DISCLAIMER

This site contains a copy of the Company's tariffs. The official tariffs are on file with the relevant state regulatory commissions. While every effort has been made to ensure that the tariffs on this site are accurate and are updated on a timely basis, Atmos does not warrant that they are identical in every respect to the official tariffs on file with the relevant regulatory agencies and expressly disclaims any responsibility or liability for any differences.

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THIS DOCUMENT LAST UPDATED NOVEMBER 1, 2002

Ill. C. C. No. 3
First Revised Title Sheet
Canceling Original Title Sheet

ILLINOIS COMMERCE COMMISSION GAS TARIFF

ATMOS ENERGY CORPORATION

Communications Regarding This Tariff
Should be Addressed to:

Patricia J. Childers, VP Rates and Regulatory Affairs
Atmos Energy Corporation
810 Crescent Centre Drive
Suite 600
Franklin, TN 37067-6226

Issued by: **Patricia J. Childers, VP Rates & Regulatory Affairs** **Effective Date: October 4, 2002**
Date Issued: **August 19, 2002**

Ill. C. C. No. 3
First Revised Sheet No. 1
ATMOS ENERGY CORPORATION **Canceling Original Sheet No. 1**

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Issued by: **Thomas R. Blose, Jr., President** **Effective Date: October 4, 2002**
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PRELIMINARY STATEMENT

Atmos Energy Corporation, sometimes herein referred to as "Company" is a public utility engaged in the business of distributing and selling natural gas at retail within its authorized service areas in the State of Illinois, and subject to the jurisdiction of the Illinois Commerce Commission.

This tariff, containing replacement rates of Atmos Energy Corporation, is filed with the Illinois Commerce Commission in accordance with the Applicable statutes of Illinois and the applicable Illinois Administrative Code.

Gas service will be provided to all bona fide applicants for service in accordance with the terms and conditions of Company's service regulations, and at Company's applicable rate schedules, as set forth in this tariff.

A copy of this tariff is available for inspection during business hours at each office of the Company in Illinois.

Rate Zones

The Company serves several communities in Illinois with natural gas purchased from various natural gas pipelines in accordance with separate and individual tariffs approved by the Federal Energy Regulatory Commission, and containing difference price levels. As used in the retail rate schedules of the tariff, rate zone designations are applicable to the communities served by the Company as follows:

Rate Zone 1 - Vandalia, Salem, Kinmundy, Alma, Cowden, Xenia, Iuka, Huey, Altamont, St. Elmo, Brownstown, Beecher City, Fairina, St. Peter and other cities supplied with gas from Natural Gas Pipeline Company of America.

Rate Zone 2 - Harrisburg, Eldorado, Raleigh, and other cities supplied with gas from Texas Eastern Transmission Corporation.

Rate Zone 3 - Metropolis, Joppa, Brookport, Salem, Kinmundy, Alma, Cowden, Xenia, Iuka, Huey and other cities supplied with gas from Trunkline Gas Company, plus Farm Tap customers along the transmission line, and other cities supplied with gas from the Trunkline Gas Company.

Rate Zone 4 - Virden, Girard, Thayer, New Holland, Middletown, Farmersville, Waggoner, plus Farm Tap Customers along the transmission line, and other cities supplied with gas from Panhandle Eastern Pipe Line Company.

Rate Zone 5 - Salem, Kinmundy, Alma, Cowden, Xenia, Huey and other cities supplied with gas from Mississippi River Transmission Corporation.

ATMOS ENERGY CORPORATION

Ill. C. C. No. 3
Third Revised Sheet No. 3
Canceling Second Revised Sheet No. 3

RESIDENTIAL GAS SERVICE

Schedule 110: All Zones

Availability

This schedule is available within the Company's service area to any residential or federal housing project customer using gas service primarily for domestic purposes.

Character of Service

Natural gas, with a heating value of approximately 1,000 Btu per cubic foot, supplied through a single delivery point and a single meter, at the delivery pressure of the distribution system in the area.

Facilities Charge

A monthly facilities charge of $9.90 is payable regardless of the usage of gas.

Monthly Rate

Per Ccf	$0.2015

Payment

Each monthly bill for service is payable on the date of issue. A charge of one and one-half percent (1-1/2%) per month may be added to the amount of any residential customer's bill remaining unpaid after 21 days following the date of mailing the bill, and 14 days after the date of mailing a bill for non-residential service. When a customer mails any payment for gas service and such payment is received at the Company's office not more than two (2) full business days after the due date printed on the bill, the customer shall be deemed to have made timely payment.

Gas Lights

For all metered gas light services under this tariff, the charge for such service shall be based on actual usage through a metered source at this tariff rate. It shall be within the Company's discretion whether a gas light should be metered, however if the gas light is unmetered, the Company may estimate and determine the appropriate consumption of the light and charge the applicable rate under this rate schedule.

Issued by: Patricia J. Childers, VP Rates & Regulatory Affairs **Effective Date: October 4, 2002**
Date Issued: August 19, 2002

RESIDENTIAL GAS SERVICE (Continued)

Schedule 110: All Zones

Purchased Gas Cost Adjustment

Bills for service are subject to adjustment for changes in the cost of purchased gas in accordance with Service Regulations filed with the Illinois Commerce Commission.

Service Regulations

Gas service at these schedules will be furnished in accordance with the Company's Service Regulations as filed with the Illinois Commerce Commission, copies of which are available for public reference during business hours at each of the Company's offices.

