

The Peoples Gas Light and Coke Company

RIDER TO SCHEDULE OF RATES FOR GAS SERVICE

Rider FST

Full Standby Transportation Service

Applicable to Service Classification Nos. 2, 4, 6 and 8

Transportation service under this rider is available on and after August 1, 2008, to any customer who

- (1) executes a written contract for deliveries hereunder at a single point of metering,
- (2) is a customer under Service Classification No. 2, 4, 6 or 8 at said single point of metering, and
- (3) has arranged for the delivery of customer-owned gas to a mutually agreeable point on the Company's system for the purpose of service under said contract.

Section A - Definitions

As used in this rider, the following terms are defined to mean:

Allowable Bank (AB) shall be the maximum quantity of gas that the customer can retain in storage at any time, determined by the following formula:

$$AB = [BRD + (GCD \times DF)] \times MDQ$$

The customer's AB shall be stated in the contract between the Company and the customer and shall remain in effect during the term of said contract, unless revised by the Company, to reflect a change in the customer's MDQ.

Base Rate Days (BRD) shall mean the number of days of AB provided for in the Company's base rates as approved by the Commission in the Company's most recent rate proceeding.

Companion Classification shall mean the Service Classification No. 2, 4, 6 or 8 under which the customer purchases gas service at said single point of metering.

Diversity Factor (DF) shall mean the constant value that has been approved by the Commission in the Company's most recent rate proceeding for the applicable service classification.

Excess Bank shall be the quantity of customer-owned gas in the customer's GBA that exceeds AB.

Gas Charge Days (GCD) shall mean the number of days of AB provided for in the Company's gas charge rates as shown on an information sheet filed annually with the Commission no later than April 1, to be effective on the next May 1 for a one-year period.

Gas Bank Account (GBA) shall be the account in which customer-owned gas delivered to the Company in excess of the customer's requirements shall be held by the Company until taken by the customer. The customer's GBA shall consist of the summation of the customer's Allowable Bank and Excess Bank.

Maximum Daily Nomination (MDN) shall be the maximum daily quantity of customer-owned gas, in therms, that a customer can nominate for delivery to the Company.

Date Issued:

Date Effective:

**Issued by James F. Schott, Vice President
130 East Randolph Drive, Chicago, Illinois 60601**

The Peoples Gas Light and Coke Company

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Section A - Definitions - continued

Maximum Daily Quantity (MDQ) shall mean the quantity that shall be stated in and remain effective during the term of the contract. The minimum MDQ shall be the highest daily demand recorded by the installed Daily Demand Measurement Device during the most recent December through February period. If sufficient recorded daily demand device data is not available, the minimum MDQ shall be the highest metered gas requirements in a billing period during the most recent December through February period, adjusted to a 30 day equivalent basis and divided by 21. For new premises, the Company shall determine, in its reasonable judgment, an MDQ based on factors such as the MDQ for similar premises. The Company retains the right to change the MDQ at any time based on evidence of changed usage.

Receipt Point shall mean that point of connection where the Company agrees to receive customer-owned gas for service under this rider.

Unaccounted for Gas shall mean the quantity of customer-owned gas the Company shall retain, at the time of delivery into the Company's system, representing the customer's proportionate share of unaccounted for gas. Such quantity shall equal the number of therms delivered by the customer to the Company's system under this rider multiplied by the effective Factor U, as defined in the Terms and Conditions of Service of this rate schedule.

Section B - Rates

The rates for service hereunder shall consist of an Administrative Charge, Standby Demand Charge, Standby Commodity Charge, Excess Bank Charge, and an Imbalance Trade Charge as well as those charges defined in the customer's Companion Classification.

For a customer that is a member of a customer group as defined under Rider P of this rate schedule, the Company shall bill the customer for a Standby Demand Charge as well as those charges defined in the customer's Companion Classification.

Administrative Charge

The monthly Administrative Charge shall be \$11.24 per account for each account listed on a contract.

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130 East Randolph Drive, Chicago, Illinois 60601**

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Section B - Rates - continued

Standby Demand Charge

The monthly Standby Demand Charge shall be the effective Demand Gas Charge Per Therm as determined under Rider 2 of this rate schedule times the DF, multiplied by the customer's MDQ in therms.

Standby Commodity Charge

The monthly Standby Commodity Charge shall be determined according to the following formula:

$$CGC + (NCGC \times (1 - DF))$$

Each of the effective per therm factors CGC (Commodity Gas Charge) and NCGC (Non-Commodity Gas Charge) shall have the meanings and determinations ascribed to them in Rider 2 of this rate schedule. This charge shall be multiplied by the therms delivered to the customer under the Companion Classification in the month.

Excess Bank Charge

The monthly Excess Bank Charge shall be \$0.10 per therm of customer-owned gas in the customer's Excess Bank at the end of the month.

