
**Rate 77
Large Volume Transportation Service**

(Continued From Sheet No. 25)

- * (d) Storage Banking Service (SBS) Charge
0.38¢ per therm per month for all therms of Storage Banking Service capacity.

Customers may annually select Storage Banking Service capacity with a minimum selection of 1 times their Maximum Daily Contract Quantity (MDCQ) subject to the provisions included in Terms and Conditions.

For each therm of Company-supplied Gas delivered under this service, the charge shall be considered Authorized Use.

- (e) Firm Backup Service (FBS) Charge
The monthly charge for Firm Backup Service shall be the selected Firm Backup Service quantity (in therms) multiplied by the Demand Gas Cost (DGC) as defined in Rider 6.

For each therm of Company-supplied Gas delivered under this service, the charge shall be the Rider 6 Commodity Gas Cost (CGC).

- (f) Excess Storage Charge
10¢ per therm for the maximum amount in storage in excess of the Customer's Storage Banking Service capacity on any day during the billing period. If such maximum excess amount is less than five percent of the Customer's Storage Banking Service capacity, the Excess Storage Charge shall not apply. Revenues arising through the application of the Excess Storage Charge will be credited to Rider 6, Gas Supply Cost.

- (g) Requested Authorized Use Charge
For each therm of Requested Authorized Use, the charge shall be the higher of: (a) the Rider 6 Gas Cost (GC); or (b) the Market Price as defined in the Terms and Conditions applicable to this rate.

- (h) Authorized Use Charge
For each therm of Authorized Use, the charge shall be the higher of: (a) the Rider 6 Gas Cost (GC); or (b) the Market Price as defined in the Terms and Conditions applicable to this rate.

- (i) Unauthorized Use Charge
For each therm of Unauthorized Use, the charge shall be the sum of \$6.00 plus the higher of: (a) the Rider 6 Gas Cost (GC); or (b) the Market Price as defined in the Terms and Conditions applicable to this rate.

Revenues arising from the application of the \$6.00 per therm charge hereunder shall be credited to Rider 6, Gas Supply Cost.

(Continued On Sheet No. 27)

**Rate 74
General Transportation Service**

(Continued From Sheet No. 20)

- * On a Critical Day or an OFO Shortage Day, withdrawal of gas from storage shall be limited to the Customer's Storage Withdrawal Factor (SWF) times ~~0.023~~ ~~0.021~~ 0.021 as of the first June 1 after the Effective Date of this tariff times the Storage Banking Service capacity.

On any day, other than a Critical Day or an OFO Shortage Day, in which Customer-owned gas delivered to the Company, as adjusted for unaccounted-for gas, is less than the Customer's metered gas deliveries from the Company, the balance of any gas held in storage for the Customer's account will be used.

See Terms and Conditions for Order of Deliveries.

Contract.

The initial term of the contract shall be one year. The initial term shall commence when the Company begins to supply gas service hereunder and shall be automatically renewed each year for a period of one year. The contract will specify, in therms, the Maximum Daily Contract Quantity, the Storage Banking Service capacity and the Firm Backup Service quantity.

Company reserves the right to refuse to enter into any contract which specifies an unreasonably high Maximum Daily Contract Quantity.

The Customer shall have the right to terminate service under the contract at the end of any month on 30 days' written notice to the Company; provided, however, that in the event of termination, all amounts due the Company shall forthwith be paid, including, but not limited to, the Monthly Customer, Recording Device, and Administrative Charges for the unexpired portion of the initial term of contract and, if applicable, the Storage Banking Service, Firm Backup Service and Gas Supply Cost charges until June 1. A Customer may not voluntarily discontinue transportation service and subsequently renew transportation service under this rate or different transportation service provisions within a period of 12 consecutive months at the same premise.

* **General.**

The schedule of which this rate is a part includes certain Terms and Conditions and Riders. Service hereunder is subject to these Terms and Conditions and the Riders which are listed as applicable to this rate, including but not limited to, Transportation Limitations and Amounts, Maximum Daily Contract Quantity, definitions of Critical Day, definitions of an Operational Flow Order Day, Requested Authorized Use, Authorized Use, and Unauthorized Use.

**Rate 76
Large General Transportation Service**

(Continued From Sheet No. 23)

high price of gas as reported for Chicago citygate deliveries by Gas Daily for each day of Non-Performance. In the event that Gas Daily is unavailable, then a reported Chicago citygate price of another similar publication, as determined in the Company's sole discretion, shall be used.

On any day where the Company has imposed an Operational Flow Order, each therm of overdelivery of the Required Daily Delivery Range will be purchased from the Customer and the payment will be 50% of the low price of gas as reported for Chicago citygate deliveries by Gas Daily for each day of Non-Performance. In the event that Gas Daily is unavailable, then a reported Chicago citygate price of another similar publication, as determined in the Company's sole discretion, shall be used.

*** Minimum Monthly Charge.**

The minimum monthly bill shall be the sum of \$2,600 plus charges (c) through (k).

*** Storage.**

On any day in which Customer-owned gas delivered to the Company, as adjusted for unaccounted-for gas, exceeds the Customer's metered gas deliveries from the Company, the difference between such deliveries shall be the volume of gas held in storage by the Company and available for the Customer's use. The Customer may place into storage amounts up to the Storage Banking Service capacity.

On a Critical Day or an OFO Shortage Day, withdrawal of gas from storage shall be limited to the Customer's Storage Withdrawal Factor (SWF) times ~~0.0230-024~~ (0.021 as of the first June 1 after the Effective Date of this tariff) times the Storage Banking Service capacity.

On any day, other than a Critical Day or an OFO Shortage Day, in which Customer-owned gas delivered to the Company, as adjusted for unaccounted-for gas, is less than the Customer's metered gas deliveries from the Company, the balance of any gas held in storage for the Customer's account will be used.

See Terms and Conditions for Order of Deliveries.

Contract.