SMALL COMMERCIAL AND SMALL INDUSTRIAL GAS SERVICE

Schedule 120: All Zones

Availability

This schedule is available within the Company's service area to any commercial or industrial customer using less than 135,000 Ccf per year for any purpose at the option of the Company, to the extent gas is available. This schedule is not available to residences, apartment or federal housing projects.

Character of Service

Natural gas, with a heating value of approximately 1,000 Btu per cubic foot, supplied through a single delivery point and a single meter, at the delivery pressure of the distribution system in the area, or at such higher delivery pressure as agreed upon by customer and Company.

Facilities Charge

A monthly facilities charge of $25.00 is payable regardless of the usage of gas.

Monthly Rate

Per Ccf $0.1608

Payment

Each monthly bill for service is payable on the date of issue. A charge of one and one-half percent (1-1/2%) per month may be added to the amount of any residential customer's bill remaining unpaid after 21 days following the date of mailing the bill, and 14 days after the date of mailing a bill for non-residential service. When a customer mails any payment for gas service and such payment is received at the Company's office not more than two (2) full business days after the due date printed on the bill, the customer shall be deemed to have made timely payment.

Gas Lights

For all metered gas light services under this tariff, the charge for such service shall be based on actual usage through a metered source at this tariff rate. It shall be within the Company's discretion whether a gas light should be metered, however if the gas light is unmetered the Company may estimate and determine the appropriate consumption of the light and charge the applicable rate under this rate schedule.

SMALL COMMERCIAL AND SMALL INDUSTRIAL GAS SERVICE (Continued)

Schedule 120: All Zones

Purchased Gas Cost Adjustment

Bills for service are subject to adjustment for changes in the cost of purchased gas in accordance with Service Regulations filed with the Illinois Commerce Commission.

Transportation Service

Customers served under this Rate Schedule may elect to secure their own gas supply for transportation on the Company's distribution system. Customers served under this Rate Schedule may elect a full firm or partial standby service. Customers not electing full firm service are subject to interruption to the extend their usage on a daily basis exceeds their elected firm Daily Contract Quantity. Customers electing transportation service shall be billed the rates set forth in this tariff. Customers electing transportation service shall not be subject to the Gas Charge and Refund Adjustment, but shall be billed the TOP Adjustment of the Purchased Gas Adjustment.

Service Regulations

Gas service at these schedules will be furnished in accordance with the Company's Service Regulations as filed with the Illinois Commerce Commission, copies of which are available for public reference during business hours at each of the Company's offices.

LARGE COMMERCIAL AND LARGE INDUSTRIAL GAS SERVICE

Schedule 130: All Zones

Availability

This schedule is available within the Company's service area to any commercial or industrial customer using at least 135,000 Ccf per year for any purpose at the option of the Company, to the extent gas is available. This schedule is not available to residences, apartment or federal housing projects.

Character of Service

Natural gas, with a heating value of approximately 1,000 Btu per cubic foot, supplied through a single delivery point and a single meter, at the delivery pressure of the distribution system in the area, or at such higher delivery pressure as agreed upon by customer and Company.

Facilities Charge

A monthly facilities charge of $100.00 is payable regardless of the usage of gas.

Monthly Rate

Per Ccf	$0.1555

Payment

Each monthly bill for service is payable on the date of issue. A charge of one and one-half percent (1-1/2%) per month may be added to the amount of any residential customer's bill remaining unpaid after 21 days following the date of mailing the bill, and 14 days after the date of mailing a bill for non-residential service. When a customer mails any payment for gas service and such payment is received at the Company's office not more than two (2) full business days after the due date printed on the bill, the customer shall be deemed to have made timely payment.

Gas Lights

For all metered gas light services under this tariff, the charge for such service shall be based on actual usage through a metered source at this tariff rate. It shall be within the Company's discretion whether a gas light should be metered, however if the gas light is unmetered the Company may estimate and determine the appropriate consumption of the light and charge the applicable rate under this rate schedule.

LARGE COMMERCIAL AND LARGE INDUSTRIAL GAS SERVICE (Continued)

Schedule 130: All Zones

Purchased Gas Cost Adjustment

Bills for service are subject to adjustment for changes in the cost of purchased gas in accordance with Service Regulations filed with the Illinois Commerce Commission.

Transportation Service

Customers served under this Rate Schedule may elect to secure their own gas supply for transportation on the Company's distribution system. Customers served under this Rate Schedule may elect a full firm or partial standby service. Customers not electing full firm service are subject to interruption to the extent their usage on a daily basis exceeds their elected firm Daily Contract Quantity. Customers electing transportation service shall be billed the rates set forth in this tariff. Customers electing transportation service shall not be subject to the Gas Charge and Refund Adjustment, but shall be billed the TOP Adjustment of the Purchased Gas Adjustment.

Service Regulations

Gas service at these schedules will be furnished in accordance with the Company's Service Regulations as filed with the Illinois Commerce Commission, copies of which are available for public reference during business hours at each of the Company's offices.

OPTIONAL GAS SERVICE

Schedule 150: All Zones

Availability

To Any commercial or industrial customer using 270,000 Ccf or more per year, or 1,000 Ccf per day during off-peak periods, provided the Customer has and maintains adequate standby facilities and an alternate fuel supply in order that gas deliveries hereunder may be interrupted at any time.