Imbalance Trade Charge

The Imbalance Trade Charge shall be \$5 per imbalance trade transaction in the month.

Late Payment Charge

A charge for late payment shall be determined under the Late Payment Charge provision in the Terms and Conditions of Service of this rate schedule.

Reimbursement for Taxes

In addition to the charges under Rider 1, the customer shall reimburse the Company for any taxes which the Company shall be required to pay or be obligated to collect from the customer for service hereunder. Any such taxes and associated costs that the Company is authorized by law to recover shall be billed to the customer on a monthly basis.

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Section C - Order of Deliveries to the Company

In any month in which customer-owned gas delivered to the Company exceeds the customer's metered gas deliveries from the Company, the difference between such deliveries shall be credited to the customer's GBA. For the purposes of this paragraph, the quantity of customer-owned gas delivered to the Company's system is understood to be net of the amounts retained by the Company for Unaccounted for Gas as defined in this rider.

Section D - Order of Deliveries to the Customer

For billing purposes, gas taken by the customer in any month at the point of metering for this rider shall be deemed to be taken in the following order: (1) the quantity of customer-owned gas delivered to the Company's system in the current month (2) any quantity of customer-owned gas available for withdrawal from the customer's GBA, (3) the quantity of gas delivered under the Companion Classification. For the purposes of this paragraph, the quantity of customer-owned gas delivered to the Company's system is understood to be net of the amounts retained by the Company for Unaccounted for Gas as defined in this rider.

Section E - Inventory/Allowable Bank/Daily Deliveries/Limitation on GBA Withdrawals

In no event shall the quantity of gas accounted for in the AB be negative or customer-owned gas deliveries be accounted for as AB to the extent it would cause the balance to exceed the maximum quantity.

On November 30, the amount of gas accounted for in the AB must be no less than 70% of the AB. To the extent that the customer's inventory is less than 70%, the customer shall purchase the deficient quantity from the Company at 110% of the AMIP, as defined under Section E of Rider TB of this rate schedule, determined for November.

On March 31, the amount of gas accounted for in the AB must be no greater than 35% of the AB. To the extent that the customer's inventory exceeds 35%, the Company shall purchase the excess quantity at 90% of the AMIP, as defined under Section E of Rider TB of this rate schedule, determined for March.

The customer's daily deliveries to the Company shall be no greater than the MDN. The MDN shall be the Company's estimate of the customer's average daily use for the comparable month of the prior year plus 0.67% of the customer's AB. The customer's average daily use shall be the usage in terms in the customer's bill for the prior year's comparable month divided by the number of days in the month. The MDN shall be the same for each Day of the month for which it is determined. The Company, in its reasonable discretion, may revise the MDN at any time there is evidence of a significant change in usage. The Company shall have no obligation to accept a customer nomination to deliver any quantity in excess of the applicable MDN.

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130 East Randolph Drive, Chicago, Illinois 60601**

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Section E - Inventory/Allowable Bank/Daily Deliveries/Limitation on GBA Withdrawals - continued

A customer's monthly withdrawals from its GBA during the period November 1 through March 31 shall be limited to the lesser of (i) the customer's GBA balance at the beginning of the month, or (ii) the sum of the customer's Excess Bank at the beginning of the month plus 1/3 of the customer's AB. For quantities that would be in excess of this limitation, the customer shall purchase the gas under the Companion Classification.

Section F - Imbalance Trading and Daily Reallocations

The customer shall have the right to trade amounts accounted for as GBA to customers or suppliers receiving service under Riders FST, SST and P of this rate schedule. All trades must be completed by 5:00 p.m. Central Time, using the Company's electronic bulletin board, on the third working day following the Company's notification that trades can commence.

All trades must be confirmed by both parties and shall result in equal amounts of gas being transferred from one party to the other. The result of a trade cannot cause a customer or supplier to be out of compliance with minimum or maximum inventory requirements, cause the AB balance to be less than zero or greater than the maximum AB quantity.

In addition to imbalance trading, each day a customer with more than one Rider FST contract may reallocate the customer-owned gas that it nominated for delivery among its contracts. The customer may not increase or decrease the confirmed quantity of customer-owned gas that it nominated for delivery on the day prior to gas flow or change or reallocate among the Receipt Points at which it is delivering gas, but it may change how that quantity is allocated between or among its contracts. Such notification shall be no later than 4:00 p.m. Central Time the day of gas flow.