The initial term of the contract shall be one year. The initial term shall commence when the Company begins to supply gas service hereunder and shall be automatically renewed each year for a period of one year. The contract will specify, in terms, the Maximum Daily Contract Quantity, the Storage Banking Service capacity and the Firm Backup Service quantity.

Company reserves the right to refuse to enter into any contract which specifies an unreasonably high Maximum Daily Contract Quantity.

The Customer shall have the right to terminate service under the contract at the end of any month on 30 days' written notice to the Company; provided, however, that in the event of termination, all amounts due the Company shall forthwith be paid, including, but not limited to, the Minimum Monthly Charge for the un-expired portion of

(Continued on Sheet No. 24.5)

**Rate 77
Large Volume Transportation Service**

(Continued From Sheet No. 26)

(j) Transition Surcharge

The Transition Surcharge (TS) per therm, as determined in Rider 6, Gas Supply Cost, applied to total Customer usage less Company-supplied Gas.

(k) Operational Flow Order (OFO) Non-Performance Charge

On any day where the Company has imposed an Operational Flow Order, each therm of underdelivery of the Required Daily Delivery Range will be sold to the Customer and the charge will be 200% of the high price of gas as reported for Chicago citygate deliveries by Gas Daily for each day of Non-Performance.

In the event that Gas Daily is unavailable, then a reported Chicago citygate price of another similar publication, as determined in the Company's sole discretion, shall be used.

On any day where the Company has imposed an Operational Flow Order, each therm of overdelivery of the Required Daily Delivery Range will be purchased from the Customer and the payment will be 50% of the low price of gas as reported for Chicago citygate deliveries by Gas Daily for each day of Non-Performance. In the event that Gas Daily is unavailable, then a reported Chicago citygate price of another similar publication, as determined in the Company's sole discretion, shall be used.

* **Minimum Monthly Charge.**

The minimum monthly bill shall be the sum of \$8,000 plus (d) through (k).

* **Storage.**

On any day in which Customer-owned gas delivered to the Company, as adjusted for unaccounted-for gas, exceeds the Customer's metered gas deliveries from the Company, the difference between such deliveries shall be the volume of gas held in storage by the Company and available for the Customer's use. The Customer may place into storage amounts up to the Storage Banking Service capacity.

On a Critical Day or an OFO Shortage Day, withdrawal of gas from storage shall be limited to the Customer's Storage Withdrawal Factor (SWF) times ~~0.0230-024~~ (0.021 as of the first June 1 after the Effective Date of this tariff) times the Storage Banking Service capacity.

On any day, other than a Critical Day or an OFO Shortage Day, in which Customer-owned gas delivered to the Company, as adjusted for unaccounted-for gas, is less than the Customer's metered gas deliveries from the Company, the balance of any gas held in storage for the Customer's account will be used.

See Terms and Conditions for Order of Deliveries.

(Continued On Sheet No. 28)

Terms and Conditions

(Continued From Sheet No. 47)

A Critical Day shall be declared by 8:00 A.M. the day prior to the Critical Day. The calling of a Critical Day shall be limited to the period from November 1 through April 30. Notice of a Critical Day will be posted on the Company's electronic bulletin board and via a recorded dial-in message.

*** Operational Flow Order**

As provided for in Rider 16, Supplier Aggregation Service, the Company may impose an Operational Flow Order ("OFO") in order to adequately maintain its system. The Company shall first request Customers and Suppliers to voluntarily take actions to alleviate the supply situation that is threatening operational integrity, to the extent possible.

If such voluntary actions do not alleviate the situation, the Company will implement an OFO. Customers and Suppliers will be notified of any OFO at least two hours before the Gas Industry Standards Board nomination deadline on the interstate pipelines that interconnect with the Company's facilities. All OFOs will be posted on the Company's electronic bulletin board and via a recorded dial-in message. An e-mail notification will be made to customers requesting such notification and providing appropriate contact information. However, failure to receive e-mail notification shall not reduce the customer's obligations to comply with the OFO.

On days when an OFO is imposed as a result of the Company needing Customers and Suppliers to decrease their nominations (OFO Surplus Day), non-Customer Select transportation Customers shall have their Required Daily Delivery Range defined as a minimum of zero and a maximum equal to the lesser of their MDN or MDCQ.

On days when an OFO is imposed as a result of the Company needing Customers and Suppliers to increase their nominations (OFO Shortage Day), non-Customer Select transportation Customers shall have their Required Daily Delivery Range defined as a minimum equal to their usage on that day less any gas that is available to be withdrawn from their storage up to a maximum of the Customer's Storage Withdrawal Factor (SWF) times ~~0.021~~ 0.023 (0.021 as of the first June 1 after the Effective Date of this tariff) times the Customer's Storage Banking Service capacity, and a maximum of the Customer's MDCQ.

*** Priority of Supply**

On a Critical Day or an OFO Day (on any day an OFO is imposed), when operating conditions at any receipt point(s) are such that deliveries of gas to the Company would interfere with deliveries of gas stored by the Company or exceed the Company's take-away capacity, the Company shall accept gas supplies at that receipt point(s) in the following order: 1) firm pipeline capacity with the Company designated as primary delivery point; 2) firm pipeline capacity with the Company designated as secondary delivery point; and 3) interruptible transportation and authorized excess transportation. If gas supplies are such that all gas supplies in a given priority category cannot be accepted, the gas supplies in that priority category will be prorated.

