
**RIDER PGA – PURCHASED GAS ADJUSTMENT
GAS CHARGE**
Applicable To All Service Classifications

SECTION A - APPLICABILITY

The Gas Charge (GC) is applicable to Residential and Non-Residential Customers electing to receive gas supply from the Company under Rider S and shall be determined in accordance with the provisions of this Rider. The GC may also be applicable to Rider T Customers under certain conditions pursuant to Rider T. The GC is calculated by adding the Commodity Gas Charge (CGC) and Non Commodity Gas Charge (NCGC). The GC shall be applied to each therm delivered during the Effective Month. The determination of the GC is set forth in Section F.

The Demand Gas Charge (DGC) is applicable to Customers on Rate GDS-4 and GDS-6. The DGC is applied on a Maximum Daily Quantity (MDQ) basis. The determination of the DGC is set forth in Section F.

The Company shall report monthly, in a format designated by the Illinois Commerce Commission ("Commission"), the CGC, NCGC and DGC calculated under the provisions of Section F to be applied to service rendered during the Effective Month. The reports required by this Section A must be postmarked by the twentieth day of the Filing Month. A monthly report postmarked after that date but prior to the first day of the Effective Month will be accepted only if it corrects an error or errors from a timely filed report for the same Effective Month. Any other report postmarked after that date will be accepted only if submitted as a special permission request under the provisions of Section 9-201 (a) of the Public Utilities Act (220 ILCS 5/9-201 (a)).

SECTION B - DEFINITIONS

Base Period

Base Period shall mean the effective month or the remaining months in the Reconciliation Year which includes the Effective Month.

Effective Month

Effective Month shall mean the month following the filing month, during which the Gas Charge(s) will be in effect.

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Filing Month

Filing Month shall mean the month in which a Gas Charge(s) is determined by the Company and filed with the Commission.

Gas Used by the Company

Gas Used by the Company shall include all gas used by the Company except gas utilized in the manufacture of gas through a reforming process, and shall include gas furnished to municipalities or other governmental authorities without reimbursement in compliance with franchise, ordinance or similar requirements.

Reconciliation Year

Reconciliation Year shall mean the 12-month period defined in Section G for which actual gas costs and associated revenues are to be reconciled.

System Average Cost of Gas

System Average Cost of Gas shall mean the weighted average cost per therm of gas estimated to be purchased, withdrawn from storage, and manufactured during the Base Period or Reconciliation Year.

SECTION C - COST BASIS

The Gas Charge(s) shall represent the Company's estimate of recoverable gas costs (as prescribed in Section D) to be incurred during the Base Period, with an adjustment to such costs through use of Adjustment Factors (as prescribed in Sections E, F and G). Any Gas Charge(s) established to recover commodity gas costs (separately or in conjunction with non-commodity gas costs) shall use an estimate of the recoverable costs to be incurred during the Effective Month. Any Gas Charges(s) established to recover only non-commodity gas costs shall use an estimate of the recoverable costs to be incurred during the remaining months of the Reconciliation Year.

SECTION D - RECOVERABLE GAS COSTS

- a. Costs recoverable through the Gas Charge(s) shall include the following:
1. Costs of natural gas and any solid, liquid or gaseous hydrocarbons purchased for injection into the gas stream or purchased as feedstock or fuel or the manufactured gas product or delivered under exchange agreements;

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CHIEF CLERK'S OFFICE

Date of Filing, November 2, 2007

Date Effective, December 17, 2007

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2. Costs for storage services purchased;
 3. Transportation costs related to such natural gas and any solid, liquid or gaseous hydrocarbons and any storage services; and
 4. Other out-of-pocket direct non-commodity costs related to hydrocarbon procurement, transportation, supply management, or price management, net of any associated proceeds, and Federal Energy Regulatory Commission-approved charges required by pipeline suppliers to access supplies or services described in subsections a.1 through a.3 of this Section D.
- b. Determinations of the Gas Charge(s) shall exclude the estimated cost of gas to be used by the Company, based on the System Average Cost of Gas for the Effective Month.
 - c. The cost of gas estimated to be withdrawn from storage during the Base Period shall be included in the Gas Charge(s).
 - d. Recoverable gas costs shall be offset by the revenues derived from transactions at rates that are not subject to the Gas Charge(s) if any of the associated costs are recoverable gas costs as prescribed by subsection (A) of this Section D. This subsection shall not apply to transactions subject to rates contained in tariffs on file with the Commission, or in contracts entered into pursuant to such tariffs, unless otherwise specifically provided for in the tariff. Taking into account the level of additional recoverable gas costs that must be incurred to engage in a given transaction, the Company shall refrain from entering into any such transaction that would raise the Gas Charge(s).
 - e. Revenues from penalty charges or imbalance charges, which the Commission has previously approved to prevent unauthorized actions of Customers, shall offset gas costs.
 - f. Revenues from "cash out" schedules, which the Commission has previously approved for transportation Customers' monthly or daily imbalances, shall offset gas costs. Under such schedules, the Company can charge Customers for gas used in excess of the amount contracted for, or can refund to Customers the avoided cost of gas not taken. Refunds by the Company pursuant to any such "cash-out" schedule shall be treated as gas costs recoverable under this Section D.

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ILLINOIS COMMERCE COMMISSION
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SECTION E - ADJUSTMENT TO GAS COSTS

- a. The Adjustment Factor (Factor A) shall be treated as an addition to or an offset against actual gas costs. This Adjustment Factor shall include the total of the following items:
1. refunds, directly billed pipeline surcharges, unamortized balances of adjustments in effect as of the Company's implementation date, and other separately designated adjustments;
 2. the cumulative difference between actual recoverable gas costs and purchased gas adjustment ("PGA") recoveries for months preceding the Filing Month; and
 3. the unamortized portion of any Adjustment Factor(s) included in prior determinations of the Gas Charge(s).
- b. If the Company determines the need to amortize the Adjustment Factor over a period longer than the Base Period, this Adjustment Factor shall be amortized over a period not to exceed 12 months. The Company shall, in the monthly filing in which Factor A is first amortized, include an amortization schedule showing the Adjustment Factor amount to be included in the Base Period. The associated carrying charge established by the Commission under 83 Ill. Adm. Code 280.70(e) (1) and in effect when the Adjustment Factor is first amortized shall be applied to each month's unamortized balance and included within Factor A.

SECTION F - DETERMINATION OF GAS CHARGE(S) AND DEMAND GAS CHARGE

- a. Each month the Company shall determine the Gas Charge(s) to be placed into effect for service rendered during the *Effective Month*.
- b. The Gas Charge (GC) is calculated by adding the Commodity Gas Charge (CGC) and Non Commodity Gas Charge (NCGC).

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Commodity Gas Charge:

CGC = The Commodity Gas Charge in cents per therm rounded to the nearest 0.01 cent; any fraction of 0.01 cent shall be dropped if less than 0.005 cent or, if 0.005 cent or more, shall be rounded up to the next full 0.01 cent.

$$CGC = ((G \pm A \pm O)/T) \times 100$$

Where:

- G = The sum of the estimated recoverable gas costs associated with the Base Period, as prescribed in Section D. If separate Gas Charges are established, only costs related to the specific Gas Charge shall be included.
- A = An amount representing the total adjustments to gas costs, as prescribed in Section E. If Company has elected to amortize the total adjustments to gas costs, Factor A shall include the amount applicable to the Base Period.
- O = An amount representing the additional over-or under-recovery for a Reconciliation Year ordered by the Commission to be refunded or collected, including interest charged at the rate established by the Commission under 83 Ill. Adm. Code 280.70(e) (1) from the end of the Reconciliation Year to the order date in the reconciliation proceeding. If the Commission determines it is necessary to amortize the additional over-or under-recovery, additional interest shall be charged in the same manner as that prescribed in Section E.b.
- T = The estimated applicable therms of gas associated with service to be rendered during the Base Period.

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The Commodity Gas Charge calculation shall reflect the estimated costs and applicable terms of gas associated with service to be rendered during the Base Period. For purposes of the Commodity Gas Charge the base period shall be the Effective Month.

The Commodity Gas Charge calculation shall include all commodity (variable) costs of gas supply and transportation and any other variable cost of gas supply that meet the definition of recoverable gas costs in Section D.