Section G - Contract with the Customer

The contract between the Company and a customer hereunder shall continue for an initial term ending on the first April 30 following the effective date thereof, and from year to year thereafter, subject to the right of either party to terminate the contract at the end of the initial term or of any such year to year extension thereof by written notice to the other given not less than 30 days prior to the date of such intended termination; provided, however, that in the event of termination, all amounts due the Company shall forthwith be paid, including the Standby Demand Charge for the unexpired portion of the remaining term of the contract. Upon termination of the contract, the customer shall trade or cash-out at 100 percent of the AMIP as defined under Section E of Rider TB of this rate schedule any gas remaining in the GBA. A customer may not voluntarily discontinue and subsequently renew service under this rider within a period of 12 consecutive months at the same premises.

Date Issued:

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**Issued by James F. Schott, Vice President
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Section G - Contract with the Customer - continued

The contract between the Company and the customer shall provide for:

- (1) the measurement of customer-owned gas delivered to the Company and shall establish minimum quality specifications for such gas;
- (2) the rate or rates of delivery of gas transported for any customer hereunder and the pressure at which such gas is to be delivered;
- (3) the procedure by which the customer shall nominate daily delivery quantities of customer-owned gas to the Company. The customer shall arrange to have the pipeline transporter and its supplier provide the Company with the daily delivery data for all customer-owned gas delivered to the Company's system; and
- (4) standard and customary contract provisions such as governing law, notices and provisions governing contract interpretation.

If the customer has a legal or beneficial ownership or leasehold interest in the premises at more than a single point of metering and is financially responsible for all service rendered under this rider and the Companion Classification, such premises, up to 200 accounts unless otherwise agreed by the Company, may, for the convenience of the parties, be consolidated under the contract for the limited purposes defined in the contract.

The customer, at the Company's request, will furnish the Company with copies of all contracts relating to service hereunder, including all amendments thereto in effect from time to time. Any additional facilities required for the Company to take delivery of customer-owned gas or to meter deliveries of quantities of gas transported for the customer hereunder shall be paid for by the customer prior to service initiation.

A customer may transfer management of its contract to one supplier under Rider P of this rate schedule. Upon such a transfer, the customer's AB will be transferred to the supplier's AB. No transfer shall relieve the customer of its contractual liabilities and obligations hereunder. The customer shall be liable for its pro rata share of amounts due or to become due under the Rider P contract under which it is a member of a Customer Group. This pro rata share shall be determined by the ratio of the MDQ under its contract with the Company to the Pool MDQ under the Rider P contract under which it is a member of a Customer Group, as defined in Rider P of this rate schedule.

The provisions of Rider P shall govern when there is a conflict between the provisions of this rider and that of Rider P with respect to a transferred contract. The provisions of this rider shall govern when either Rider P is silent or there is no conflict between the provisions of this rider and that of Rider P. Upon termination of the contract under Rider P the transfer of the customer's contract shall be cancelled.

Date Issued:

Date Effective:

**Issued by James F. Schott, Vice President
130 East Randolph Drive, Chicago, Illinois 60601**

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Section H- Terms and Conditions of Service

Service will be provided hereunder whenever and to the extent that customer-owned gas has been delivered for the customer to the Company's system in accordance with the contract between the customer and the Company hereunder.

In the event there is an interruption or curtailment of the Company's gas supply, all customer-owned gas delivered to the Company will be made available to the customer, except that the Company may interrupt deliveries of customer-owned gas to the customer for reasons of limitation of system capacity to the same extent that service to the customer would be interrupted or curtailed absent service under this rider. For the purpose of this paragraph, system capacity will include storage capacity from all sources. Notwithstanding the foregoing, in the event there is an interruption or curtailment of the Company's gas supply which, in the Company's sole judgment, would have the effect of impairing or interfering with an activity essential to the health or safety of the community the Company shall be entitled to interrupt deliveries of customer-owned gas to the customer and use such gas to serve sales customers. The sole compensation per therm for such an interruption and use of customer-owned gas shall be 100 percent of the AMIP as defined under Section E of Rider TB of this rate schedule plus \$1.50 per therm.

In the event of an interruption or curtailment of deliveries of customer-owned gas to the Company, the Company will make up any deficiency in such supply. Such standby service will be made available to the customer under the Companion Classification, to the same extent it would be available to the customer absent service under this rider.

The delivery of customer-owned gas by the customer to the Company's system shall be at the customer's expense and shall be delivered to Company facilities in accordance with the contract between the Company and the customer.

The Company will not be obligated to accept delivery of any customer-owned gas which does not conform to the quality specifications in the contract between the Company and the customer.

Date Issued:

Date Effective:

**Issued by James F. Schott, Vice President
130 East Randolph Drive, Chicago, Illinois 60601**

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Section H- Terms and Conditions of Service - continued

The gas delivered by the Company hereunder shall be measured in accordance with the Terms and Conditions of Service of this rate schedule.