(Continued On Sheet No. 49)

Terms and Conditions

(Continued From Sheet No. 49)

- * On November 1, Customer's that can annually subscribe to SBS shall have their elected SBS capacity filled to a minimum of 90 percent. A Storage Withdrawal Factor (SWF), expressed as a numerical value not to exceed 1.0, shall be determined by dividing the Customer's November 1 SBS inventory balance by their respective and then effective SBS capacity. Any SWF value greater than or equal to 0.90 shall be rounded 1.0. Any SWF less than 0.90 shall be rounded up to the next 0.01. Customer's SWF shall be effective beginning November 15 of each year. From November 1 through 14, Customer's SWF shall be one (1). A Customer's SWF shall be applied to their individual SBS withdrawals rights and serve to reduce their withdrawal rights on any Critical Day or OFO Shortage Day. Customers taking service under Rider 25 shall have their SWF computed based on the billing period which either crosses November 1 or includes November 1 as the bill ending date, however, such SWF shall only be applicable should Customer subsequently subscribe to transportation service under Rates 74, 75, 76 or 77.
- * On April 1, Customer's that can annually subscribe to SBS shall have their SBS inventory balance reduced to a maximum of 10 percent. A Storage Injection Factor (SIF), expressed as a numerical value, shall be determined by subtracting from one (1), the result obtained from dividing the Customer's April 1 SBS balance by their respective elected SBS capacity. Any SIF value greater than or equal to 0.90 shall be rounded to 1.0. Any SIF less than 0.90 shall be rounded up to the next 0.01. Customer's SIF for April will be one (1). A SIF shall be applicable to the 25 percent monthly storage injection component of each Customer's respective MDN quantities in effect beginning May 1 through October 31 of each year. Customers taking service under Rider 25 shall have their SIF computed based on the billing period which either crosses April 1 or includes April 1 as the ending date.
- * Terms available for withdrawal from storage on a Critical Day or OFO Shortage Day shall be limited to a Customer's SWF times ~~0.024~~0.023 (0.021 as of the first June 1 after the Effective Date of this tariff) times the Customer's Storage Banking Service capacity. Storage withdrawals are deemed to occur when Customer usage exceeds Requested Authorized Use and Customer-owned gas delivered.

A Customer may contract for delivery of Company-supplied gas under Firm Backup Service. The Company will provide gas up to the Firm Backup Service quantity on any day, including a Critical Day.

The Customer shall specify the SBS and FBS levels when initially contracting for service under any transportation rate.

A request for a transfer to a firm sales service rate, or a rate or rider which provides for a higher level of SBS or FBS, will be treated as a request for a change in the SBS or FBS.

An entity taking service at more than one location may contract for service as a Group. Each member of the Group shall individually contract for SBS and FBS. Nominations, SBS and FBS will be monitored at the group level in aggregate. However, on a Critical Day, Customers will be monitored on an individual basis for compliance with SBS and FBS selections. Customers electing service under Rider 25 will not be permitted to form a group with Customers electing service under any other transportation rate.

(Continued On Sheet No. 50.1)

**Rider 13
Supplier Transportation Service**

(Continued From Sheet No. 71)

Revenues arising from the application of the \$6.00 per therm charge hereunder shall be credited to Rider 6, Gas Supply Cost.

All other charges will be billed to the individual members accounts, including but not limited to, Storage Banking Service, Firm Backup Service, Administrative, Monthly Customer, Recording Device and Transition Surcharge.

Contract.

The Group Manager must provide adequate assurances of payment to the Company. Such assurances may include prior payment of an amount equivalent to two months of service, including gas costs, under this rider or an irrevocable standby letter of credit drawn on a bank acceptable to the Company.

The contract between the Company and the Group Manager shall provide for: (a) the measurement of Group-owned gas delivered to the Company; (b) the rate or rates of delivery of gas transported for any Group Manager hereunder; and (c) the procedure by which the Group Manager shall nominate daily delivery quantities of Group-owned gas to the Company. The Group Manager shall arrange to have the pipeline transporter and the seller/shipper provide the Company with the daily delivery data for all Group-owned gas delivered to the Company's system.

* **Storage.**

On any day in which Group-owned gas delivered to the Company, as adjusted for unaccounted-for gas, exceeds the Group's metered gas deliveries from the Company, the difference between such deliveries shall be the volume of gas held in storage by the Company and available for the Group's use. The Group Manager may place into storage amounts up to the aggregate of the individual Group members' Storage Banking Service capacity selected.

On a Critical Day or an Operational Flow Order Day, each individual group member's withdrawal of gas from storage shall be limited to the Group's Storage Withdrawal Factor (SWF) times ~~0.021~~0.023 (0.021 as of the first June 1 after the Effective Date of this tariff) times the individual member's Storage Banking Service capacity. See Terms and Conditions for additional limitations and Order of Deliveries.

On any day, other than a Critical Day, in which Group-owned gas delivered to the Company, as adjusted for unaccounted-for gas, is less than the Group members' aggregate metered gas deliveries from the Company, the balance of any gas held in storage for the Group's account will be used.

* **General.**

The schedule of which this rider is a part includes certain Terms and Conditions. Service hereunder is subject to these Terms and Conditions including, but not limited to, Transportation Limitations and Amounts, Maximum Daily Contract Quantity, definitions of Critical Day, definitions of an Operational Flow Order Day, Requested Authorized Use, Authorized Use, and Unauthorized Use.

Terms and Conditions

(Continued From Sheet No. 49)

- * On November 1, Customer's that can annually subscribe to SBS shall have their elected SBS capacity filled to a minimum of 90 percent. A Storage Withdrawal Factor (SWF), expressed as a numerical value not to exceed 1.0, shall be determined by dividing the Customer's November 1 SBS inventory balance by their respective and then effective SBS capacity. Any SWF value greater than or equal to 0.90 shall be rounded 1.0. Any SWF less than 0.90 shall be rounded up to the next 0.01. Customer's SWF shall be effective beginning November 15 of each year. From November 1 through 14, Customer's SWF shall be one (1). A Customer's SWF shall be applied to their individual SBS withdrawals rights and serve to reduce their withdrawal rights on any Critical Day or OFO Shortage Day. Customers taking service under Rider 25 shall have their SWF computed based on the billing period which either crosses November 1 or includes November 1 as the bill ending date, however, such SWF shall only be applicable should Customer subsequently subscribe to transportation service under Rates 74, 75, 76 or 77.
- * On April 1, Customer's that can annually subscribe to SBS shall have their SBS inventory balance reduced to a maximum of 10 percent. A Storage Injection Factor (SIF), expressed as a numerical value, shall be determined by subtracting from one (1), the result obtained from dividing the Customer's April 1 SBS balance by their respective elected SBS capacity. Any SIF value greater than or equal to 0.90 shall be rounded to 1.0. Any SIF less than 0.90 shall be rounded up to the next 0.01. Customer's SIF for April will be one (1). A SIF shall be applicable to the 25 percent monthly storage injection component of each Customer's respective MDN quantities in effect beginning May 1 through October 31 of each year. Customers taking service under Rider 25 shall have their SIF computed based on the billing period which either crosses April 1 or includes April 1 as the ending date.
- * Terms available for withdrawal from storage on a Critical Day or OFO Shortage Day shall be limited to a Customer's SWF times ~~0.024~~0.023 (0.021 as of the first June 1 after the Effective Date of this tariff) times the Customer's Storage Banking Service capacity. Storage withdrawals are deemed to occur when Customer usage exceeds Requested Authorized Use and Customer-owned gas delivered.