Non Commodity Gas Charge:

NCGC = The Non Commodity Gas Charge in cents per therm rounded to the nearest 0.01 cent; any fraction of 0.01 cent shall be dropped if less than 0.005 cent or, if 0.005 cent or more, shall be rounded up to the next full 0.01 cent.

$$NCGC = ((G \pm A \pm O)/T) \times 100$$

Where:

- G = The sum of the estimated recoverable gas costs associated with the Base Period, as prescribed in Section D. If separate Gas Charges are established, only costs related to the specific Gas Charge shall be included.
- A = An amount representing the total adjustments to gas costs, as prescribed in Section E. If Company has elected to amortize the total adjustments to gas costs, Factor A shall include the amount applicable to the Base Period.
- O = An amount representing the additional over-or under-recovery for a reconciliation year ordered by the Commission to be refunded or collected, including interest charged at the rate established by the Commission under 83 Ill. Adm. Code 280.70(e) (1) from the end of the Reconciliation Year to the order date in the reconciliation proceeding. If the Commission determines it is necessary to amortize the additional over-or under-recovery, additional interest shall be charged in the same manner as that prescribed in Section E.b.

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T = The estimated applicable therms of gas associated with service to be rendered during the Base Period.

The Non Commodity Gas Charge calculation shall reflect the estimated costs and applicable therms of gas associated with service to be rendered during the Base Period. For purposes of the Non Commodity Gas Charge the Base Period shall be the remaining months in the Reconciliation Year which includes the Effective Month.

The Non Commodity Gas Charge calculation shall include all demand or reservation costs paid to gas suppliers and pipelines for gas supplies and transportation capacity, all leased storage costs, and any other fixed costs of gas supply that meet the definition of recoverable gas costs in Section D.

c. Demand Gas Charge:

DGC = The Demand Gas Charge in cents per therm rounded to the nearest 0.01 cent; any fraction of 0.01 cent shall be dropped if less than 0.005 cent or, if 0.005 cent or more, shall be rounded up to the next full 0.01 cent.

$$DGC = ((G \pm A \pm O)/T) \times 100$$

Where:

G = The sum of the estimated recoverable gas costs associated with the Base Period, as prescribed in Section D. If separate Gas Charges are established, only costs related to the specific Gas Charge shall be included.

A = An amount representing the total adjustments to gas costs, as prescribed in Section E. If Company has elected to amortize the total adjustments to gas costs, Factor A shall include the amount applicable to the Base Period.

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- O = An amount representing the additional over-or under-recovery for a reconciliation year ordered by the Commission to be refunded or collected, including interest charged at the rate established by the Commission under 83 Ill. Adm. Code 280.70(e) (1) from the end of the Reconciliation Year to the order date in the reconciliation proceeding. If the Commission determines it is necessary to amortize the additional over-or under-recovery, additional interest shall be charged in the same manner as that prescribed in Section E.b.
- T = Factor SDDS multiplied by the remaining months of the reconciliation year including the effective month.

- d. The System Design Day Sendout (SDDS) factor will be determined by the Company annually in January. Factor SDDS shall include the sum of therms delivered to the firm sales Customers. Such factor shall be used thereafter until superseded by a subsequent change in the SDDS determined in accordance with these provisions, unless otherwise ordered by the Illinois Commerce Commission.

SECTION G – ANNUAL RECONCILIATION

- a. In conjunction with a docketed reconciliation proceeding, the Company shall file with the Commission a calendar-year reconciliation statement, which shall be certified by the Company's independent public accountants and verified by an Officer of the Company. This statement shall show the difference between the following:
1. the costs recoverable through the Gas Charge(s) during the Reconciliation Year, as adjusted by Factor A and Factor O, and
 2. the revenues arising through the application of the Gas Charge(s) to applicable therms during the Reconciliation Year.

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- b. If, after hearing, the Commission finds that the Company has not shown all costs to be prudently incurred or has made errors in its reconciliation statement for such Reconciliation Year, the difference determined by the Commission shall be refunded or recovered, as appropriate, under the Ordered Reconciliation Factor (Factor O), along with any interest or other carrying charge authorized by the Commission.

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ILLINOIS COMMERCE COMMISSION
CHIEF CLERK'S OFFICE

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RIDER S
SYSTEM GAS SERVICE
Applicable to Rates GDS-1, GDS-2, GDS-3, GDS-4, GDS-5 and GDS-6

AVAILABILITY

All Residential Customers receiving gas delivery service pursuant to Rate GDS-1 – Residential Gas Delivery Service shall receive system gas supply from the Company pursuant to this Rider S. Service under this Rider is also available to all Non-Residential Customers.

PURPOSE

The purpose of this Rider is to provide System Gas Service (Company supplied gas) to all Residential Customers and to Non-Residential Customers that does not wish to procure gas supply through a RGS.

CHARGES

A. Delivery Services Charges:

The monthly Customer Charge, Delivery Charges and Demand Charges (if applicable) of the applicable rate.

B. System Gas Charges:

The metered quantity (Therms) of system gas delivered multiplied by the Gas Charge (GC) unless otherwise specified in the applicable Gas Delivery Service Rate. The charge associated with GC is calculated pursuant to Rider PGA of this Schedule.

TERMS AND CONDITIONS

Service hereunder is subject to the Customer Terms and Conditions, Standards and Qualifications for Gas Service, Tax Additions, and Supplemental Customer Charge Tariffs of this Schedule, as well as any other applicable Rates, Riders, taxes, adjustments, fees or charges that may be approved by the ICC from time to time and in effect.

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RIDER T – TRANSPORTATION SERVICE
Applicable to Rate GDS-2, GDS-3, GDS-4, GDS-5, GDS-6 and GDS-7

AVAILABILITY

Available to any Non-Residential Customer within Company's service area served under Rates GDS-2, GDS-3, GDS-4, GDS-5, GDS-6 or GDS-7 of this Schedule having contracted with Company for transportation service of Customer-Owned Gas.

DEFINITIONS

Chicago Citygate Price

Chicago Citygate Price means the price published in the Platt's Gas Daily under the Citygates section for the "Midpoint for the Chicago Citygates", or in the absence of such publication, the price for a substantially similar point published in an alternate publication.

Citygate

Citygate means the point of interconnection between Company and Final Pipeline Transporter(s) where gas is delivered to Company by the Final Pipeline Transporter(s).

Critical Day

Critical Day means a day during which the Company declares a Critical Day at its discretion for gas system conditions such as (1) the Company experiences failure of transmission, distribution, or gas storage facilities, (2) when the Company experiences transmission or distribution system pressures or other unusual conditions which jeopardize the operation of Company's gas system, (3) when the Company's transportation, storage, or supply resources are being used at or near their maximum rated, tariffed, or contractual limits, (4) when any of Company's transporters or suppliers declare the functional equivalent of a Critical Day or force majeure conditions, or (5) other market conditions which may warrant such action by the Company. The Company may utilize a Critical Day by Customer, by area, by interstate pipeline or any combination thereof.

Customer-Owned Gas

Customer-Owned Gas means gas purchased by Customer and transported to Company's Citygate for delivery by Company to Customer's Premises.

Daily Confirmed Nomination (DCN)

Daily Confirmed Nomination is the volume a transportation Customer nominates and delivers to the Company's delivery system for any single day not to exceed the MCDQ applicable. The absence of a Daily Confirmed Nomination is equivalent to a Daily Confirmed Nomination of zero.

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Deliveries

Deliveries mean Therms of Customer-Owned Gas, if any, which Customer designates for delivery to Customer's Premises for the day. Such Deliveries shall reflect adjustments for losses on Company's gas system.

Final Pipeline Transporter

Final Pipeline Transporter means the pipeline carrier delivering Customer-Owned Gas to Company's Citygate.

Imbalance

Imbalance means the difference between Customer's Deliveries and usage in Therms.

Monthly Average Chicago Citygate Price

Monthly Average Chicago Citygate Price means the arithmetic average of the daily Chicago Citygate Prices for the applicable Billing Period.

Nomination

Nomination means the process by which Customer notifies Company of Customer's Deliveries for the day.