Deliveries to such customers shall be subject to curtailment at any time. Deliveries to such customers shall be subject to curtailment in whole or in part upon one-half (1/2) hour's notice.

Character of Service

Natural gas, with a heating value of approximately 1,000 Btu per cubic foot, supplied through a single delivery point and a single meter, at the delivery pressure of the distribution system in the area, or at such higher delivery pressure as agreed upon by Customer and Company.

The amount of gas available at any time for delivery under the schedule is that portion of Company's supply which exceeds the existing requirements of Company's firm gas customers at such time.

Facilities Charge

A monthly facilities charge of $100.00 is payable regardless of the usage of gas.

Monthly Rate

Per Ccf	$0.0521

Payment

Each monthly bill for service is payable on the date of issue. A charge of one and one-half percent (1-1/2%) per month may be added to the amount of any residential customer's bill remaining unpaid after 21 days following the date of mailing the bill, and 14 days after the date of mailing a bill for non-residential service. When a customer mails any payment for gas service and such payment is received at the Company's office not more than two (2) business days after the due date printed on the bill, the Customer shall be deemed to have made timely payment.

OPTIONAL GAS SERVICE (Continued)

Schedule 150: All Zones

Interruption and Curtailment
Gas deliveries to customers served on this schedule may be interrupted or curtailed at any time whenever, in Company's judgment, such interruption or curtailment is necessary in order for it to continue to supply the gas requirements of its firm customers at such time. The Company will endeavor to notify in advance customers served on this schedule whenever a curtailment or interruption is required, and each customer shall curtail his use of gas to the time and to the extent requested by Company. Interruptions and curtailments may vary from time to time among customers but shall be as equally apportioned as practicable over any period of 12 consecutive months.

Deliveries to customers on this schedule will not be interrupted or curtailed until gas deliveries have been totally interrupted to all customers served on any lower priority interruptible gas service schedule.

Overrun Penalty
Volumes of gas taken at any time in excess of the amount stipulated by the Company in the curtailment notice as being available to Customer shall constitute overrun gas. A penalty of $2.50 per Ccf of such overrun volumes shall be paid by Customer in addition to all other charges payable hereunder provided; however, Company has the right to waive any portion of the overrun penalty on a non-discriminatory basis for good cause.

Contract
Customers shall contract for service hereunder for a term of not less than one (1) year. Upon the expiration of any contract term, the contract shall be automatically renewed for a period of one (1) year. At any time following the first contract year service may be terminated by either party following at least six (6) months written notice to the other party.

Purchased Gas Cost Adjustment
Bills for service are subject to adjustment for changes in the cost of purchased gas in accordance with Service Regulations filed with the Illinois Commerce Commission.

Transportation Service
Customers served under this Rate Schedule may elect to secure their own gas supply for transportation on the Company's distribution system. Customers served under this Rate Schedule may elect a full firm or partial standby service. Customers not electing full firm service are subject to interruption to the extent their usage on a daily basis exceeds their elected firm Daily Contract Quantity. Customers electing transportation service shall be billed the rates set forth in this tariff. Customers electing transportation service shall not be subject to the Gas Charge and Refund Adjustment, but shall be billed the TOP Adjustment of the Purchased Gas Adjustment.

OPTIONAL GAS SERVICE (Continued)

Schedule 150: All Zones

Service Regulations
Gas service at these schedules will be furnished in accordance with the Company's Service Regulations as filed with the Illinois Commerce Commission, copies of which are available for public reference during business hours at each of the Company's offices.

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ATMOS ENERGY CORPORATION **Canceling Original Sheet No. 13**

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CONTRACT SERVICE

Schedule 190: All Zones

Availability:

This service is available to any customer located within such distance of an interstate natural gas pipeline providing gas transportation service that bypass of the Company's gas distribution system is, in the judgment of the Company, economically feasible and practical.

The customer shall enter into a contract with the Company specifying the nature of the service to be supplied, the price to be paid, and such other terms and conditions as are mutually agreeable, provided, however, as a condition of service, the customer will provide to the company affidavits stating the customer's intent to by pass the Company's facilities absent service hereunder, and such other evidence required by the Company to verify the investment required on the part of the customer in order to take gas service directly from an interstate pipeline company.

Contracts:

Contracts entered into hereunder shall be submitted to the Illinois Commerce Commission for informational purposes. Such contracts shall be treated on a proprietary basis.

The maximum term of contract under this rate shall be five (5) years.

Charges:

The charges hereunder shall be the charges contained in the contract between the customer and the Company.

NEGOTIATED GAS SERVICE
Schedule 191: All Zones

Availability

Gas service under this rate schedule is available at the Company's discretion to permit the Company to meet alternate fuel competition. Service under this rate schedule shall be fully optional.

The intent of this rate schedule is to provide the Company flexibility to sell gas at negotiated rates when the otherwise applicable tariff rates are non-competitive. The Company may offer to any customer who qualifies for this Rider an alternative price for natural gas to be delivered during a specified billing period which:

a) does not exceed the price specified in the Company's filed rates, plus PGA charges that would otherwise be applicable to the customer's natural gas service during the specified billing period, and
b) is not less than the weighted average commodity price per therm, adjusted to reflect system losses, of the Company's gas supply purchased from pipelines and other suppliers during the specified billing period, plus one cent per Ccf.

Facilities Charge
A monthly charge of $25.00 for each customer.