A Customer may contract for delivery of Company-supplied gas under Firm Backup Service. The Company will provide gas up to the Firm Backup Service quantity on any day, including a Critical Day.

The Customer shall specify the SBS and FBS levels when initially contracting for service under any transportation rate.

A request for a transfer to a firm sales service rate, or a rate or rider which provides for a higher level of SBS or FBS, will be treated as a request for a change in the SBS or FBS.

An entity taking service at more than one location may contract for service as a Group. Each member of the Group shall individually contract for SBS and FBS. Nominations, SBS and FBS will be monitored at the group level in aggregate. However, on a Critical Day, Customers will be monitored on an individual basis for compliance with SBS and FBS selections. Customers electing service under Rider 25 will not be permitted to form a group with Customers electing service under any other transportation rate.

(Continued On Sheet No. 50.1)

**Rate 5
Seasonal Use Service**

Availability.

This rate is available to any eligible Customer using the Company's gas service for minimal winter use where such winter use during each billing month of January through April represents less than five (5) percent of the total annual usage during the twelve (12) billing months prior to eligibility determination. Billing month shall be defined by the ending date of the bill period. Eligibility will be determined in April of each year. Eligibility shall be further contingent upon (i) the request by a qualified Customer, (ii) customer receiving gas service for the twelve (12) consecutive months preceding eligibility determination, and (iii) customer utilizing no more than 250,000 therms during the eligibility period. Customers deemed ineligible for this rate shall be placed on Rate 4, General Service for a period of one (1) year.

Charges shall be the sum of (a), (b) and (c).

(a) **Monthly Customer Charge**

The Monthly Customer Charge shall be based on meter class capacity in cubic feet per hour (cfh) at low pressure delivery as follows:

	<u>Meter Class</u>
\$ 18.00 per month	A. (less than 1,000 cfh)
\$ 57.50 per month	B. (1,000-10,000 cfh)
\$130.50 per month	C. (greater than 10,000 cfh)

(b) **Distribution Charge**

(Effective as of October 2, 2005)

3.80¢ per therm

3.26¢ per therm

Distribution Charge

(Effective as of January 1, 2007)

xx.xx¢ per therm

x.xx¢ per therm

Billing Months

January through April

May through December

(c) **Gas Supply Cost**

The Gas Cost (GC) per therm supplied in the month as determined in accordance with the Company's Rider 6, Gas Supply Cost.

Term of Contract.

The initial term of contract hereunder shall be one year, except that the Customer may convert to Rate 4, 6 or Rate 7 at any time.

The initial term shall commence when the Company begins to supply gas hereunder and, after the expiration of such initial term, the contract shall be automatically renewed each year for a period of one year. The Customer shall have the right to terminate service under the contract at the end of any month on 30 days' written notice to the Company; provided, however, that in the event of termination, all amounts due the Company shall forthwith be paid, including the Monthly Customer Charge for the unexpired portion of the initial term of contract.

General.

The Schedule of which this rate is a part includes certain general Terms and Conditions and Riders. Service hereunder is subject to these Terms and Conditions and the Riders which are listed as applicable to this rate.

**Rate 75
Seasonal Use Transportation Service**

Availability.

For any commercial or industrial Customer at a single location who enters into a contract with the Company hereunder, to transport Customer-owned gas from an interconnection with a pipeline supplier of the Company to the Customer's premises; and

- (a) where the Customer's monthly metered use during the months of December through March shall be less than five (5) percent of Customer's total annual metered usage. Availability shall be contingent upon a qualified Customer's valid request and shall be limited to customers with twelve consecutive months of service with metered deliveries not to exceed 250,000 therms annually; and
- (b) where the Customer has contracted for transportation of direct purchases from the delivery point of the seller to an existing interstate pipeline interconnection with the Company's facilities as approved by the Company, which interconnection, in the sole judgment of the Company, is capable of receiving the Customer's gas without impairment of anticipated deliveries of any gas supplies to be purchased by the Company for general system use; and
- (c) where the final pipeline transporter of such Customer-owned gas agrees to provide daily delivery data for such gas to the Company; and
- (d) where satisfactory evidence of Customer's contracts with seller(s) and intrastate or interstate transporters are provided to the Company; and
- (e) where all such arrangements have been approved by each regulatory agency having jurisdiction over such matters, to the satisfaction of the Company; and
- (f) where Customer provides a telephone line to within six (6) feet of the meter, which telephone line shall be directly accessible. The telephone line must terminate with an approved demarcation box. The Customer's telephone service must conform to the specifications of the metering equipment, and the metering equipment will not be installed by the Company until the required telephone line is available.

Customers served hereunder shall have their metered usage and nominations daily balanced in accordance with any transportation and storage provisions.

Winter Period Usage.