The Company reserves the right to limit the daily and monthly volumes of customer-owned gas delivered for the customer's account to the Company when, in the Company's sole judgment, the customer's deliveries are excessive in relation to the customer's gas requirements and may cause an adverse effect on system operations.

If the customer shall fail to comply with or perform any of the conditions or obligations on the customer's part to be complied with or performed under the contract between the customer and the Company, the Company may: (i) after verbal notice to the customer, confirmed in writing, suspend receipt of customer-owned gas into the Company's system until the customer shall make good such failure; or (ii) terminate all service 10 days after providing written notice of the Company's intention to terminate service, unless within such 10 days the customer shall make good such failure. The suspension or termination of service for any such cause shall not release the customer from the obligation to make payment of any amounts due or to become due in accordance with terms of the customer's contract with the Company.

Subject to Terms and Conditions of Service and Riders to Schedule of Rates for Gas Service which are applicable to this rider.

Date Issued:

Date Effective:

**Issued by James F. Schott, Vice President
130 East Randolph Drive, Chicago, Illinois 60601**

RIDER TO SCHEDULE OF RATES FOR GAS SERVICE

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Applicable to Service Classification Nos. 2, 3, 4, 6 and 8

Transportation service under this rider is available on and after August 1, 2008, to any customer who

- (1) executes a written contract for deliveries hereunder at a single point of metering,
- (2) is a customer under Service Classification No. 2, 3, 4, 6 or 8 at said single point of metering, and
- (3) has arranged for the delivery of customer-owned gas to a mutually agreeable point on the Company's system for the purpose of service under said contract.

Section A - Definitions

As used in this rider, the following terms are defined to mean:

Allowable Bank (AB) shall be the maximum quantity of gas that the customer can retain in storage at any time, determined by the following formula:

$$AB = [BRD + (GCD \times DF)] \times MDQ$$

The customer's AB shall be stated in the contract between the Company and the customer and shall remain in effect during the term of said contract, unless revised by the Company, to reflect a change in the customer's MDQ.

Base Rate Days (BRD) shall mean the number of days of AB provided for in the Company's base rates as approved by the Commission in the Company's most recent rate proceeding.

Companion classification ~~Classification~~ shall mean the Service Classification No. 2, 3, 4, 6 or 8 under which the customer purchases gas service at said single point of metering.

Diversity Factor (DF) shall mean the constant value that has been approved by the Commission in the Company's most recent rate proceeding for the applicable service classification.

~~Maximum Daily Quantity (MDQ) shall be the quantity, in therms, agreed to by the Company and the customer, but in no case less than (1) the customer's metered gas requirements in the billing period with the customer's highest requirements during the most recent December through February period, adjusted to a 30-day equivalent basis and divided by 21; or (2) for customers with a daily demand measurement device installed on the customer's premises, the highest daily demand recorded for the customer during the most recent December through February period. The customer's MDQ shall be stated in the contract between the Company and the customer and shall remain in effect during the term of said contract, unless revised by the Company, in its sole judgment, based on evidence of changed usage.~~

Excess Bank shall be the quantity of customer-owned gas in the customer's GBA that exceeds AB.

Gas Charge Days (GCD) shall mean the number of days of AB provided for in the Company's gas charge rates as shown on an information sheet filed annually with the Commission no later than April 1, to be effective on the next May 1 for a one-year period.

* **Gas Bank Account (GBA)** shall be the account in which customer-owned gas delivered to the Company in excess of the customer's requirements shall be held by the Company until taken by the

customer. The customer's GBA shall consist of the summation of the customer's Allowable Bank and Excess Bank.

Maximum Daily Nomination (MDN) shall be the maximum daily quantity of customer-owned gas, in terms, that a customer can nominate for delivery to the Company.

Date Issued: ~~JANUARY 13, 1998~~ ~~Date Effective: FEBRUARY 27, 1998~~
Date Effective:

~~Asterisk (*) indicates change.~~ Issued by ~~Katherine A. Donofrio~~ James F. Schott, Vice President
130 East Randolph Drive, Chicago, Illinois 60601

RIDER TO SCHEDULE OF RATES FOR GAS SERVICE

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Rider FST

Full Standby Transportation Service

*

Applicable to Service Classification Nos. 2, ~~3~~, 4, 6 and 8

Section A - Definitions - continued

* ~~Allowable Bank (AB) shall be the quantity determined by multiplying the customer's MDQ times the sum of 1) the number of days of bank provided for in the Company's base rates, as shown on the information sheet filed with the Commission on March 1 of each year to be effective for a one-year period commencing May 1; and 2) 50% of the number of days of bank provided for in the Company's gas charge rates, as shown on the information sheet filed with the Commission on March 1 of each year to be effective for a one-year period commencing May 1. The customer's AB shall be stated in the contract between the Company and the customer and shall remain in effect during the term of said contract, unless revised by the Company, to reflect a change in the customer's MDQ.~~

Maximum Daily Quantity (MDQ) shall mean the quantity that shall be stated in and remain effective during the term of the contract. The minimum MDQ shall be the highest daily demand recorded by the installed Daily Demand Measurement Device during the most recent December through February period. If sufficient recorded daily demand device data is not available, the minimum MDQ shall be the highest metered gas requirements in a billing period during the most recent December through February period, adjusted to a 30 day equivalent basis and divided by 21. For new premises, the Company shall determine, in its reasonable judgment, an MDQ based on factors such as the MDQ for similar premises. The Company retains the right to change the MDQ at any time based on evidence of changed usage.