Operational Flow Order (OFO)

Operational Flow Order means an order by the Company to initiate actions by the Customer to (1) alleviate conditions that threaten the integrity of the Company's system, (2) help maintain system pressure required to provide efficient and reliable service to its system Customers, (3) help assure adequate supplies, (4) maintain the balance of the system, and (5) help comply with an interstate pipeline directive such as uniformity of deliveries. The Company may utilize an OFO by Customer, by area, by interstate pipeline or any combination thereof and for any specific time period.

Over Delivery

Over Delivery means an Imbalance in which Customer's Delivery exceeds usage.

Shipper

Shipper means the party responsible for the transportation of Customer-Owned Gas to Company's Citygate on the Final Pipeline Transporter. Other terms for Shipper include Retail Gas Supplier, RGS, or Supplier.

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Under Delivery

Under Delivery means an Imbalance in which usage exceeds Customer's Deliveries.

CHARGES

A. Daily Cashout

Any Daily Imbalance, except when an OFO or Critical Day is in effect, will be cashed out as follows:

<u>Daily Imbalance</u>	<u>Cashout</u>
Over 10% Over Delivery	Company pays Customer 90% of the lower of the PGA or the Chicago Citygate Price
Over 10% Under Delivery	Customer pays Company 110% of the higher of the PGA or the Chicago Citygate Price

There will be no cashout for Daily Imbalances of 10% or less.

B. Monthly Cashout

Any Monthly Imbalance will be cashed out as follows:

<u>Monthly Imbalance</u>	<u>Cashout</u>
Over 10% Over Delivery	Company pays Customer 90% of the lower of the PGA or the Monthly Average Chicago Citygate Price
0%-10% Over Delivery	Company pays Customer 100% of the lower of the PGA or the Monthly Average Chicago Citygate Price
0%-10% Under Delivery	Customer pays Company 100% of the higher of the PGA or the Monthly Average Chicago Citygate Price
Over 10% Under Delivery	Customer pays Company 110% of the higher of the PGA or the Monthly Average Chicago Citygate Price

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C. Penalty Charges

- 1. Operational Flow Orders (OFO) Balancing Charge
On any day when an Operational Flow Order (OFO) is in effect, should Customer's or Customer Groups daily usage exceeds its Daily Confirmed Nomination (DCN), an OFO Balancing Charge shall be assessed to the variance. The OFO Balancing charge for the billing period will be as follows:

<u>Variance</u>	<u>Charge</u>
0% to 10%	No Additional Charge
10% to 50%	Greater of 1.5 times GC pursuant to Rider PGA or 150% of Chicago Citygate Price/Therm
Over 50%	Greater of 2 times GC pursuant to Rider PGA or 200% of the Chicago Citygate Price/Therm

- 2. Unauthorized Gas Use Charge
Unauthorized Gas Use related to a Critical Day shall mean the use of system gas on a Critical Day. If during a declared Critical Day for Company's gas system or for a specific area of its gas system, a Customer or Customer Group shall use unauthorized system gas, the Company shall charge the Customer or Customer Group, and the Customer or Customer Group shall pay, \$6.00 per Therm for all unauthorized use in addition to the balancing charges set forth in the OFO Balancing Charge section above.

Customers that use unauthorized system gas during a curtailment period shall be charged the Unauthorized Gas Use Charge indicated above.

- 3. Critical Day Imbalance Charge
In addition to the Unauthorized Gas Use Charge above, if, during a declared Critical Day for its gas system or for a specific area of its gas system, Customer or Customer Group has an imbalance in the same direction as an Imbalance for Company's gas system or area thereof that results in Company incurring penalties or fees for the day from one or more pipelines, Customer or Customer Group may be billed a Critical Day Imbalance Charge determined as follows:

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$$\text{CDIC} = \text{TPC} \times (\text{N/P}) \times (\text{C/A})$$

Where:

CDIC = Critical Day Imbalance Charge

TPC = Total Penalty Charges or fees from pipelines incurred by Company for the Critical Day.

N = Net Unauthorized Therms is the Net Imbalance Therms of all Customers and Customer Groups served on Transportation Service in the same direction as Company's imbalance.

P = Penalty Therms are the aggregate Therms of imbalance on Company's gas system that resulted in pipeline penalties or fees incurred by Company for the Critical Day.

C = Customer's Unauthorized Therms are the Customer's or Customer's Group's imbalance on the Critical Day in the same direction as Company's imbalance.

A = Aggregate Unauthorized Therms are the Aggregate Imbalance Therms of all Customers and Customer Groups on Transportation Service that had imbalances in the same direction as Company's imbalance.

4. Penalty Charges from Interstate Pipelines

If, on any day other than a Critical Day, Customers' excess usage of Company supplied gas contributes to cause penalty charges from an interstate pipeline, the Company shall be reimbursed for the penalty charges incurred pursuant to the Penalty Charges From Interstate Pipelines section of the Customer Terms and Conditions.

5. Penalty Charge Revenues

All Penalty Charge revenues billed to Customer or Customer Group under sections 1, 2, 3 or 4 above will be considered as gas cost recovery and will be used in the development of the Company's PGA charges only to the extent that such costs were originally included and recovered in the PGA.

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NOMINATIONS OF CUSTOMER-OWNED GAS

Nominations for transportation of Customer-Owned Gas to Customer's Premises shall conform to Company's current form and must include Customer's name, city, nomination date, point of usage, Final Pipeline Transporter, Shipper, contract/account number with Final Pipeline Transporter, Therms per day, and day(s) of delivery. Customer may appoint a nominating agent, but Customer retains responsibility for Nominations as described herein.

A. Nomination Deadlines

1. **Month-Ahead**
Prior to 11:30 a.m. CST on the second Business day preceding the first day of each calendar month, Customer desiring Company to transport Customer-Owned Gas shall notify Company of the Therms of Customer-Owned Gas desired by Customer to be transported to Customer's Premises by Company for each day during the next calendar month.
2. **Day-Ahead**
Customer desiring a change of Nomination for transportation of Customer-Owned Gas shall notify Company by 11:30 a.m. CST of the preceding business day, subject to confirmation by the pipeline.
3. **Intra-Day**
Customer desiring a change in Nomination for transportation of Customer-Owned Gas after the Day-Ahead deadline specified above shall notify Company by 4:00 P.M. CST of the preceding business day, subject to confirmation by the pipeline. Company may accept such change to Customer's Nomination if the Company determines in its sole discretion that such a change to Nomination will not adversely impact the operation of the Company's gas system or adversely impact Company's purchase and receipt of gas for other Rates or Riders.

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SYSTEM INTEGRITY PROTECTION

A. OFO or Critical Day Declaration

The Company, at its own discretion, may monitor, limit, or curtail deliveries of gas to Customers having gas delivered pursuant to this Rider via the declaration of an OFO or Critical Day. There is no particular order associated with the declaration of an OFO and/or a Critical Day, and the Company reserves the right to utilize any of the options described to alleviate operational concerns.

B. OFO or Critical Day Notification

The Company shall give notice to all transportation service Customers of all OFO's or Critical Day periods. The notice shall specify the expected duration of the event. The means by which notification is given, whether by phone, fax, electronic mail, or some other means, shall be at the Company's option. Each holder of a Contract shall provide notification information, which may include but is not limited to a telephone number, fax number, or e-mail address, by which to receive notice on a 24-hour basis. The Customer shall be deemed to have received notice upon issuance of the notice to the Customer by the Company.

C. Right to Purchase Gas Owned by Transportation Customers

In the event that system integrity is threatened and the Company has declared a Critical Day, the Company shall have the right to purchase the natural gas supplies owned by, or purchased on behalf of, any of its transportation Customers to the extent the Company implements curtailment of natural gas service to Customers pursuant to the Curtailment Plan described in Customer Terms and Conditions and such gas is available for delivery to the Company under the terms of an existing transportation service contract. The Company's right to purchase gas owned by a Customer shall be exercised by the Company only after the Company has exhausted reasonable efforts to obtain the necessary gas supplies from other sources and this right will be a part of the Transportation Contract with the Customer. Such right shall terminate once the gas supplies available to the company from other sources are sufficient to serve the needs of the Customers in the other categories on whose behalf the purchase of Customer-Owned gas by the Company was made and the Company lifts the curtailment. The price to be paid by the Company for gas purchased under this provision shall be equal to the current price of gas as reported in Platt's Gas Daily as "Midpoint for Chicago Citygates" under the Citygates section of Platt's *Gas Daily*.