During the months of December through March, Customer shall reduce its monthly metered usage to less than five (5) percent of the total annual usage during the twelve (12) months prior to eligibility determination. Eligibility will be determined in April of each year. Absent the receipt by the Company of written notification from Customer prior to May 10th, requesting to be placed on Rate 4, General Service, Customer, if deemed ineligible for this rate, shall be placed on Rate 74, General Transportation Service for a period of one (1) year.

(Continued On Sheet No. 21.4)

Rate 75
Seasonal Use Transportation Service

(Continued From Sheet No. 21.3)

Charges shall be the sum of (a) through (l).

(a) Administrative Charge
 \$25.00 per month for an individual account. Group accounts will be charged \$7.00 per month per account with a minimum group charge of \$32.00.

(b) Recording Device Charge
 \$5.00 per month per each account with a diaphragm meter; or
 \$12.00 per month for each account for all other meter types

(c) Monthly Customer Charge
 The monthly Customer Charge shall be based on meter class capacity in cubic feet per hour (cfh) at low pressure delivery as follows:

	Meter Class
\$ 18.00 per month	A. (less than 1,000 cfh)
\$ 57.50 per month	B. (1,000-10,000 cfh)
\$130.50 per month	C. (greater than 10,000 cfh)

	Distribution Charge	Therms Supplied in Months
(d) <u>Distribution Charge</u> (Effective as of October 2, 2005)	(Effective as of January 1, 2007)	
2.75¢ per therm	xx.xx¢ per therm	December through March
1.84¢ per therm	x.xx¢ per therm	April through November

(e) Storage Banking Service (SBS) Charge
 0.38¢ per therm per month for all therms of Storage Banking Service capacity.

Customers may annually select Storage Banking Service capacity with a minimum selection of 1 times their Maximum Daily Contract Quantity (MDCQ) subject to the provisions included in Terms and Conditions.

For each therm of Company-supplied Gas delivered under this service, the charge shall be considered Authorized Use.

(f) Firm Backup Service (FBS) Charge
 The monthly charge for Firm Backup Service shall be the selected Firm Backup Service quantity (in therms) multiplied by the Demand Gas Cost (DGC) as defined in Rider 6.

For each therm of Company-supplied Gas delivered under this service, the charge shall be the Rider 6 Commodity Gas Cost (CGC).

(Continued On Sheet No. 21.5)

**Rate 75
Seasonal Use Transportation Service**

(Continued From Sheet No. 21.4)

- (g) Excess Storage Charge
10¢ per therm for the maximum amount in storage in excess of the Customer's Storage Banking Service capacity on any day during the billing period. If such maximum excess amount is less than five percent of the Customer's Storage Banking Service capacity, the Excess Storage Charge shall not apply. Revenues arising through the application of the Excess Storage Charge will be credited to Rider 6, Gas Supply Cost.
- (h) Requested Authorized Use Charge
For each therm of Requested Authorized Use, the charge shall be the higher of: (a) the Rider 6 Gas Cost (GC); or (b) the Market Price as defined in the Terms and Conditions applicable to this rate.
- (i) Authorized Use Charge
For each therm of Authorized Use, the charge shall be the higher of: (a) the Rider 6 Gas Cost (GC); or (b) the Market Price as defined in the Terms and Conditions applicable to this rate.
- (j) Unauthorized Use Charge
For each therm of Unauthorized Use, the charge shall be the sum of \$6.00 plus the higher of: (a) the Rider 6 Gas Cost (GC); or (b) the Market Price as defined in the Terms and Conditions applicable to this rate.
- Revenues arising from the application of the \$6.00 per therm charge hereunder shall be credited to Rider 6, Gas Supply Cost.
- (k) Transition Surcharge
The Transition Surcharge (TS) per therm, as determined in Rider 6, Gas Supply Cost, applied to total Customer usage less Company-supplied Gas.
- (l) Operational Flow Order (OFO) Non-Performance Charge
On any day where the Company has imposed an Operational Flow Order, each therm of underdelivery of the Required Daily Delivery Range will be sold to the Customer and the charge will be 200% of the high price of gas as reported for Chicago citygate deliveries by Gas Daily for each day of Non-Performance. In the event that Gas Daily is unavailable, then a reported Chicago citygate price of another similar publication, as determined in the Company's sole discretion, shall be used.

On any day where the Company has imposed an Operational Flow Order, each therm of overdelivery of the Required Daily Delivery Range will be purchased from the Customer and the payment will be 50% of the low price of gas as reported for Chicago citygate deliveries by Gas Daily for each day of Non-Performance. In the event that Gas Daily is unavailable, then a reported Chicago citygate price of another similar publication, as determined in the Company's sole discretion, shall be used.

(Continued On Sheet No. 21.6)

**Rate 75
Seasonal Use Transportation Service**

(Continued From Sheet No. 21.5)

Storage.

On any day in which Customer-owned gas delivered to the Company, as adjusted for unaccounted-for gas, exceeds the Customer's metered gas deliveries from the Company, the difference between such deliveries shall be the volume of gas held in storage by the Company and available for the Customer's use. The Customer may place into storage amounts up to the Storage Banking Service capacity.

On a Critical Day or an OFO Shortage Day, withdrawal of gas from storage shall be limited to the Customer's Storage Withdrawal Factor (SWF) times ~~0.0239-024~~ (0.021 as of the first June 1 after the Effective Date of this tariff) times the Storage Banking Service capacity.

On any day, other than a Critical Day or an OFO Shortage Day, in which Customer-owned gas delivered to the Company, as adjusted for unaccounted-for gas, is less than the Customer's metered gas deliveries from the Company, the balance of any gas held in storage for the Customer's account will be used.

See Terms and Conditions for Order of Deliveries.

Contract.

The initial term of the contract shall be one year. The initial term shall commence when the Company begins to supply gas service hereunder and shall be automatically renewed each year for a period of one year. The contract will specify, in terms, the Maximum Daily Contract Quantity, the Storage Banking Service capacity and the Firm Backup Service quantity.

Company reserves the right to refuse to enter into any contract which specifies an unreasonably high Maximum Daily Contract Quantity.