* ~~Excess Bank shall be the quantity of customer-owned gas in the customer's CBA that exceeds AB.~~
Receipt Point shall mean that point of connection where the Company agrees to receive customer-owned gas for service under this rider

Unaccounted for Gas shall mean the quantity of customer-owned gas the Company shall retain, at the time of delivery into the Company's system, representing the customer's proportionate share of unaccounted for gas. Such quantity shall equal the number of therms delivered by the customer to the Company's system under this rider multiplied by the effective Factor U, as defined in the Terms and Conditions of Service of this rate schedule.

Section B - Rates

The rates for service hereunder shall consist of an Administrative Charge, Standby Demand Charge, Standby Commodity Charge, Excess Bank Charge, ~~Factor TS Charge~~ and an Imbalance Trade Charge as well as those charges defined in the customer's ~~companion classification~~ Companion Classification.

For a customer that is a member of a customer group as defined under Rider P of this rate schedule, the Company shall bill the customer for a Standby Demand Charge ~~and Factor TS Charge~~ as well as those charges defined in the customer's ~~companion classification~~ Companion Classification.

Administrative Charge

The monthly Administrative Charge shall be \$11.24 per account for each account listed on a contract.

Date Issued: ~~NOVEMBER 26, 1996~~

Date

Effective: ~~JANUARY 10, 1997~~ Asterisk (*) indicates change.

Issued by ~~Thomas M. Patrick, Executive~~ James F. Schott, Vice President
130 East Randolph Drive, Chicago, Illinois 60601

RIDER TO SCHEDULE OF RATES FOR GAS SERVICE

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Rider FST

Full Standby Transportation Service

Applicable to Service Classification Nos. 2, ~~3~~, 4, 6 and 8

Section B - Rates - continued

~~Administrative Charge~~

~~For customers with a contract which lists a single account, the monthly Administrative Charge shall be \$48.00. For customers with a contract which lists more than one account, the monthly Administrative Charge shall be the greater of \$58.00 or \$14.00 times the number of accounts listed in the contract.~~

Standby Demand Charge

The monthly Standby Demand Charge shall be the effective Demand Gas Charge Per Therm as determined under Rider 2 of this rate schedule times ~~50 percent~~ the DF, multiplied by the customer's MDQ in therms.

Standby Commodity Charge

The monthly Standby Commodity Charge shall be ~~the sum~~ determined according to the following formula:

$$\underline{\underline{CGC + (NCGC \times (1 - DF))}}$$

Each of the effective per therm factors CGC (Commodity Gas Charge Per Therm, plus the effective) and NCGC (Non-Commodity Gas Charge Per Therm times 50 percent, plus the effective Transition Surcharge Per Therm as determined under) shall have the meanings and determinations ascribed to them in Rider 2 of this rate schedule. This charge shall be multiplied by the therms ~~of gas~~ delivered to the customer under the ~~companion classification~~ Companion Classification in the month.

Excess Bank Charge

The monthly Excess Bank Charge shall be ~~\$400.10~~ \$400.10 per therm of customer-owned gas in the customer's Excess Bank at the end of the month.

~~* Factor TS Charge~~

~~The monthly Factor TS Charge shall be an amount equal to (i) the number of therms of customer-owned gas delivered to the customer under this rider, multiplied by (ii) the effective Factor TS determined under Rider 2 of this rate schedule.~~

~~The Company shall credit any customer that can document, in a manner acceptable to the Company, the payment of charges imposed November 1, 1994 through February 20, 1998 by Natural Gas Pipeline Company of America (Natural) pursuant to FERC authorization for the purpose of recovering gas supply realignment costs. "A customer must present to the Company acceptable documentation no later than June 30, 1998, in order to receive credit for gas supply realignment costs." The amount of the credit shall be the lesser of the amount of such charges paid by the customer to Natural or the amount of gas supply realignment costs recovered by the~~

Company from the customer through the Factor TS charge.