Monthly Rate

The rates charged under this rate schedule shall be negotiated monthly on a per customer basis. The Company may require supporting documents from the end-user certifying that the cost of available alternate supply is less than the otherwise applicable tariff rate. The ceiling rate shall be the otherwise applicable tariff rate. Any negotiation downward will be solely at the Company's discretion.

Payment

Payment for service hereunder shall be in accordance with the provisions of the service agreement between the Company and end-user. All applicable taxes shall be levied against sales under this rate schedule.

COGENERATION, COMPRESSED NATURAL GAS, PRIME MOVERS, FUEL CELL SERVICE, LARGE TONNAGE AIR CONDITIONING

Schedule 192: All Zones

Purpose

The purpose of providing service under this schedule is to increase utilization of system supplies and system capacity.

Applicability

This schedule is available to the extent gas supply and delivery capacity is available to commercial and industrial customers, existing or new, for use as a single prime fuel source to generate electrical and thermal energy in order to optimize efficiency. This schedule is also available for compressed natural gas for automobile and truck fleets and fuel cell service and large tonnage air conditioning.

Eligibility

Eligible customers shall include those who are currently connected to the Company's gas main or who will become newly connected. In either case, service will be provided, at the Company's option, through a separate meter.

Character of Service

Natural gas with a heating value of approximately 100,000 Btu per hundred cubic feet, supplied through a single delivery point meter, at the standard equipment utilization pressure, or at such higher delivery pressure as approved by Company.

Facilities Charge

A monthly charge of $100.00 for each customer.

Customer charge for adjacent connected load will not be duplicated, otherwise the facilities charge will be at the customer's regular schedule charge.

Monthly Rate

All Consumption, per Ccf $0.0762

COGENERATION, COMPRESSED NATURAL GAS, PRIME MOVERS, FUEL CELL SERVICE, LARGE TONNAGE AIR CONDITIONING

Schedule 192: All Zones

Payment

Each monthly bill for service is payable on the date of issue. A charge of one and one-half percent (1-1/2%) per month may be added to the amount of any residential customer's bill remaining unpaid after 21 days following the date of mailing the bill, and 14 days after the date of mailing a bill for non-residential service. When a customer mails any payment for gas service and such payment is received at the Company's office not more than two (2) full business days after the due date printed on the bill, the customer shall be deemed to have made timely payment.

Contract

Customers shall contract for service hereunder for a term or not less than one (1) year. Upon the expiration of any contract term, the contract shall be automatically renewed for a period of one (1) year. At any time following the first contract year, service may be terminated by either party following at least six (6) months written notice to the other party.

Purchased Gas Adjustment

Bills for service are subject to the cost of purchased gas in accordance with the Purchased Gas Adjustment (PGA) Provisions approved by the Illinois Commerce Commission.

Service Regulations

Gas service at these schedules will be furnished in accordance with the Company's General Rules and Regulations, approved by the Commission, copies which are available for public inspection during regular business hours at each of the Company's offices.

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SERVICE REGULATIONS

1. Definitions

Except where the context indicates a different meaning or intent, the following terms, when used herein or in the Company's rate schedules incorporation these Service Regulations, shall have the meanings defined below:

1.1 "Company" or "Utility"
Atmos Energy Corporation.

1.2 "Customer"
Any individual, partnership, association, firm, public or private corporation or government agency or institution who has agreed with the Company to pay for gas utility service.

1.3 "User"
A person who receives gas utility service.

1.4 "Applicant"
Any individual, partnership, association, firm, public or private corporation or government agency or institution applying for Company's service at any specific location.

1.5 "Gas Service"
The availability of natural gas at the Company's point of delivery to customer irrespective of whether any such gas is actually used.

(a) Residential Service - Gas utility service for household purposes furnished to a dwelling of two units or less, or a federal housing project customer which is billed under a residential rate or gas utility service for household purposes furnished to a dwelling unit or units which is billed under a residential rate and which is registered by a separate meter for each dwelling unit.

(b) Small Business Service - Any Illinois based business which had (50) fifty or less full-time employees in the state.

(c) Non-Residential Service - Gas utility service which is not residential service.

(d) Master Metered Apartment Building - A building of three or more rental dwelling units where any utility service is registered by a single meter for all units.

SERVICE REGULATIONS (Continued)

1.6 "Point of Delivery"
The point of connection between Company and customer at which the gas supplied leaves the outlet side of Company's meter and enters customer's facilities.

1.7 "Cubic Foot of Gas"
The gas necessary to fill one cubic foot of space at a temperature of 60 degrees Fahrenheit and an absolute pressure of 14.73 pounds per square inch.

1.8 "Mcf", "Ccf", and "Therm"
"Mcf" is 1,000 cubic feet of gas; "Ccf" is 100 cubic feet of gas; as used herein "Therm" means a volume of gas containing a quantity of heat equal to 100,000 Btu.

1.9 "Due Date"
The date printed on the gas utility bill as the last date allowed for payment of a bill prior to the date such bill becomes past due or delinquent, determined as follows by class of service:

(a) Residential Service - The due date printed on the bill will not be less than twenty-one (21) days after the date of mailing the bill.

(b) Non-Residential Service - The due date printed on the bill will not be less than fourteen (14) days after the date of mailing the bill.

When a customer mails any payment for gas service and such payment is received at the Company's office not more than two (2) full business days after the due date printed on the bill, the customer shall be deemed to have made timely payment.