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TERMS AND CONDITIONS

The Company shall reduce all Customer Owned Gas delivered to Company by the Unaccounted-for-Gas Factor (UGF). The UGF shall be determined by dividing the quantity of unaccounted for-gas by the sum of distribution throughput and unaccounted-for-gas, expressed as a decimal. The UFG shall be calculated annually, filed with the Commission on or before June 1 to be effective November 1 and shall utilize information for the 12-month period ending March 31.

Company reserves the right to limit the Deliveries of Customer-Owned Gas or usage at Customer's Premises when, at Company's sole discretion, Customer's Deliveries are excessive or deficient in relation to Customer's gas requirements and may adversely affect the operation of Company's gas system.

Company reserves the right to terminate Customer's service under this Transportation Service when, in Company's sole judgment, Customer has demonstrated a pattern of deviation between Deliveries and usage that could adversely impact the Company's ability to deliver gas to other Customers or could otherwise adversely impact the operation of Company's gas system.

The Customer shall be responsible for acquiring private supplies of gas and for delivery of those supplies to the Company's system. Delivery of the Customer's gas to the Company shall be at the Customer's expense. The Company reserves the right to deny service under this Rider if the following conditions are not met.

1. In the sole judgment of the Company, the Company's facilities shall be capable of receiving the Customer's gas without impairment to anticipated purchases or deliveries of any gas supplies by the Company.
2. The final pipeline transporter of such Customer-owned gas agrees to provide daily delivery data for such gas to the Company

Company reserves the right to require usage of Customer-Owned Gas to be uniform over the day when a pipeline imposes a requirement on Company to accept Delivery of gas uniformly over the day. Company shall be entitled to bill and collect from Customer any penalties or fees charged by such pipeline attributable to such Customer's non-conformance with Company's direction to take Delivery uniformly over the day.

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RIDER T – TRANSPORTATION SERVICE
Applicable to Rate GDS-2, GDS-3, GDS-4, GDS-5, GDS-6 and GDS-7

For billing purposes, gas delivered by the Company to the Customer on any one day at the point of metering shall be deemed to be taken in the following order:

1. Customer-Owned gas delivered to the Company's system on a daily basis from an interstate pipeline; and
2. Company supplied gas (if daily imbalance is greater than 10%).

Service hereunder is subject to the Customer Terms and Conditions, Supplier Terms and Conditions, Standards and Qualifications for Gas Service, Tax Additions, and Supplemental Customer Charge Tariffs of this Schedule, as well as any other applicable Rates, Riders, taxes, adjustments, fees or charges that may be approved by the ICC from time to time and in effect.

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CENTRAL ILLINOIS LIGHT COMPANY

d/b/a AmerenCILCO

Gas Service Schedule Ill. C. C. No. 19

Ill. C. C. No. 19
Original Sheet No. 26

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CENTRAL ILLINOIS LIGHT COMPANY

d/b/a AmerenCILCO

Gas Service Schedule Ill. C. C. No. 19

Ill. C. C. No. 19
Original Sheet No. 27

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MISCELLANEOUS FEES AND CHARGES

CHARGE FOR DISHONORED CHECKS

A charge of \$15.00 will be assessed on any negotiable instrument returned by a bank, savings institution or other institution, which is returned by that institution for one or more of the following reasons:

- (1) Non sufficient funds (NSF)
- (2) Uncollectable funds
- (3) Account closed
- (4) Account frozen
- (5) Invalid account number or non-existent account

SERVICE RECONNECTION CHARGE

The Customer shall pay the following charges for the reconnection of gas service:

- (1) During regular working hours \$15.00
- (2) Outside regular working hours \$50.00
- (3) Company will, once in each calendar year, waive the regular working hours reconnection charge incurred due to disconnection of gas service for failure of a Customer to establish credit, or to adjust their cash deposit, or for non-payment of a delinquent bill owed to Company for the same class of service furnished to Customer at the same or another location as provided by 83 Ill. Admin. Code Part 280.

When any Customer requests connection or reconnection of gas service be made outside regular working hours for service which has been discontinued for reasons other than those specified directly above or upon failure of a Customer to comply with the Company's rules or terms and conditions pertaining to Customer's service, a charge of \$50.00 will be made for such connection or reconnection.

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SUPPLEMENTAL CUSTOMER CHARGES

PURPOSE

Pursuant to the terms of Section 75, Article 6, and Section 85 of House Bill 362, as passed by the 90th General Assembly on November 14, 1997, the Company shall impose monthly charges on Customers for Renewable Energy Resources and Coal Technology Development Assistance and Supplemental Low-Income Energy Assistance. Such charges shall be considered Supplemental Customer Charges.

APPLICABILITY

The Supplemental Customer Charges shall be applicable to the following rate tariffs included in this Gas Service Schedule:

Residential - Rate GDS-1

Non-Residential - Rate GDS-2, Rate GDS-3, Rate GDS-4, GDS-5 and Rate GDS-6

SUPPLEMENTAL CUSTOMER CHARGES

The Renewable Energy Resources and Coal Technology Development Assistance Charge shall be assessed as follows:

- (1) \$0.05 per month on each account for Residential gas service.
- (2) \$0.50 per month on each account for Non-Residential gas service taking less than 4,000,000 therms of gas during the previous calendar year.
- (3) \$37.50 per month on each account for Non-Residential gas service taking 4,000,000 therms or more of gas during the previous calendar year.

The Energy Assistance Charge for the Supplemental Low-Income Energy Assistance Fund shall be assessed as follows:

- (1) \$0.40 per month on each account for Residential gas service.
- (2) \$4.00 per month on each account for Non-Residential gas service taking less than 4,000,000 therms of gas during the previous calendar year.
- (3) \$300.00 per month on each account for Non-Residential gas service taking 4,000,000 therms or more of gas during the previous calendar year.

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SUPPLEMENTAL CUSTOMER CHARGES

The total amount of Supplemental Customer Charges each month, shall be added and incorporated into the stated Customer Charge for the applicable tariff. The Supplemental Customer Charges shall be reflected once for each Customer account. The monthly bill for each Customer account shall reflect the above applicable Supplemental Customer Charges and the monthly Customer Charge component of the applicable tariff as a single charge.

The above Supplemental Customer Charges shall be applicable to Special Contract Customers and shall be subject to all applicable tax additions.

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TAX ADDITIONS

STATE TAX ADDITIONS

"The Public Utilities Act" (Act) authorizes a public utility to charge its Customers, in addition to any rate authorized by the Act, an additional charge equal to the total amount of certain taxes; Gas Revenue Tax and Gross Revenue (Public Utility Fund) Tax.

Section 5-15 of Public Act 93-0031 (Gas Use Tax Law) requires the Company, as the last delivering supplier, to collect a Gas Use Tax.

The respective amount for each of the above-mentioned additions for state taxes will be separately designated on each Customer's bill.

A. Gas Revenue Tax

Pursuant to Section 2 of "The Gas Revenue Tax Act," a tax is imposed upon persons engaged in the business of distributing, supplying, furnishing, or selling gas to persons for use or consumption and not for resale at the rate of 2.4 cents per therm of all gas which is so distributed, supplied, furnished, sold, or transported to or for each Customer in the course of such business, or 5% of the gross receipts received from each Customer from such business, whichever is the lower rate as applied to each Customer for that Customer's billing period. This tax shall not be imposed on transactions with Customers who incur a tax liability under the "Gas Use Tax Law."

B. Gross Revenue (Public Utility Fund) Tax

Pursuant to Section 2-202 of "The Public Utilities Act," as increased by 83 Ill. Adm. Code 270.5, a tax is imposed upon each public utility subject to the provisions of this Act equal to 0.1% of its gross revenue.

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TAX ADDITIONS

C. Gas Use Tax – (Applicable to Non-exempt Rider T Customers)

Pursuant to Section 5-15 of Public Act 93-0031 (Gas Use Tax Law), a tax is imposed upon the privilege of using gas obtained in a purchase of out-of-state gas. For purchasers who have not provided the Company with a Gas Use Tax Exemption Certificate or a Gas Use Tax Self-Assessor Certification, the Company is obligated to collect this tax at the rate of 2.4 cents per therm.