~~Date Issued: FEBRUARY 20, 1998~~ ~~Date Effective: FEBRUARY 20, 1998~~

~~Asterisk (*) indicates change.~~ ~~Issued by Katherine A. Donofrio, Vice President~~
~~130 East Randolph Drive, Chicago, Illinois 60601~~

~~Filed Pursuant to Special Permission R-18943 of the~~
~~Illinois Commerce Commission Entered February 19, 1998~~

RIDER TO SCHEDULE OF RATES FOR GAS SERVICE

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Applicable to Service Classification Nos. 2, 3, 4, 6 and 8

Section B – Rates – continued

Imbalance Trade Charge

The Imbalance Trade Charge shall be \$5 per imbalance trade transaction in the month.

Late Payment Charge

A charge for late payment shall be determined under the Late Payment Charge provision in the Terms and Conditions of Service of this rate schedule.

Reimbursement for Taxes

In addition to the charges under Rider 1, the customer shall reimburse the Company for any taxes which the Company shall be required to pay or be obligated to collect from the customer ~~in respect of~~ or service hereunder. ~~The Company will bill the customer monthly for any~~ Any such taxes, and ~~for any associated~~ costs ~~which~~ that the Company is ~~specifically~~ authorized by law to recover ~~from~~ shall be billed to the customer ~~incident to such taxes~~ on a monthly basis.

Date Issued: _____ Date Effective: _____

Issued by James F. Schott, Vice President
130 East Randolph Drive, Chicago, Illinois 60601

RIDER TO SCHEDULE OF RATES FOR GAS SERVICE

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* **Section C - Order of Deliveries to the Company**

In any month in which customer-owned gas delivered to the Company exceeds the customer's metered gas deliveries from the Company, the difference between such deliveries shall be credited to the customer's GBA. For the purposes of this paragraph, the quantity of customer-owned gas delivered to the Company's system is understood to be net of the amounts retained by the Company for Unaccounted for Gas as defined in this rider.

* **Section D - Order of Deliveries to the Customer**

For billing purposes, gas taken by the customer in any month at the point of metering for this rider shall be deemed to be taken in the following order: (1) the quantity of customer-owned gas delivered to the Company's system in the current month (2) any quantity of customer-owned gas available for withdrawal from the customer's GBA, (3) the quantity of gas delivered under the ~~companion classification~~ Companion Classification. For the purposes of this paragraph, the quantity of customer-owned gas delivered to the Company's system is understood to be net of the amounts retained by the Company for Unaccounted for Gas as defined in this rider.

Section E - Inventory/Allowable Bank/Daily Deliveries/Limitation on GBA Withdrawals

In no event shall the quantity of gas accounted for in the AB be negative or customer-owned gas deliveries be accounted for as AB to the extent it would cause the balance to exceed the maximum quantity.

On November 30, the amount of gas accounted for in the AB must be no less than 70% of the AB. To the extent that the customer's inventory is less than 70%, the customer shall purchase the deficient quantity from the Company at 110% of the AMIP, as defined under Section E of Rider TB of this rate schedule, determined for November.

On March 31, the amount of gas accounted for in the AB must be no greater than 35% of the AB. To the extent that the customer's inventory exceeds 35%, the Company shall purchase the excess quantity at 90% of the AMIP, as defined under Section E of Rider TB of this rate schedule, determined for March.

The customer's daily deliveries to the Company shall be no greater than the MDN. The MDN shall be the Company's estimate of the customer's average daily use for the comparable month of the prior year plus 0.67% of the customer's AB. The customer's average daily use shall be the usage in therms in the customer's bill for the prior year's comparable month divided by the number of days in the month. The MDN shall be the same for each Day of the month for which it is determined. The Company, in its reasonable discretion, may revise the MDN at any time there is evidence of a significant change in usage. The Company shall have no obligation to accept a customer nomination to deliver any quantity in excess of the applicable MDN.

Date Issued: ~~JANUARY 13, 1998~~

~~Date Effective: FEBRUARY 27, 1998~~

Date Effective:

~~Asterisk (*) indicates change.~~ Issued by ~~Katherine A. Donofrio~~[James F. Schott](#), Vice President
130 East Randolph Drive, Chicago, Illinois 60601

RIDER TO SCHEDULE OF RATES FOR GAS SERVICE

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Section E - Inventory/Allowable Bank/Daily Deliveries/Limitation on GBA Withdrawals - continued

* A customer's monthly withdrawals from its GBA during the period November 1 through March 31 shall be limited to the lesser of (i) the customer's GBA balance at the beginning of the month, or (ii) the sum of the customer's Excess Bank at the beginning of the month plus 1/3 of the customer's AB. For quantities that would be in excess of this limitation, the customer shall purchase the gas under the Companion Classification.

