 7315 - 108TH & WALLACE	Complete - Q4	PI	0.0	0.0	0	0	\$ .6	NO
SEWER 7365 - CULLERTON & KEELER	Complete - Q4	PI	1.0	0.6	147	187	\$1.8	NO
SEWER 7369 - 92ND & MICHIGAN	Complete - Q4	PI	0.0	0.0	0	0	\$ .1	NO

\* Main segment with a UMRI of 5.0 or greater that are adjacent to schools, hospitals and nursing homes and all other main segments with a UMRI of 6.0 or greater