The Company will continue to collect Gas Revenue Tax on transactions for services it provides to Customers whose gas usage is exempt from Gas Use Tax.

MUNICIPAL TAX ADDITIONS

Pursuant to the provisions of Section 9-221 of "The Public Utilities Act" authorizing certain additional charges for services rendered in municipalities imposing the tax authorized by Section 8-11-2 of the "Illinois Municipal Code," as amended, the Company shall add an additional charge to cover, (1) the municipal tax itself, (2) an allowance of three percent of the tax for costs of accounting, and (3) the increase in taxes and other payments to governmental bodies resulting from the additional charge. Such additional charges shall be added to all billings for gas furnished for use or consumption and not for resale and for all service rendered in connection therewith within the corporate limits of the municipality levying such tax. The amount of the addition will be separately designated on each Customer's bill.

The additional charge (computed upon the sum of the net amount of each bill as figured under the applicable rates) applicable in the municipality which has levied the municipal tax is shown below.

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TAX ADDITIONS

<u>Municipality</u>	<u>Additional Charge Due to Municipal Tax</u>	<u>Municipal Tax Effective Date</u>
Armington	5.15%	July 6, 1987
Atlanta	5.15%	July 1, 1979
Camargo	5.15%	April 1, 1994
Delavan	5.15%	May 1, 1987
Grandview	3.09%	January 1, 2001
Heyworth	5.15%	July 1, 2005
Homer	3.09%	January 1, 2007
Hopedale	5.15%	November 26, 1993
Marquette Heights	5.15%	April 1, 1959
Minier	5.15%	January 5, 1986
Newman	5.15%	August 1, 2006
Pesotum	5.15%	February 5, 1975
Rochester	5.15%	January 1, 1969
Sadorus	4.12%	November 6, 1968
San Jose	5.15%	December 1, 1999
South Pekin	5.15%	February 1, 1979
Southern View	5.15%	November 1, 1958
Stanford	5.15%	February 3, 1987
Varna	5.15%	December 1, 1983
Villa Grove	5.00%	January 1, 1980
Yates City	5.15%	September 3, 1972

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RIDER EF - EXCESS FRANCHISE COMPENSATION ADJUSTMENT

APPLICABILITY

This Rider EF - Excess Franchise Compensation Adjustment pertains to adjustments that may be collected by the Company to recover additional or excess franchise costs that a Governmental Unit could impose on the Company from time to time. This adjustment shall be applicable to Customers taking service under the following Rate tariffs of this Gas Service Schedule, in a Governmental Unit area that has imposed additional or excess costs as specified below.

Residential – Rate GDS-1

Non-Residential – Rate GDS-2, GDS-3, GDS-4 GDS-5, GDS-6 and GDS-7.

PURPOSE

The purpose of this adjustment is to recover franchise costs imposed upon the Company that are over and above the compensation normally paid by Company to similar Governmental Units. The Excess Franchise Compensation Adjustment will be recovered solely from those Customers taking service from the Company within the boundaries of each such Governmental Unit imposing such costs.

FRANCHISE COSTS

Franchise costs include franchise fees, paid to Governmental Units under franchise ordinances granted to the Company. To recover excess franchise costs imposed upon the Company by a Governmental Unit, the Company will increase the bills of those Customers taking service from the Company within the boundaries of each such Governmental Unit by the applicable adjustment.

CHARGES

The adjustment shall be calculated annually and charged on a per Therm delivered basis for all gas delivered to Customers each month as shown in an informational filing. If the Company recovers excess amounts under this adjustment, those amounts will be credited to such Customers. The calculation used to determine the charges is shown below.

$$E = (A/S) \times 100$$

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RIDER EF - EXCESS FRANCHISE COMPENSATION ADJUSTMENT

Where:

- E = Excess Franchise Compensation Adjustment per Therm: The amount in cents per Therm, rounded to the nearest 0.001¢, to be charged for each Therm delivered in any monthly Billing Period due to the excess franchise compensation.
- S = Sales: Estimated annual Therms subject to the Excess Franchise Compensation Adjustment to be billed to Customers within the boundaries of the Governmental Unit during the Billing Periods for which "E" is being determined.
- A = Excess Franchise Compensation Account: The annual amount of Excess Franchise Compensation costs adjusted for any over or under recoveries from a previous year.

TERMS AND CONDITIONS

The annual recovery period is the franchise year which begins on the effective date of the franchise or anniversary of the effective date.

On or before the 20th day of the month prior to effective date of the franchise or anniversary of the effective date, the Company shall file with the Commission an information filing specifying the Rider EF charges to be effective for service during the following franchise year. If the Company determined during the franchise year that it is appropriate to revise a Rider EF charge to better match revenues recovered under this Rider with actual costs incurred, the Company may, from time to time, calculate a revised Rider EF charge to become effective as of the beginning of any calendar month during the franchise year.

For the initial year of the franchise, there may be a situation where the acceptance date of the franchise is after the effective date of the franchise. If that occurs, the recovery period for the initial year shall consist of the months between the acceptance date and the anniversary of the effective date. At least ten (10) days prior to the date upon which the billings become subject to the Excess Franchise Compensation Adjustment, the Company shall file with the Commission an information filing specifying the Rider EF charges to be effective for service during the remainder of the franchise year.

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RIDER EF - EXCESS FRANCHISE COMPENSATION ADJUSTMENT

After the end of each franchise year, the Company shall reconcile the Company's actual costs with the amount recovered under this Rider for each Governmental Unit. The Company shall file with the Commission, by the 20th day of the second month following the franchise year, an informational filing reflecting adjustments to Rider EF charges to compensate for any reconciliation amounts over the remainder of the franchise year.

The Excess Franchise Compensation Adjustment charge currently applicable in each Governmental Unit shall be shown in an informational filing supplemental to this Rider.

For purposes of this adjustment, a Governmental Unit means any county, municipality, township, special district, or unit designated as a unit of local government by law and which exercises limited governmental powers or powers in respect to limited governmental subjects.

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RIDER GC - GOVERNMENT COMPLIANCE ADJUSTMENT

APPLICABILITY

This Rider GC - Government Compliance Adjustment pertains to adjustments that may be collected by the Company to recover additional or excess costs that a Governmental Unit could impose on the Company from time to time. This adjustment shall be applicable to Customers taking service under the following Rate tariffs of this Gas Service Schedule, in a Governmental Unit area that has imposed additional or excess costs as specified below.

Residential – Rate GDS-1

Non-Residential – Rate GDS-2, GDS-3, GDS-4 GDS-5, GDS-6 and GDS-7.

PURPOSE

If a Governmental Unit enacts an ordinance or otherwise utilizes its constitutional or statutory powers to compel the Company, directly or indirectly, to do any of the following:

- (a) Provide a service in addition to, different from, or instead of a service which the Company would otherwise be required to provide,
- (b) Install facilities in addition to, different from, or instead of those facilities which the Company would otherwise be required to install,
- (c) Remove existing facilities and replace them with facilities different from those facilities which the Company would otherwise be required to do so,
- (d) Modify facilities which the Company would otherwise not be required to modify, or modify facilities in a manner different than that which the Company would otherwise be required to do so,
- (e) Maintain its facilities in a manner that imposes additional requirements on, or is different from the manner in which the Company would otherwise be required to maintain.

The Costs of providing such service, or installing, removing, replacing, modifying or maintaining such facilities shall be charged to the Company's Customers located within the boundaries of such Governmental Unit.

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RIDER GC - GOVERNMENT COMPLIANCE ADJUSTMENT

CHARGES

The adjustment shall be charged on a per Therm delivered basis for all gas delivered to Customers as shown in an informational filing. If the Company recovers excess amounts under this adjustment, those amounts will be credited to such Customers as set forth below.

The charges due under this adjustment will be determined as follows:

$$G = ((A+O)/S) \times 100$$

Where:

- G = Government Compliance Charge or Credit per Therm: The amount in cents per Therm, rounded to the nearest 0.001¢, to be charged for each Therm delivered in any monthly Billing Period due to the Costs of the provision of service, installation, removal, replacement, modification, or maintenance compelled by the Governmental Unit directly or indirectly.
- S = Sales: Estimated Therms subject to the Government Compliance Adjustment to be billed to Customers within the boundaries of the Governmental Unit during the Billing Period for which "G" is being determined.
- A = Government Compliance Account: The total compliance Costs for the Governmental Unit divided by the estimated number of years this adjustment shall be collected by the Company.
- O = Over or under recoveries: The amount of revenues over or under recovered through this Rider during the compliance agreement year.