2. Customer Facilities and Responsibility

2.1 The customer shall install and maintain his piping and appliances in the condition required by the insurance and governmental authorities having jurisdiction and in a manner approved by the Company. The customer shall so use his equipment as not to disturb the Company's service to other customers.

SERVICE REGULATIONS (Continued)

2.2 The Company will supply the customer with gas through meters owned by the Company. The Customer shall provide a suitable place for the meter satisfactory to the Company. Meters shall be located as close to the service entrance as practical and shall be located in compliance with 83 Illinois Administrative Code, Part 500, Section 500.170. The customer shall see that said meters are protected from damage or accident and will not permit any person other than the agent of the Company, or a person lawfully authorized to do so, to remove, inspect, or tamper with same.

2.3 The meter, meter connections, and the service piping from the main to the meter, and any extension thereof, shall belong to the Company and be subject to removal only by the Company regardless of whether any charges for service piping were made to the customer.

2.4 The Company's authorized agent shall have access to the customer's premises at all reasonable hours to inspect, read, repair, or remove its meters and other property and to inspect the appliances installed on customer's premises.

2.5 In the event of the escape of gas, customer should shut off all gas at the meter, take reasonable precaution to prevent ignition of escaping gas, and shall immediately notify the Company.

3. Applicants for Service

If after a review of its own past service records, the Company finds that an applicant for service has failed to pay for past due utility service for the same class of service furnished to him/her at the same or at another address, the Company may refuse to provide service unless the applicant, at the option of the Company, pays any past due bill and/or provides a deposit pursuant to Rule 5 herein and/or enters into a deferred payment agreement pursuant to Rule 9 herein.

A bill for non-residential service shall not be transferred to a bill for residential service, and vice versa. Service shall not be denied for nonpayment of bills for merchandise or non-utility services.

SERVICE REGULATIONS (Continued)

The Company's procedure for taking applications for service shall be as defined in 83 Illinois Administrative Code, Part 280, Section 280.50.

4. Present Customers

The Company may request a deposit pursuant to Rule 5 herein from a present customer during the first twenty-four months that the customer receives utility service from the Company if the customer, during any twelve month period, pays late four times.

A deposit may be requested from a present non-residential customer after the first twenty-four months that the customer has received utility service if the customer, during any twelve month period ending after the first twenty-four months of service, pays late six times.

The Company may request a deposit from a present customer whose pipes, meters or other service equipment have been tampered with and the customer enjoyed the benefit of the tampering.

If the Company requests a deposit for any of the reasons stated in these rules, such request shall be made within forty-five days after the event giving rise to the request takes place.

Present customers who are indebted to the Company for past due utility service shall have the opportunity to negotiate a deferred payment agreement pursuant to Rule 9 herein to retire the debt.

The Company's procedure for requesting a deposit from a present customer shall be as defined in 83 Illinois Administrative Code, Part 280, Section 280.70.

5. Deposits

5.1 Applicants for Service - Conditions under which the Company may request a deposit from applicants for service are set out in Rules 3 herein.

5.2 Present customers - Conditions under which the Company may request a deposit from present customers are set out in Rule 4 herein.

SERVICE REGULATIONS (Continued)

5.3 Amount - The Company will not request a deposit from an applicant for residential service or from a residential customer or an applicant for a small business service or a small business customer in excess of 1/6 of the estimated annual charges for service for the applicant or customer. The Company will not request a deposit from an applicant for non-residential service or from a non-residential customer (except an applicant for small business service or a small business customer) in excess of 1/3 of the amount of the estimated annual charges for service for the applicant or customer.

The Company may request a minimum of 1/3 of the amount of a requested deposit be paid within twelve days after the issue date of the request for deposit. At least two billing periods will be allowed by the Company in which to pay the balance of the deposit. The date by which the entire deposit must be paid must be plainly indicated on the deposit request. The amount of the deposit may be adjusted at the request of the customer, applicant or Company at any time when the character or degree of use of the service materially changes or when it is clearly established that the character or degree of use of the service will materially change in the immediate future.

5.4 Refund of Deposits - Deposits plus interest shall be automatically refunded after being held for twelve months as follows:

(a) if the twelve months during which the deposit was held are within the first twenty-four months that a customer had received utility service, the deposit plus interest shall be refunded only so long as the service has not been interrupted for nonpayment or so long as the customer has not paid late four times, or so long as the customer's pipes, meters or other service equipment have not been tampered with during the time the deposit was held which resulted in the customer enjoying the benefit of the tampering;

(b) if the twelve months which the deposit was held were subsequent to the first twenty-four months that a customer had received utility service, the deposit plus interest shall be refunded only so long as the service has not been interrupted for nonpayment or so long as the customer has not paid late six times during the past twelve months or so long as the customers pipes, meters, or other service equipment have not been tampered with during the time the deposit was held which resulted in the customer enjoying the benefit of the tampering;

SERVICE REGULATIONS (Continued)

(c). deposits plus interest need not be refunded until the customer pays any past due bills for utility service.

Deposits plus interest shall be refunded upon the discontinuance of service for more than thirty days less the amount of unpaid bill(s), if any, for the service. A transfer of service from one premise to another within the area served by the utility need not be deemed a discontinuance of service by the Company if the character of service remains the same. When a deposit plus interest is applied to the liquidation of unpaid bills, the Company shall provide the customer with a statement (Cancellation Notice) showing the amount of the deposit, the amount of any accrued interest, the amount of the unpaid bills liquidated by the deposit plus interest and the balance remaining due either to the customer or the Company.