Section F - Imbalance Trading and Daily Reallocations

* The customer shall have the right to trade amounts accounted for as GBA to customers or suppliers receiving service under Riders FST, SST, ~~LST and P to reduce or eliminate amounts of the customer's excess bank and P of this rate schedule.~~ All trades must be completed by ~~5 p.m. on the 5th~~ 00 p.m. Central Time, using the Company's electronic bulletin board, on the third working day following the ~~posting of month end meter readings. The result of a trade cannot put an additional customer or supplier in a position of, or increase amounts subject to, monthly unauthorized use, excess bank or cash out~~ Company's notification that trades can commence.

All trades must be confirmed by both parties and shall result in equal amounts of gas being transferred from one party to the other. The result of a trade cannot cause a customer or supplier to be out of compliance with minimum or maximum inventory requirements, cause the AB balance to be less than zero or greater than the maximum AB quantity.

In addition to imbalance trading, each day a customer with more than one Rider FST contract may reallocate the customer-owned gas that it nominated for delivery among its contracts. The customer may not increase or decrease the confirmed quantity of customer-owned gas that it nominated for delivery on the day prior to gas flow or change or reallocate among the Receipt Points at which it is delivering gas, but it may change how that quantity is allocated between or among its contracts. Such notification shall be no later than 4:00 p.m. Central Time the day of gas flow

Section G - Contract with the Customer

The contract between the Company and a customer hereunder shall continue for an initial term ending on the first April 30 following the effective date thereof, and from year to year thereafter, subject to the right of either party to terminate the contract at the end of the initial term or of any such year to year extension thereof by written notice to the other given not less than 30 days prior to the date of such intended termination; provided, however, that in the event of termination, all amounts due the Company shall forthwith be paid, including the Standby Demand Charge for the unexpired portion of the remaining term of the contract. Upon termination of the contract, the customer shall trade or cash-out at 100 percent of the AMIP as defined under Section E of Rider TB of this rate schedule any gas remaining in the GBA. A customer may not voluntarily discontinue and subsequently renew service under this rider within a period of 12 consecutive months at the same premises.

Date Issued: ~~NOVEMBER 26, 1996~~ ~~Date Effective: JANUARY 10, 1997~~
Date Effective:

~~Asterisk (*) indicates change.~~

Issued by ~~Thomas M. Patrick, Executive~~ James F. Schott, Vice President
130 East Randolph Drive, Chicago, Illinois 60601

RIDER TO SCHEDULE OF RATES FOR GAS SERVICE

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Rider FST**Full Standby Transportation Service****Applicable to Service Classification Nos. 2, 3, 4, 6 and 8****Section G - Contract with the Customer** - continued

The contract between the Company and the customer shall provide for:

- (1) ~~(1)~~ the measurement of customer-owned gas delivered to the Company and shall establish minimum quality specifications for such gas;
- (2) ~~(2)~~ the rate or rates of delivery of gas transported for any customer hereunder and the pressure at which such gas is to be delivered;
- (3) ~~(3)~~ the procedure by which the customer shall nominate daily delivery quantities of customer-owned gas to the Company. The customer shall arrange to have the pipeline transporter and ~~the seller/shipper~~ its supplier provide the Company with the daily delivery data for all customer-owned gas delivered to the Company's system; and
- (4) standard and customary contract provisions such as governing law, notices and provisions governing contract interpretation.

If the customer has a legal or beneficial ownership or leasehold interest in the premises at more than a single point of metering and is financially responsible for all service rendered under this rider and the Companion Classification, such premises, up to 200 accounts unless otherwise agreed by the Company, may, for the convenience of the parties, be consolidated under the contract for the limited purposes defined in the contract.

The customer, at the Company's request, will furnish the Company with copies of all contracts relating to service hereunder, including all amendments thereto in effect from time to time. If Any additional facilities ~~are~~ required for the Company to take delivery of customer-owned gas or to meter deliveries of quantities of gas transported for the customer hereunder, shall be paid for by the customer ~~shall reimburse the Company for all costs thereof~~ prior to ~~the~~ service initiation ~~of service hereunder~~.

*A customer may assign transfer management of its contract ~~for the remainder of the contract term~~ to one supplier under Rider P of this rate schedule. ~~Upon assignment of the customer's contract to a supplier under Rider P. Upon such a transfer,~~ the customer's ~~GBA~~ AB will be transferred to the supplier's GBA ~~AB~~. ~~No assignment permitted under this paragraph. No transfer~~ shall relieve the ~~assignor~~ customer of its contractual liabilities and obligations ~~to the Company under the contract hereunder~~. The customer ~~agrees that it is~~ shall be liable for its pro rata share of amounts due or to become due under the Rider P contract under which it is a member of a ~~customer group~~. ~~The customer's~~ Customer Group. This pro rata share shall be determined by the ratio of the MDQ under its contract with the Company to the Pool MDQ under the Rider P contract under which it is a member of a ~~customer group~~ Customer Group, as ~~those terms are~~ defined in Rider P of this rate schedule.