TERMS AND CONDITIONS

For purposes of this adjustment, the Company is required to provide a service, or install, remove, replace, modify, or maintain facilities in a particular manner only if it is obliged to do so under a state or federal statute, a state or federal regulation, the Company's then current Gas Service Schedule as filed with the Illinois Commerce Commission.

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RIDER GC - GOVERNMENT COMPLIANCE ADJUSTMENT

For purposes of this adjustment, the estimated time period over which this adjustment shall be collected by the Company will be no greater than ten (10) years. The Company and Government Unit may agree to a shorter collection period.

The annual recovery period is the compliance agreement year which begins on the effective date of the compliance agreement or anniversary of the effective date.

On or before the 20th day of the month prior to effective date of the compliance agreement or anniversary of the effective date, the Company shall file with the Commission an information filing specifying the Rider GC charges to be effective for service during the following year. If the Company determined during the year that it is appropriate to revise a Rider GC charge to better match revenues recovered under this Rider with Government Compliance Account amounts, the Company may, from time to time, calculate a revised Rider GC charge to become effective as of the beginning of any calendar month during the year.

After the end of each compliance agreement year, the Company shall reconcile the Government Compliance Account with the amount recovered under this Rider for each Governmental Unit. The Company shall file with the Commission, by the 20th day of the second month following the compliance agreement year, an informational filing reflecting adjustments to Rider GC charges to compensate for any reconciliation amounts over the remainder of the compliance agreement year.

The annual reconciliation shall continue until the adjustment per Therm is less than 0.001¢. If the reconciliation results in a credit of less than 0.001¢ per Therm, Company shall donate such remaining Rider GC adjustment balance to an energy assistance program predominantly within Company's service territory. If the adjustment per Therm results in a charge of less than .001¢ per Therm, Company shall write-off the remaining amount to expense.

The Government Compliance Adjustment charge currently applicable in each Governmental Unit shall be shown in an informational filing supplemental to this Rider.

For purposes of this adjustment, a Governmental Unit means any county, municipality, township, special district, or unit designated as a unit of local government by law and which exercises limited governmental powers or powers in respect to limited governmental subjects.

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RIDER GC - GOVERNMENT COMPLIANCE ADJUSTMENT

For purposes of this adjustment, Costs are the entire amount so recorded on the Company's books of account. Such Costs may be estimated, subject to adjustment to actual Costs as they become available.

Any facilities the Company is compelled to install under this adjustment shall be the property of the Company. The total amount of charges or credits under this adjustment will be separately stated on each Customer's bill.

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RIDER TAR - RECOVERY OF COAL TAR COSTS

PURPOSE OF RIDER

Rider TAR shall operate to distribute to all applicable rate classes their respective shares of coal tar cleanup costs, which shall include all payments by Company to outside vendors in connection with Environmental Remediation 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.

Costs will be credited to reflect proceeds received from insurance carriers or other entities which represent reimbursement of costs associated with Environmental Remediation Activities and proceeds from the sale of any real property whereby said property was purchased for Environmental remediation Activities and the purchase costs were recovered from ratepayers. GEA Costs shall not include accrued costs not expected to be paid in the recovery year or the salaries of Company employees, or any benefits related thereto.

The charges and credits calculated under this Rider shall be applied to all Customers except Customers receiving service under Rate GDS-7 - Special Contract Gas Delivery Service.

APPLICABLE RATE CLASSES

Coal tar cleanup costs shall be calculated for each applicable Rate Class and shall be applied monthly as a separate line item to Customer bills on a cents per therm basis.

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RIDER TAR - RECOVERY OF COAL TAR COSTS

CALCULATION OF COAL TAR CLEANUP CHARGES

For calendar years beginning after December 31, 1994, coal tar cleanup costs shall be recovered through a Factor TAR which shall be added to all blocks of the base rate energy charges billed to all Customers in the applicable rate classes during such calendar year. A separate Factor TAR shall be calculated for each rate class for each such calendar year by (a) multiplying the total of the estimated coal tar cleanup costs to be incurred during that calendar year by a fraction, the numerator of which is the estimated base rate revenues, during the calendar year, of the rate class for which Factor TAR is being calculated, and the denominator of which is the estimated total base rate revenues, for the calendar year, of all three applicable rate classes, and (b) dividing the product by the estimated therms of gas to be billed, during the remainder of the calendar year, to all Customers in the rate class for which Rider TAR is being calculated. If the Company shall determine during the calendar year that it is appropriate to revise Factor TAR to better match revenues recovered under this Rider with actual coal tar cleanup costs incurred during the calendar year, the Company may from time to time calculate a revised Factor TAR for each rate class to become effective as of the beginning of any calendar month during the calendar year. A revised Factor TAR shall be separately calculated for each rate class by (a) multiplying the total of the coal tar cleanup costs recovered to date during the calendar year from the rate class for which the adjustment is being calculated, by a fraction, the numerator of which is the estimated net coal tar revenue over/underrecoveries for the calendar year from all three applicable rate classes, and the denominator of which is the actual coal tar revenues recovered to date during the calendar year from all three applicable rate classes and (b) dividing the product by the estimated therms of gas to be billed, during the remainder of the calendar year, to all Customers in the rate class for which the revised Rider TAR is being calculated. The quotient shall be added to or subtracted from the existing Factor TAR, as appropriate, to determine the revised Factor TAR.

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RIDER TAR - RECOVERY OF COAL TAR COSTS

CREDIT FACTOR

Coal tar cleanup costs recovered by the Company during any calendar year from any source other than Rider TAR, less any amounts not otherwise recovered through this Rider which are billed to the Company in connection with attempts to obtain recovery of coal tar cleanup costs, shall be credited to the applicable rate classes in identical percentages of the base rate revenues of each rate class. The credit shall be applied through a Credit Factor which shall be subtracted from all blocks of the base rate energy charges billed to all Customers in the applicable rate classes. A separate Credit Factor shall be calculated for each rate class for the Credit Period by (a) multiplying the net amounts to be credited (which amounts may be estimated to the extent the actual amounts are not available at the time of calculation) by a fraction, the numerator of which is the estimated base rate revenues, during the Credit Period, of the rate class for which the Credit Factor is being calculated, and the denominator of which is the estimated base rate revenues for the Credit Period of all three applicable rate classes, and (b) dividing the product by the estimated therms of gas to be delivered, during the Credit Period, to all Customers in the rate class for which the Credit Factor is being calculated. If the Company shall determine during the Credit Period in which the credit is being applied that it is appropriate to revise the Credit Factor to better match the credit being given with the actual net amounts of coal tar cleanup costs to be credited, the Company may from time to time calculate a revised Credit Factor for each rate class in a manner similar to the calculation of a revised Factor TAR during any calendar year recovery period. Any revised Credit Factor shall become effective as of the first day of a calendar month beginning during the Credit Period. For purposes of this Paragraph, when amounts to be credited are recovered by the Company prior to June 30 of any calendar year, the Credit Period with respect to such recoveries shall be the remainder of the calendar year, and when amounts to be credited are recovered by the Company after June 30 of any calendar year, the Credit Period with respect to such recoveries shall be the next succeeding calendar year.

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Date of Filing, November 2, 2007

Date Effective, December 17, 2007

Issued by S.A. Cisel, President
300 Liberty Street, Peoria, Illinois 61602

RIDER TAR - RECOVERY OF COAL TAR COSTS

RECONCILIATION

Beginning in 1996, and continuing each year thereafter, within 90 days after the end of each calendar year, the Company shall file with the Illinois Commerce Commission a statement reconciling the Company's actual coal tar cleanup expenses prudently incurred, with the amount recovered for such expenses through Factor TAR in effect during the calendar year immediately preceding the filing. The filing shall also reconcile the net amounts, if any, of coal tar cleanup costs recovered from sources other than through this Rider, with amounts credited through the Credit Factor to the applicable rate classes during the Credit Period in effect during the calendar year immediately preceding the filing. The filing shall include information which will demonstrate the prudence of the Company's coal tar cleanup costs included in the filings, based upon the following standards:

- (a) reasonable and appropriate business practices;
- (b) the requirements of state and federal authorities;
- (c) minimization of costs to ratepayers, consistent with safety, reliability and quality assurance; and
- (d) based on facts and knowledge the Company knew or reasonably should have known at the time the costs were incurred.