The Customer shall have the right to terminate service under the contract at the end of any month on 30 days' written notice to the Company; provided, however, that in the event of termination, all amounts due the Company shall forthwith be paid, including, but not limited to, the Monthly Customer, Recording Device, and Administrative Charges for the unexpired portion of the initial term of contract and, if applicable, the Storage Banking Service, Firm Backup Service and Gas Supply Cost charges until June 1. A Customer may not voluntarily discontinue transportation service and subsequently renew transportation service under this rate or different transportation service provisions within a period of 12 consecutive months at the same premise.

General.

The schedule of which this rate is a part includes certain Terms and Conditions and Riders. Service hereunder is subject to these Terms and Conditions and the Riders which are listed as applicable to this rate, including but not limited to, Transportation Limitations and Amounts, Maximum Daily Contract Quantity, definitions of Critical Day, definitions of an Operational Flow Order Day, Requested Authorized Use, Authorized Use, and Unauthorized Use.

**ILLINOIS POWER COMPANY
SCHEDULE OF RATES FOR GAS SERVICE**

RIDER GEA - PAGE 1 OF 3
Adjustment for Incremental Costs of Environmental Activities

1. Applicability

This Rider GEA is applicable to any customer taking gas service from Utility under any gas service classification, except the University of Illinois contract and contracts pursuant to Service Classification 90 unless such application is provided for therein.

This Rider is subject to Utility's Standard Terms and Conditions set forth in its Schedule of Rates for Gas Service.

2. Purpose of Rider

The purpose of this Rider GEA is to establish an adjustment factor to recover the Incremental Costs of Environmental Activities (commonly referred to as Coal Tar Costs) from Customers taking natural gas service subject to this Rider.

3. Effective Date

The first date of customer billings under this Rider shall be May 1, 1993. All bills rendered to each applicable Customer on or after May 1, 1993, including revised bills or rebillings, shall include an adjustment for the Incremental Costs of Environmental Activities for all therms metered.

4. Definitions

As used in this Rider, the following terms are defined as follows:

Incremental Costs refer to all payments by Utility to outside vendors in connection with Environmental Activities associated with the investigation and cleanup of former Manufactured Gas Plants. Such costs also include but are not limited to consultant and legal fees, land acquisition costs, litigation expenses, costs or expenses associated with judgments, orders or decisions (including settlements) by a court, a governmental agency or department, or other adjudicatory or quasi-adjudicatory body related to Manufactured Gas Operations/Sites.

Environmental Activities refer to the investigation, sampling, monitoring, testing, removal, disposal, storage, remediation or other treatment of residues associated with Manufactured Gas Operations, or with other operations that generated substances subject to federal, state or local environmental laws conducted at locations where Manufactured Gas Plants operated, or the dismantling of facilities utilized in Manufactured Gas Operations.

Manufactured Gas Operations refer to any operations relating to the manufacture of gas; the storage, treatment, transportation and disposal of residues; and/or the storage of manufactured gas.

Residues include, but are not limited to, any hazardous substance, raw material, by-product, waste or other residual substance arising from Manufactured Gas Operations.

Tracking Account refers to the tracking account specified in Section 5 of this Rider.

* Calendar Year refers to the time period over which Incremental Costs of Environmental Activities are incurred or are projected to be incurred by Utility.

*

*5. Tracking Account

A Tracking Account will be created to maintain the balance of Incremental Costs of Environmental Activities from the operation of Rider GEA. The opening balance of the Tracking Account shall be the sum of:

*Asterisk indicates change

**ILLINOIS POWER COMPANY
SCHEDULE OF RATES FOR GAS SERVICE**

RIDER GEA - PAGE 2 OF 3

*5. Tracking Account (Continued)

- i) The forecasted balance of Incremental Costs of Environmental Activities for the Calendar Year.
- ii) Other Incremental Costs of Environmental Activities that are authorized by the Commission.

The Tracking Account shall be credited by an amount equal to the revenues received through Rider GEA which are associated with the estimated Incremental Costs of Environmental Activities. Any balance remaining in the Tracking Account at the end of the Calendar Year shall be included in FACTGEA (as defined in Section 6) in the Annual Reconciliation Amount for the immediately succeeding Calendar Year. As of the effective date hereof, the current balance of Incremental Costs of Environmental Activities including carrying charges from April 20, 1995 through March 31, 1996, will be included in the Annual Reconciliation Amount for the 1996 Calendar Year.

*6. Determination of Billing Adjustment

The Incremental Costs of Environmental Activities recovery factor (FACTGEA) shall be calculated for each applicable rate class using the following formulas and shall be applied monthly as a separate line item to customer bills on a cents per therm basis.

SUM = The opening balance of the Tracking Account.
AC = SUM + ARA
PC = AC X (GR / TR)
MPC = PC / 12 (months)
MCC = MPC x (CBR/GBR)
FACTGEA = (MCC + MOU) / billing month forecasted metered therms for each rate class

Where:

AC = Annual Cost is the amount of Incremental Costs of Environmental Activities to be recovered during the Calendar Year. Annual Cost is the sum of the amounts of: i) the factor SUM and; ii) any applicable Annual Reconciliation Amount (ARA).

ARA = The Annual Reconciliation Amount is a dollar adjustment necessary to reflect the : i) difference between projected Incremental Costs of Environmental Activities for the Calendar Year and the level of Incremental Costs of Environmental Activities which actually occurred during the Calendar Year; and ii) results of an Annual Review conducted by the Commission in accordance with the provisions of this Rider.

CBR = Class Base Revenue represents the gas base rate revenue for an applicable rate class (i.e., Residential, Commercial, Industrial) which is forecasted to be received during the billing month.

TR = Total Revenue represents the combined electric and gas operating revenues forecasted to be received from the applicable rate classes (i.e., Residential, Commercial/Municipal, Industrial) during the Calendar Year.