The provisions of Rider P shall govern when there is a conflict between the provisions of this rider and that of Rider P with respect to a transferred contract. The provisions of this rider shall govern when either Rider P is silent or there is no conflict between the provisions of this rider and that of Rider P. Upon termination of the contract under Rider P the transfer of the customer's contract shall be cancelled.

Date Issued: ~~JANUARY 13, 1998~~ Date Effective: ~~FEBRUARY 27, 1998~~
Date Effective:

~~Asterisk (*) indicates change.~~ Issued by ~~Katherine A. Donofrio~~ James F. Schott, Vice President
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RIDER TO SCHEDULE OF RATES FOR GAS SERVICE

Rider FST

Full Standby Transportation Service

*

Applicable to Service Classification Nos. 2, ~~3~~, 4, 6 and 8

~~**Section G- Contract with the Customer**~~ — continued

~~To the extent there is a conflict between the provisions of this rider and the provisions of Rider P with respect to a contract that has been assigned, the provisions of Rider P shall govern. To the extent there is no conflict between the provisions of this rider and the provisions of Rider P or Rider P is silent the provisions of this rider shall govern. Upon termination of the contract under Rider P the assignment of the customer's contract shall be cancelled.~~

Section H- Terms and Conditions of Service

Service will be provided hereunder whenever and to the extent that customer-owned gas has been delivered for the customer to the Company's system in accordance with the contract between the customer and the Company hereunder.

In the event there is an interruption or curtailment of the Company's gas supply, all customer-owned gas delivered to the Company will be made available to the customer, except that the Company may interrupt deliveries of customer-owned gas to the customer for reasons of limitation of system capacity to the same extent that service to the customer would be interrupted or curtailed absent service under this rider. For the purpose of this paragraph, system capacity will include storage capacity from all sources. Notwithstanding the foregoing, in the event there is an interruption or curtailment of the Company's gas supply which, in the Company's sole judgment, would have the effect of impairing or interfering with an activity essential to the health or safety of the community the Company shall be entitled to interrupt deliveries of customer-owned gas to the customer and use such gas to serve sales customers. The sole compensation per therm for such an interruption and use of customer-owned gas shall be 100 percent of the AMIP as defined under Section E of Rider TB of this rate schedule plus \$1.50 per therm.

In the event of an interruption or curtailment of deliveries of customer-owned gas to the Company, the Company will make up any deficiency in such supply. Such standby service will be made available to the customer under the ~~companion classification~~ Companion Classification, to the same extent it would be available to the customer absent service under this rider.

The delivery of customer-owned gas by the customer to the Company's system shall be at the customer's expense and shall be delivered to Company facilities in accordance with the contract between the Company and the customer.

The Company will not be obligated to accept delivery of any customer-owned gas which does not conform to the quality specifications in the contract between the Company and the customer.

Date Issued: ~~NOVEMBER 26, 1996~~ Date Effective: ~~JANUARY 10, 1997~~ Date Effective:

~~Asterisk (*) indicates change.~~

Issued by ~~Thomas M. Patrick, Executive~~ James F. Schott, Vice President
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RIDER TO SCHEDULE OF RATES FOR GAS SERVICE

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Rider FST

Full Standby Transportation Service

* **Applicable to Service Classification Nos. 2, ~~3~~, 4, 6 and 8**

Section H- Terms and Conditions of Service - continued

The gas delivered by the Company hereunder shall be measured in accordance with the Terms and Conditions of Service of this rate schedule.

The Company reserves the right to limit the daily and monthly volumes of customer-owned gas delivered for the customer's account to the Company when, in the Company's sole judgment, the customer's deliveries are excessive in relation to the customer's gas requirements and may cause an adverse effect on system operations.

If the customer shall fail to comply with or perform any of the conditions or obligations on the customer's part to be complied with or performed under the contract between the customer and the Company, the Company may: (i) after verbal notice to the customer, confirmed in writing, suspend receipt of customer-owned gas into the Company's system until the customer shall make good such failure; or (ii) terminate all service 10 days after providing written notice of the Company's intention to terminate service, unless within such 10 days the customer shall make good such failure. The suspension or termination of service for any such cause shall not release the customer from the obligation to make payment of any amounts due or to become due in accordance with terms of the customer's contract with the Company.

Subject to Terms and Conditions of Service and Riders to Schedule of Rates for Gas Service which are applicable to this rider.

Date Issued: ~~NOVEMBER 26, 1996~~ **Date Effective:** ~~JANUARY 10, 1997~~
Date Effective:

~~Asterisk (*) indicates change.~~

Issued by ~~Thomas M. Patrick, Executive~~ James F. Schott, Vice President
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