All deposit refunds shall be by separate check and not by credit to the customer's account except where discontinuance of service is affected.

At the option of the Company, a deposit plus interest may be refunded, in whole or in part, at any time earlier than the times hereinbefore prescribed.

5.5 Interest shall be paid on all deposits held by the Company. The rate of interest will be calculated by the Illinois Commerce Commission in December of each year and will be the rate existing for one year United States treasury bills at the time the calculation is made. The rate will be rounded to the nearest one-half (1/2) of one percent (1%) and such rate shall be paid on all deposits held during all or part of the subsequent year.

At the end of every year of service, if the deposit plus interest is not refunded to the customer, the Company will automatically refund the accrued interest on the deposit by crediting the Customer's account and so stating this credit clearly on the customer's next regular bill.

5.6 Records of Deposits - The Company will maintain records of deposits together with interest, which collectively will show all transactions pertaining to each deposit. The Company will provide the applicant or customer with a Certificate of Deposit for any deposit received. The Certificate shall show the customer's name, service address, serial number, type of service, amount of deposit, rate of interest on deposit, date received, Company's name and a statement of the conditions under which the deposit will be refunded to the applicant or customer. Nothing is implied herein to require the Company to accept deposits from third parties on behalf of an applicant or customer.

When a deposit is refunded, the Company will issue a Cancellation Notice carrying the same serial number as the Certificate of Deposit. When refunds are not deliverable, records will be maintained to show the Company efforts toward locating the applicant or customer and delivering such deposit.

SERVICE REGULATIONS (Continued)

6. Billing

6.1 Monthly Billing - The Company will render bills at intervals of approximately 30 days, according to billing cycles established at the Company's discretion. Bills are due and payable on the date issued and become past due as set forth in Rule 7 herein. All meters will be read at intervals of approximately 60 days.

6.2 Estimated Billing - In the event an actual meter reading cannot be obtained monthly, a bill will be rendered based upon a reasonable estimate of the gas consumed by the customer. The Company will make an actual meter reading at least every second billing period and will not consecutively estimate a customer's service usage. The words "Estimated Billing" will be shown on the face of the bill in the event an estimated billing is necessary.

6.3 If at any time the customer questions the accuracy of the meter reading, the customer can request the Company to read the meter. After such reread, if the original meter reading was accurate, within 5%, the customer shall be warned that they could be charged $35.00 to compensate the Company for the expense of conducting future readings if the customer requests rereads which do not result in an adjusted bill more than 3 times in a 12 month period. The Company shall inform the customer of this charge prior to rereading the meter the 4th time in one 12 month period. Should the original meter reading be in error, over 5% high, the customer shall not be charged the fee and the appropriate billing adjustments shall be made.

However, if the customer habitually requests (more than 3 times in a 12 month period) a meter reread, which does not result in an adjusted bill, then the customer shall be charged the $35.00 fee.

Notwithstanding the provisions of the first paragraphs of this rule, the Company may render an estimated bill for any billing period in which:

(1) The Company has taken appropriate and reasonable measures to read the meter, including but not limited to, making an appointment with the customer, scheduling readings for times other than normal business hours, and/or providing postal cards on which the customer may record the reading and mail it to the Company; or

(2) the customer has knowingly and willfully denied reasonable access to the Company's representative for the purpose of taking an actual reading of the meter; or

(3) the customer has otherwise made an actual reading of the meter unnecessarily difficult; or

(4) circumstances beyond the control of the Company make an actual reading of the meter extremely difficult.

SERVICE REGULATIONS (Continued)

7. Past Due Bills and Preferred Payment Dates

The Company will not consider a customer's bill past due unless the payment is received after the due date printed on the bill. When a customer mails any payment in the amount of a bill for service, and such payment is received at the Company's office not more than two full business days after the due date printed on the bill, the customer shall be deemed to have made timely payment.

For residential service, the due date printed on the bill may not be less than twenty-one days after the date of the postmark on the bill, if mailed, or the date of delivery as shown on the bill if delivered by other means. For nonresidential service, the due date printed on the bill may not be less than fourteen days after the date of the postmark on the bill. If mailed, or the date of delivery as shown on the bill if delivered by other means.

Residential customers who fall into one of the eligible categories as set out in 83 Illinois Administrative Code, Part 280, Section 280.90 may be eligible for a preferred payment date of up to 10 days.

8. Unbilled Service and Treatment of Illegal Taps

The Company will render bills for services and commodities under the procedures for "Unbilled Service" and the "Treatment of Illegal Taps" as set out in 83 Illinois Administrative Code, Part 280, Sections 280.100 & 280.105 respectively. Bills will be presented within the following period of time:

(1) One (1) year from the date the services or commodities were supplied to a residential customer.

(2) Two (2) years from the date the services or commodities were supplied to a non-residential customer.

A customer shall not be liable for unbilled or misbilled service after the expiration of the applicable period except for adjustment of bills for meter error as provided in 83 Illinois Administrative Code, Part 500, Section 500.240, or the following paragraphs of this Rule.

SERVICE REGULATIONS (Continued)

When there has been tampering with pipes, meters, or other service equipment and the customer has enjoyed the benefit of such tampering, the Company is not restricted to the above time limitations on unbilled service. When the Company applies this provision to a bill for service which occurred outside the applicable time limitations, a customer may dispute the bill under the provisions of Rules 16 and 17 of these rules. The customer shall be responsible for all service usage, and the Company may bill the customer for all service usage during the period the tampering occurred. Customers may be billed for diverted service not used by that customer if that customer had knowledge of or consented to the diversion.