The credits or collections shall be applied through a Reconciliation Factor, which shall allocate the underrecovery or overrecovery to the applicable rate classes in identical percentages of the base rate revenues for each class, calculated in the same manner as Factor TAR. If, within ten months after the filing of any annual reconciliation statement under this Rider, the Commission has not ordered a hearing to review such filing, the Company may at any time thereafter file a petition with the Commission to initiate a hearing to reconcile the amounts theretofore collected under this Rider TAR or from any other source for coal tar cleanup costs not previously reviewed in a reconciliation hearing, with expenses prudently incurred by the Company for coal tar cleanup costs. All amounts previously credited or collected under this Rider and included in the petition for reconciliation hearing, shall be subject to further adjustments, through an Ordered Reconciliation Factor, as directed by the Commission following such review.

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ILLINOIS COMMERCE COMMISSION
CHIEF CLERKS OFFICE

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RIDER TAR - RECOVERY OF COAL TAR COSTS

TERMS AND CONDITIONS

The amount of any new or revised Factor TAR and Credit Factor shall be shown for each applicable rate class on an information sheet supplemental to this Rider and filed with the Commission by the 20th day of the calendar month immediately preceding the calendar month in which the new or revised Factor TAR or Credit Factor is to become effective. The information sheet shall be accompanied by backup data showing the calculation of Factor TAR and the Credit Factor. Unless otherwise ordered by the Commission, each new or revised Factor TAR and Credit Factor 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 until superseded by a new or revised Factor TAR or Credit Factor.

In the event a Customer receives service under any rate or rider which does not contain a separate energy charge, then Factor TAR, the Credit Factor, and the Reconciliation Factor shall be applied by multiplying the applicable factor(s) by the average number of therms delivered monthly to the Customer under said rate or rider, and the product(s) shall be included in the monthly bill for service.

Net overrecoveries or underrecoveries at the end of any Reconciliation Period, together with any overrecovery or underrecovery remaining from any period prior to 1995, shall be recorded in a Rider TAR Refund Account and refunded or collected as hereinafter described.

Notwithstanding any other provision of this Rider TAR, if the amount of any Factor TAR, Credit Factor or Reconciliation Factor, calculated as set forth in this Rider, shall be less than .01 cents per therm for any class to which such factor is otherwise applicable, the total amount to be collected or credited from all classes through such factor shall instead be recorded in the Rider TAR Refund Account. When the total amounts in the Refund Account, after netting all positive and negative amounts recorded in such account, produce a factor of .01 cents per therm or more for each class to which Rider TAR is applicable for the remaining months of any calendar year, the amount in the Refund Account shall be refunded or recovered, as appropriate, over the remainder of the calendar year, in the same manner as any other amounts to be refunded or recovered pursuant to this Rider TAR. The calculation of refunds or recoveries from the Refund Account shall be included in an information sheet to be filed with the Commission in the same manner as information sheets for Factor Tar.

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**RIDER UBA
UNCOLLECTIBLES BALANCING ADJUSTMENT**

APPLICABILITY

This Rider is applicable to Rate GDS-1 - Residential Gas Delivery Service (GDS-1), GDS-2 - Small General Gas Delivery Service (GDS-2), GDS-3 - Intermediate Gas Delivery Service (GDS-3), GDS-4 - Large General Gas Delivery Service (GDS-4), GDS-5 - Seasonal Gas Delivery Service (GDS-5), GDS-6 - Large Volume Gas Delivery Service (GDS-6) and GDS-7 - Special Contract Gas Delivery Service (GDS-7). The Uncollectibles Balancing Adjustment (UBA%) is expressed on a percentage basis.

PURPOSE

The purpose of this Rider is to adjust base rate charges for the actual amount of uncollectibles that exceed or fall short of any previously established levels collected through base rate charges. The UBA will be applied monthly to total delivery service rate billings excluding add-on taxes, any revenues attributable to Purchased Gas Adjustments, or any other revenues not recorded as base rate revenues.

Each year the Company shall determine adjustments under this Rider. A separate adjustment shall be calculated for each applicable Rate class.

Section A - Definitions

As used in this Rider, the terms below are defined to mean:

Actual Base Rate Revenue (ABRR)

Actual Base Rate Revenue (ABRR) shall mean those actual base rate revenues arising from applicable charges in Rates GDS-1, GDS-2, GDS-3, GDS-4, GDS-5, GDS-6 and GDS-7 during the Fiscal Year

Actual Uncollectibles (AU)

Actual Uncollectibles (AU) shall mean the total sum of dollar amounts of uncollectibles incurred for each applicable Rate during the Fiscal Year.

Effective Year

Effective Year shall mean the year for which the Effective UBA% in Section B 1. is calculated and applied during the months of March through December.

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CHIEF CLERK'S OFFICE

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**RIDER UBA
UNCOLLECTIBLES BALANCING ADJUSTMENT**

Filing Month

Filing Month shall mean the month of February in which an adjustment is determined by the Company and submitted to the Commission.

Fiscal Year

Fiscal Year shall mean the year for which the Effective Component in Section B 1. is applied and initially shall be the first full year following the completion of Company's rate proceeding before the ICC.

Previous Reconciliation Period

Previous Reconciliation Period shall mean the ten-month reconciliation period that ended as of the most recent Fiscal Year.

Uncollectibles Percentage (UP)

Uncollectibles Percentage (UP) shall mean the percentage of total operating revenues that is equal to the annual uncollectibles loss ratio for each applicable Rate class, as determined by the Commission in the Company's most recent rate proceeding.

Upcoming Reconciliation Period

Upcoming Reconciliation Period shall mean the ten-month period commencing on March 1 following the Fiscal Year.

Section B - Determination of Adjustment

The UBA% adjustment amount under this Rider shall be the sum of the amounts determined pursuant to subsections 1 and 2.

1. **Effective Component** - The adjustment to be billed for the Effective Year is represented by the following formula:

$$[((AU+RA)/ABRR) \times 100 - UP] \times 1.2$$

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**RIDER UBA
UNCOLLECTIBLES BALANCING ADJUSTMENT**

Where:

AU represents sum of dollar amounts of Actual Uncollectibles
RA Reconciliation Adjustment
ABRR represents Actual Base Rate Revenue
UP represents the Uncollectibles Percentage established by the Commission during the Company's most recent rate case and reflected in base rates.

2. **Reconciliation Adjustment** – The reconciliation adjustment is calculated annually for the Upcoming Reconciliation Period and represented by the following formula:

$$[(RA_1 + RA_2) \times (1 + i)]$$

Where:

RA₁ = an amount due the Company (+RA₁) or an amount due the customer (-RA₁) arising from the reconciliation of base rate uncollectibles and application of the Effective Component in subsection B 1. above, as compared to Actual Uncollectibles Base Rate for the completed Fiscal Year.

RA₁ shall be represented by the following formula:

$$(AUBR - RUBR)$$

Where:

AUBR represents the Actual Uncollectibles Base Rates for the Fiscal Year
RUBR represents the Recovered Uncollectibles Base Rate for the Fiscal Year.

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**RIDER UBA
UNCOLLECTIBLES BALANCING ADJUSTMENT**

RA_2 = an amount due the Company (+ RA_2) or an amount due the Customer (- RA_2) as a consequence of any prior RA_1 adjustment.

RA_2 shall be represented by the following formula:

$$RA - RAR$$

Where:

RA represents the sum of RA_1 plus RA_2 for the Previous Reconciliation Period.

RAR represents actual revenues arising from the application of RA for each month during the Previous Reconciliation Period.

i represents the interest rate established by the Commission under 83 Ill. Adm. Code 280.70(e)(1) and in effect when each adjustment under this section is calculated, adjusted for the number of months in the Reconciliation Period.

The Effective Component and the Reconciliation Adjustment shall each be separately determined.

If the Company determines that UBA will more nearly be refunded or recovered at the end of any month up to nine (9) months, the amortization period may be shortened or lengthened accordingly upon the Company giving 15 days' notice to the Commission of the change in the amortization period.