FACTGEA = FACTGEA shall be calculated for each applicable rate class (i.e., Residential, Commercial, Industrial) to recover the Monthly Class Cost associated with each such rate class. FACTGEA shall be calculated by dividing: i) the sum of the MCC and MOU for each rate class by; ii) the therms forecasted to be metered during the billing month to all customers in the rate class.

GBR = Gas Base Revenue represents the total base rate revenue for applicable rate classes (i.e., Residential, Commercial, Industrial) which is forecasted to be received during the billing month.

GR = Gas Revenue represents the total gas operating revenues forecasted to be received during the Calendar Year from the applicable rate classes (i.e., Residential, Commercial, Industrial).

*Asterisk indicates change

**ILLINOIS POWER COMPANY
 SCHEDULE OF RATES FOR GAS SERVICE**

RIDER GEA - PAGE 3 OF 3

***6. Determination of Billing Adjustment (Continued)**

- MCC = Monthly Class Cost is the amount of Incremental Costs of Environmental Activities to be recovered from an applicable rate class during the billing month. The MCC for each applicable rate class is the product of: i) MPC and ii) a ratio, the numerator of which is the CBR, and the denominator of which is GBR.
- MOU = Utility will compute the Monthly Over or Under Recovery of Monthly Proportional Costs during each billing month for each applicable rate class (i.e., Residential, Commercial, Industrial). This computation will be made to minimize over or under recoveries of revenues under Rider GEA due only to variances between projected and actual therm throughput levels. The MOU adjustment shall be applied during the billing month two months subsequent to the billing month in which the over or under recovery occurred.
- MPC = Monthly Proportional Cost shall be calculated by dividing Proportional Cost by 12 (months).
- PC = Proportional Cost shall be the product of: i) AC and; ii) a fraction, the numerator of which is GR, and the denominator of which is TR.
- SUM = The opening balance of the current Tracking Account which contains the estimated Incremental Costs of Environmental Activities for the current Calendar Year.

If Utility shall determine during the Calendar Year that it is appropriate to revise FACTGEA to better match revenues recovered under this Rider with actual coal tar cleanup costs incurred during the Calendar Year, Utility may from time to time calculate a revised FACTGEA for each rate class to become effective as of the beginning of any billing month during the Calendar Year.

***7. Reports/Reconciliation**

The amount of the FACTGEA shall be shown on a monthly Information Sheet supplemental to this rider and filed with the Commission not later than the 20th day of the billing month immediately preceding the billing month in which the FACTGEA is to become effective. The Information Sheet shall be accompanied by backup data showing the calculation of the FACTGEA. Unless otherwise ordered by the Commission, each FACTGEA shown on an Information Sheet filed in accordance with this paragraph, shall become effective as indicated in the Information Sheet and shall remain in effect for all therm throughput billed during the effective billing month.

Utility will file an Annual Report with the Commission for each Annual Recovery Period, no later than April 1 of the year following the end of the Calendar Year. The Annual Report will provide a reconciliation between the Proportional Cost to be recovered through Rider GEA and the actual Rider GEA revenue for the immediately preceding Calendar Year as well as provide a summary of Utility's Environmental Remediation Activities. The Annual Report shall include information which will demonstrate the prudence of Utility's Incremental Costs of Environmental Activities included in the filings, based upon but not limited to the following criteria: (a) reasonable and appropriate business practices; (b) the requirements of state and federal authorities; (c) minimization of costs to customers, consistent with safety, reliability and quality assurance; and (d) based on facts and knowledge Utility knew or reasonably should have known at the time the costs were incurred. The total amount of any over or under recovery of Incremental Costs of Environmental Activities for the immediately preceding Calendar Year will be included in the ARA component of Annual Costs and thereby be reflected in the FACTGEA for the Calendar Year following the reconciliation period. The Tracking Account for the Calendar Year will be adjusted to reflect the actual level of Incremental Costs of Environmental Activities, including insurance recoveries and/or recoveries from other responsible parties, which have been or are subject to this Rider, for the Calendar Year.

Upon review of the Annual Report filed by Utility, the Commission may, by order, require a hearing (Annual Review) to receive evidence regarding Incremental Costs of Environmental Activities collected in the preceding Calendar Year and any aspect of Utility's Environmental Remediation Activities associated therewith, including a prudence review of Incremental Costs of Environmental Activities that have not been previously reviewed. If, within ten (10) months after the filing of any Annual Report under this Rider, the Commission has not ordered an Annual Review of such filing, Utility may at any time thereafter file a petition with the Commission to initiate an Annual Review to reconcile the amounts theretofore collected under this Rider or from any other source for coal tar cleanup costs not previously reviewed in an Annual Review with expenses prudently incurred by Utility for coal tar cleanup costs. If the Commission finds, after hearing, that any amounts were incorrectly included in the Rider GEA during a Calendar Year, the Commission may by order require that the ARA component of the FACTGEA be appropriately adjusted. Any such adjustment made by order of the Commission shall be included in the ARA adjustment, and be in effect for twelve billing months, beginning with the next billing month following such order.

*Asterisk indicates change

Calculation of Proposed Rider 7 Charges

<u>Town</u>	<u>Number of Customers</u>	<u>Franchise Expenses</u>	<u>Expense Per Customer</u>	<u>Monthly Charge</u>
Rockford	75,493	\$ 113,907	\$ 1.5088	\$ 0.13
Aurora	56,517	126,303	2.2348	0.19
Naperville	52,545	97,035	1.8467	0.15
Des Plaines	22,250	31,192	1.4019	0.12
Algonquin	11,008	30,469	2.7679	0.23
Lansing	9,939	30,679	3.0867	0.26
West Chicago	9,596	21,099	2.1987	0.18
Lake in the Hills	9,426	30,398	3.2249	0.27
Sterling	7,520	22,976	3.0553	0.25
Riverside	3,533	15,261	4.3196	0.36
Average amount	257,827	\$ 519,319	\$ 2.0142	0.17
2004 Average Cost of Gas Supply per Therm				\$ 0.6457