When past due bills occur following the issuance of a "make-up" bill for previously unbilled utility service resulting from two or more consecutive estimated bills, utility billing error, meter failure, or undetected leakage or undetected loss of service, except in situations where tampering is involved, and where the "make-up" bill exceeds the otherwise normal bill for such billing period by 50%, the Company will review the bill with the customer, and will offer to accept payments toward the liquidation of the amount over a normal bill over a period mutually agreed to by the customer and the Company. This period of time shall be at least as long as the period over which the excess amount accrued. Where the excess billing resulted from undetected leakage or loss of service, the period will be extended so that the bill rendered will not be greater than a normal bill, plus 50%.

When a customer' bill is held by the Billing Department because it is abnormally high or low, the Company chooses to delay billing by more than five days, the Company will nevertheless send the customer a statement at the regular billing period which shows that billing has been delayed and that an investigation is being conducted by the Company.

9. Deferred Payment Agreements

Residential customers who are indebted to the Company for past due utility service shall have the opportunity to make arrangements with the Company to retire the debt by periodic payments referred to hereinafter as a deferred payment agreement unless this customer has failed to make payment under such a plan during the past twelve months,. All applicants for service and non-residential customers who are indebted to the Company for past due utility service may have the opportunity to make arrangements to retire the debt by periodic payments referred to hereinafter as a deferred payment agreement.

The terms and conditions of a deferred payment agreement shall be determined by the Company after consideration of the following factors based on information available from current Company records or provided by the customer or applicant.

SERVICE REGULATIONS (Continued)

(1) size of the past due account, and

(2) customer or applicant's ability to pay, and

(3) customer or applicant's payment history, and

(4) reasons for the outstanding indebtedness, and

(5) any other relevant factors relating to the circumstances of the customer or applicant's service.

An applicant for residential service or a residential customer shall pay a maximum of 1/4 of the amount past due and owning at the time of entering into the deferred payment agreement and an applicant for non-residential service or a non-residential customer shall pay 1/3 of the amount past due and owing at the time of entering into the agreement. The Company will allow a minimum of four (4) months from the date of said agreement and a maximum of twelve (12) months to pay under a deferred payment agreement.

A deferred payment agreement shall be in writing, with a copy provided to the applicant or customer, and shall conform to the following requirements:

(1) the applicant or customer shall be required to pay all future bills for utility service by the due date; and

(2) the applicant or customer shall retire his/her debt according to the terms of the deferred payment agreement.

If an applicant or customer shall default upon any payment due under the deferred payment agreement, the Company shall have the right to discontinued service pursuant to Rule 11 herein, subject to the renegotiation, reinstatement and other provisions set out in 83 Illinois Administrative Code, Part 280, Section 280.110, paragraphs f & g.

10. Level Payment Plan

When the character of an applicant's or customer's consumption of service causes or is likely to cause a substantial fluctuation among his/her bills over an annual period, the Company will offer to the applicant or customer a level payment plan which levels his/her payments into monthly installments. An applicant's or customer's level payment plan may be terminated by the Company if the applicant or customer fails to meet the payment requirements under the plan.

SERVICE REGULATIONS (Continued)

11. Discontinuance of Service

The Company may discontinue service when any customer fails to do any of the following:

(1) make a deposit or increase a deposit pursuant to Rule 5 herein, or

(2) pay a past due bill owed to the Company for the same class of service furnished at the same or at another location; or

(3) comply with a Commission ruling; or

(4) make payment in accordance with the terms of a deferred payment agreement; or

(5) comply with any rules and regulations of the Company on file with the Commission for non-compliance with which the Company is authorized by tariff to discontinue service; or

(6) provide Company representatives with access to the meter after receiving consecutively estimated bills for four billing periods and the Company thereafter makes a written request for access,

but only after the Company has mailed or delivered by other means a written notice of discontinuance. Any notice required to be delivered or mailed to a customer prior to discontinuance of service shall be delivered or mailed separately from any bill. Service shall not be discontinued until at least five days after delivery of this notice (if mailed eight days after mailing).

In addition, a copy of said notice shall be mailed to a third party designated by the customer, should the customer make a written request to the Company for such third party notice.

Said notice shall remain effective for two consecutive twenty day periods, provided that during each such period a call is made at the customer's premises or billing address or telephone contact with the customer is made. If the Company does not discontinue service within the two consecutive twenty day periods, the Company will not discontinue service until at least five days after delivery of a new notice (if mailed, eight days after mailing) of intention to discontinue service to the customer.

SERVICE REGULATIONS (Continued)

The Company will attempt to advise the customer that service is being discontinued by directing its employee making the disconnection to contact the customer at the time service is being discontinued. When the Company is unable to discontinue service during a call made at the customer's premises, the Company shall attempt to leave a notice at the premises or billing address informing the customer that an attempt to discontinue service has been made and that his/her service continues to be subject to discontinuance.

The Company will not make a practice of delivering more than two consecutive notices of discontinuance for past due bills without engaging in collection activity with the customer.

The Company will not discontinue service at the meter subsequent to 2:00 p.m. unless it is prepared to reconnect the same day at the standard reconnection charge. The Company will not discontinue service on a holiday or weekend day unless prepared to reconnect on that holiday or weekend day.