Section C – Reports

Each year the Company shall determine adjustments under this Rider. The UBA% as outlined in Section B 1. shall be filed annually with the ICC in an information sheet with supporting data no later than the 20th day of the February preceding March of the Effective Year.

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RIDER UBA
UNCOLLECTIBLES BALANCING ADJUSTMENT

Section D - Terms and Conditions

Subject to the Customer Terms and Conditions, Standards and Qualifications for Electric Service, Tax Additions, and Supplemental Customer Charge Tariffs of this Schedule, as well as any other applicable Rates, Riders, taxes, adjustments, fees or charges that may be approved by the ICC from time to time and in effect. The UBA shall be determined in accordance with the provisions of this Rider.

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ILLINOIS COMMERCE COMMISSION
CHIEF CLERK'S OFFICE

Date of Filing, November 2, 2007

Date Effective, December 17, 2007

Issued by S.A. Cisel, President
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**RIDER VBA
VOLUME BALANCING ADJUSTMENT**

APPLICABILITY

This Rider is applicable to Rates GDS-1 - Residential Gas Delivery Service (GDS-1) and GDS-2 - Small General Gas Delivery Service (GDS-2). The Volume Balancing Adjustment (VBA) is expressed on a cents per Therm basis.

PURPOSE

The purpose of this Rider is to stabilize the distribution Base Rate Revenue for Rates GDS-1 and GDS-2 approved by the Commission in the Company's most recent rate proceeding. Each month the Company shall determine adjustments under this Rider. A separate adjustment shall be calculated for each applicable Rate class.

DEFINITIONS

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

Actual Base Rate Revenue (ABRR)

Actual Base Rate Revenue (ABRR) means the dollar amount of monthly delivery charge revenues, excluding Customer charge revenues and revenues arising from adjustments under this Rider, which were billed for each applicable Rate for the specified period.

Actual Customers (AC)

Actual Customers (AC) means the number of Customers in each applicable Rate for the specified period.

Effective Month

Effective Month means the month for which the Effective Component in the Determination of Billing Adjustment section below is calculated, and shall be the month after the Filing Month.

Factor T (T)

Factor T (T) means the number of Therms of gas delivered to Customers by the Company, including the number of Therms of Customer-Owned or Company supplied gas delivered by the Company, for the specified period.

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NOV - 2 2007

ILLINOIS COMMERCE COMMISSION
CHIEF CLERK'S OFFICE

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**RIDER VBA
VOLUME BALANCING ADJUSTMENT**

Filing Month

Filing Month means the month in which an adjustment is determined by the Company and submitted to the Commission.

Fiscal Year

Fiscal Year means the Fiscal Year of the Company that ended as of the most recent December 31.

Previous Reconciliation Period

Previous Reconciliation Period means the ten-month reconciliation period that ended as of the most recent Fiscal Year.

Rate Case Customers (RCC)

Rate Case Customers (RCC) means the number of Customers that underlie the rates approved by the Commission in the Company's most recent rate proceeding for each applicable Rate.

Rate Case Base Rate Revenue (RCBR)

Rate Case Base Rate Revenue (RCBR) means the dollar amount of delivery charge revenues, excluding Customer charge revenues, approved by the Commission in the Company's most recent rate proceeding for each applicable Rate.

Reconciliation Month

Reconciliation Month means the second month prior to the Effective Month.

Upcoming Reconciliation Period

Upcoming Reconciliation Period means the ten-month period commencing on March 1 following the Fiscal Year.

DETERMINATION OF BILLING ADJUSTMENT

There shall be a separate per Therm adjustment amount determined under this Rider for each applicable Rate and such amount shall be the sum of the amounts determined pursuant to sections 1 and 2 below.

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**RIDER VBA
VOLUME BALANCING ADJUSTMENT**

1. Effective Component

The adjustment, determined for each Rate, to be billed for the Effective Month is represented by the following formula:

$$[(RCBR / RCC) - (ABRR / AC)] \times RCC / T \times 100$$

Where:

RCBR represents the Rate Case Base Rate Revenue for the Reconciliation Month.
RCC represents the number of Rate Case Customers for the Reconciliation Month.
ABRR represents the Actual Base Rate Revenue for the Reconciliation Month.
AC represents the number of Actual Customers for the Reconciliation Month.
T represents the forecast Factor T for the Effective Month.

2. Reconciliation Adjustment

The reconciliation adjustment determined for each Rate, is calculated annually, amortized over a ten-month period, and represented by the following formula:

$$[(RA_1 + RA_2 + O) \times (1 + i)] / T \times 100$$

Where:

RA₁ = an amount due the Company (+RA₁) or an amount due the Customer (-RA₁) arising from the reconciliation of Rate Case Base Rate revenues and Actual Base Rate revenues plus revenues arising from application of the Effective Component in section 1 above.

RA₁ shall be represented by the following formula:

$$RCBR - (ABRR / AC \times RCC) - VBAR$$

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**RIDER VBA
VOLUME BALANCING ADJUSTMENT**

Where:

- RCBR represents the Rate Case Base Rate Revenue for the Fiscal Year.
ABRR represents the Actual Base Rate Revenue for the Fiscal Year.
AC represents the average number of Actual Customers for the Fiscal Year.
RCC represents the average number of Rate Case Customers for the Fiscal Year.
VBAR represents the sum of the actual monthly revenues arising from the application of the Effective Component in section 1 above for the Fiscal Year.

RA_2 = an amount due the Company (+ RA_2) or an amount due the Customer (- RA_2) as a consequence of any prior RA_1 adjustment.

RA_2 shall be represented by the following formula:

$$RA - RAR$$

Where:

- RA represents RA_1 and Factor O for the Previous Reconciliation Period.
RAR represents actual revenues arising from the application of RA for each month during the Previous Reconciliation Period.
- i = the interest rate established by the Commission under 83 Ill. Adm. Code 280.70(e)(1) and in effect when each adjustment under this section is calculated, adjusted for the number of months in the Reconciliation Period.
- T = the forecast Factor T for the Upcoming Reconciliation Period.
- O = the Ordered adjustment, in dollars, ordered by the ICC that is to be refunded to or collected from Customers as a result of the reconciliation established in the Reports/Reconciliation section below.

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**RIDER VBA
VOLUME BALANCING ADJUSTMENT**

The Effective Component and the Reconciliation Adjustment shall each be separately determined. If an adjustment computes to 0.01¢ per Therm or more, any fraction of 0.01¢ in the computed per Therm adjustment amount shall be dropped if less than 0.005¢ or, if 0.005¢ or more, shall be rounded up to the next full 0.01¢.

If the Company determines that RA will more nearly be refunded or recovered at the end of any month up to 11 months, the amortization period may be shortened or lengthened accordingly upon the Company giving 15 days' notice to the Commission of the change in the amortization period.

REPORTS/RECONCILIATION

The Company shall file with the Commission on or before the 20th day of each Filing Month an information sheet that specifies the adjustments to be effective under this Rider for the Effective Month. The Company shall file any corrections from a timely filed information sheet on or before the last day of the Filing Month. Any other filing after that date will be accepted only if submitted as a special permission request under the provisions of Section 9-201 (a) of the Public Utilities Act [220 ILCS 5/9-201 (a)].

The Company shall file with the Commission annually, no later than February 20th, a statement of the Reconciliation Adjustment components RA₁ and RA₂ to be applicable for the Upcoming Reconciliation Period. At this same time, the Company shall also file a petition with the ICC seeking initiation of an annual reconciliation to determine the accuracy of the statement. The reconciling amount from such proceeding (Factor O) shall be recovered in the manner determined by the Commission in the annual reconciliation proceeding.

TERMS AND CONDITIONS

Subject to the Customer Terms and Conditions, Standards and Qualifications for Gas Service, Tax Additions, and Supplemental Customer Charge Tariffs of this Schedule, as well as any other applicable Rates, Riders, taxes, adjustments, fees or charges that may be approved by the ICC from time to time and in effect.

AUDIT

The Company shall file annually with the Manager of the Accounting Department of the ICC's Financial Analysis Division, no later, than July 1, an internal audit report that determines whether or not the Rider VBA information provided has been calculated in accordance with this Tariff.

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