PUBLIC NOTICE – NOTICE OF PROPOSED CHANGE IN SCHEDULE

To Patrons of Northern Illinois Gas Company d/b/a Nicor Gas Company
 Northern Illinois Gas Company d/b/a Nicor Gas Company ("Nicor Gas") hereby gives notice to the public that on November 4, 2004, it filed with, and there is now pending before, the Illinois Commerce Commission (the "Commission") proposed changes in rates, charges, classifications, and terms and conditions for natural gas service throughout its service territory, as provided for in the Public Utilities Act, 220 ILCS Act 5 (the "Act"). Said changes involve an update (in most cases, an increase) of the charges applicable to Nicor Gas' natural gas sales and transportation services and of certain other charges established in Nicor Gas' rates, cancellation of certain service classifications, revisions to various riders including those affecting the manner in which locally-imposed taxes and other charges are collected, and modifications and additions to other tariffs and terms and conditions of service.

The proposed change in rates (in percentage) for each principal type of rate classification is as follows. The percent changes are calculated based on total revenues collected from customers in each rate classification, exclusive of taxes, but including the cost of purchased gas and other charges.

Rate Classification	Percent Change
Rate 1 - Residential	3.2%
Nonresidential Rates:	
Rate 4 - General Gas Service	2.9%
Rate 6 - Large General Gas Service	1.1%
Rate 74 - General Transportation	1.3%
Rate 76 - Large General Transportation	0.5%
Rate 77 - Large Volume Transportation	0.7%

The following chart identifies the estimated average monthly consumption and the effect of the proposed change in percentage and dollar amounts based on such consumption, for small, medium and large residential customers:

Estimated Average Monthly Consumption	Effect of Proposed Change On Base Rates (%)	Effect of Proposed Change On Base Rates (\$)	Effect of Proposed Change on Total Cost Excluding Taxes (%)	Effect of Proposed Change on Total Cost Excluding Taxes (\$)
10 Therms	25.0	2.00	14.3	2.05
100 Therms	7.3	1.12	2.1	1.64
200 Therms	13.5	2.57	2.5	3.61

A copy of the proposed change in schedule may be inspected by any interested party at any business office of Nicor Gas.

Customers should be advised that the Commission may alter or amend certain of the rates, terms and conditions contained in these proposed new tariffs and tariff sheet revisions after hearings held pursuant to the Act and 83 Illinois Administrative Code Part 200, and may increase or decrease certain individual rates in amounts other than those requested by the Company.

All parties interested in this matter may obtain information with respect thereto either directly from this Company or by addressing the Chief Clerk of the Illinois Commerce Commission, 527 East Capitol Avenue, Springfield, Illinois 62706.

Northern Illinois Gas Company d/b/a Nicor Gas Company -
 Gerald P. O'Connor, Vice President

Publisher	1st Printing	2nd Printing
Aurora Beacon News	11/12/2004	11/19/2004
Belvidere Republican	11/12/2004	11/19/2004
Bloomington Pantagraph	11/12/2004	11/19/2004
Burbank-Stickney Independent	11/18/2004	11/25/2004
Carthage-Hancock Journal Pilot	11/17/2004	11/24/2004
Central DuPage News/Leader	11/18/2004	11/25/2004
Chicago Sun Times	11/12/2004	11/19/2004
Chicago Tribune	11/11/2004	11/18/2004
Cook Will South DuPage Reporter	11/19/2004	11/26/2004
Daily Southtown	11/12/2004	11/19/2004
DeKalb Daily Chronicle	11/13/2004	11/20/2004
Doings Newspaper	11/18/2004	11/25/2004
East Cook Life	11/17/2004	11/24/2004
East DuPage Press	11/17/2004	11/24/2004
Elgin Daily Courier	11/12/2004	11/19/2004
Evanston Review	11/18/2004	11/25/2004
Fairbury Blade	11/17/2004	11/24/2004
Farmer City Journal	11/17/2004	11/24/2004
Fisher Reporter	11/17/2004	11/24/2004
Freeport Journal Standard	11/12/2004	11/19/2004
Free Press Advocate	11/17/2004	11/24/2004
Galena Gazette	11/17/2004	11/24/2004
Geneseo Republic	11/19/2004	11/26/2004
Gilman Star	11/18/2004	11/25/2004
Huntley Farmside	11/18/2004	11/25/2004
Joliet Herald News	11/12/2004	11/19/2004
Kankakee Journal	11/12/2004	11/19/2004
Lake Villa Recorder	11/19/2004	11/26/2004
LaSalle News Tribune	11/12/2004	11/19/2004
Liberty Bee Times	11/17/2004	11/24/2004
Lisle Sun	11/12/2004	11/19/2004
Mendota Reporter	11/17/2004	11/24/2004
Morris Daily Tribune	11/12/2004	11/19/2004
Mt. Carroll Mirror-Democrat	11/17/2004	11/24/2004
Naperville Sun	11/17/2004	11/24/2004
Normal Normalite	11/18/2004	11/25/2004
Northwest Herald	11/12/2004	11/19/2004
Oquawka Current	11/17/2004	11/24/2004
Oregon Republic Reporter	11/18/2004	11/25/2004
Ottawa Daily Times	11/12/2004	11/19/2004
Pontiac Daily Leader	11/12/2004	11/19/2004
Rankin Independent	11/18/2004	11/24/2004
Rantoul Press	11/17/2004	11/24/2004
Rochelle Leader News	11/16/2004	11/23/2004
Rockford Register Star	11/12/2004	11/19/2004
Sandwich Record	11/18/2004	11/25/2004
Sterling Daily Gazette	11/12/2004	11/19/2004
Streator Times Press	11/10/2004	11/19/2004
Tiskilwa Bureau Chief	11/18/2004	11/24/2004
Walnut Leader	11/15/2004	11/22/2004
Watseka Times Spirit	11/12/2004	11/19/2004
Woodford County Journal	11/18/2004	11/25/2004