Utility service will not be discontinued and will be restored if discontinued where a customer has established, renegotiates or is reinstated on to a deferred payment agreement pursuant to Rule 9 herein and has not defaulted on such agreement.

Utility service will not be discontinued and will be restored if discontinued for the reason which is the subject of a dispute or complaint during the pendency of procedures under Rules 16 and/or 17 herein where such rules are compiled with.

Termination of gas service to all residential users, including all tenants of apartment buildings, for non-payment of bills where gas is used as the only source of space heating or to control or operate the only space heating equipment at the residence is prohibited:

(1) on any day when the National Weather Service forecast for the following 24 hours covering the area of the Company in which the residence is located includes a forecast that the temperature will be 32 degrees Fahrenheit or below; or,

SERVICE REGULATIONS (Continued)

(2) on any day preceding a holiday or a weekend when such a forecast indicated that the temperature will be 32 degrees Fahrenheit or below during the holiday or weekend.

Notwithstanding any of the foregoing provisions, discontinuance of service to residential customers is prohibited for up to sixty days when discontinuance of service will aggravate an existing serious illness of any person who is a permanent resident of the premises where serving is rendered if the customer complies with the following requirements regarding such illness.

The illness must be certified to the Company by a registered physician or local board of health. The certification shall be in writing and shall include the name of the ill person, a statement that he/she is a resident of the premises in question, the name, business address and telephone number of the certifying party, the nature of the illness and the period of time during which termination will aggravate the illness.

Initial certification by the certifying party may be by telephone if written certification is forwarded to the Company within five days.

Initial certification will prohibit discontinuance of service for thirty days. Certification may be renewed by the customer for an additional thirty days by providing another certificate to the Company. Failure to so renew the certificate shall entitle the Company to initiate discontinuance procedures.

The customer must enter into an agreement for the retirement of the unpaid balance of the account within the first thirty days and keep the current account paid during the period that the unpaid balance is to be retired.

In the event service is terminated within fourteen days prior to certification of illness by or for a qualifying resident, service will be restored to that residence if a proper certification is thereafter made in accordance with the foregoing provisions.

Nothing in this Section or these Rules shall be construed to prevent discontinuance of service for reasons of safety, health, or cooperation with civil authorities.

SERVICE REGULATIONS (Continued)

11a. Discontinuance of service during the period of time from December 1 through and including March 31

Notwithstanding any other provision of 83 Illinois Administrative Code, Part 280, Section 280.135, discontinuance of service to any residential customer or master-metered apartment building for nonpayment of a bill or deposit where gas is used as the primary source of space heating of the premises is prohibited during the period of time from December 1 and including March 31 of the immediately succeeding calendar year, unless;

(a) The utility:

(i) has offered the customer a deferred payment plan allowing for payment of past due amounts over a period of not less than four months not to extend beyond the following November and the option to enter into a levelized payment plan for the payment of future bills. The maximum down payment requirements shall not exceed 10 percent of the amount past due and owing at the time of entering into the agreement.

(ii) has provided the customer with the names, addresses and telephone numbers of governmental and private agencies which may provide assistance to customers in paying their utility bills.

(b) The customer has refused or failed to enter into a deferred payment arrangement as described in Paragraph (a) above; and

(c) All notice requirements as provided by law and 83 Illinois Administrative Code, Part 280, Section 280.135 have been met.

11b. Reconnection of former residential customer service for the heating season

Any former residential customer whose service was used as the primary source of heat and whose service is discontinued for nonpayment of a bill or a deposit from December of the prior winter's heating season through April 1 of the current heating season will be eligible for reconnection and a deferred payment arrangement under the provisions of 83 Illinois Administrative Code, Part 280, Section 280.138.

SERVICE REGULATIONS (Continued)

Following is a summary of this rule:

The Company shall offer to reconnect service and establish a deferred payment arrangement with a former customer by taking into consideration the factors itemized in Rule 9 herein. Upon establishment of a deferred payment agreement the former customer shall:

(1) pay 1/3 of the amount past due (including reconnect charge, if any) and pay 1/3 of any deposit that might be required

(2) Notwithstanding the foregoing, a former customer who demonstrates to the utility, or to the Commission through a formal or informal complaint under Sections 280.160 or 280.170, a financial inability to meet the requirement of 1/3 of the amount past due and 1/3 of any deposit requested by the utility, shall be reconnected upon paying a reasonable amount and upon entering into a deferred payment agreement.

A. For purposes of this subsection, a "reasonable amount" shall be deemed to be 20 percent of the amount past due and 20 percent of any deposit required by the utility.

The Company and the former customer shall agree to a reasonable payment schedule which will allow the former customer to make payments on the remaining balance due while paying current bills during the winter seasons. The agreement, which will be in writing with a copy to be provided to the former customer, shall allow a minimum of four months to pay the remaining past due balances and three months to pay the remainder of the deposit but shall not extend beyond the following November.

The Company shall not be required to offer reconnection and a deferred payment arrangement to a former customer under this rule:

(1) except between November 1 and April 1 of the current heating season for former customers who do not have applications pending for the program described in Section 6 of the Energy Assistance Act of 1989, and except between October 1 and April 1 of the current heating season for all former customers who do have applications pending for the program described in Section 6 of the Energy Assistance Act of 1989 and who provide proof of application to the utility;

(2) in two consecutive years;

(3) unless the former customer has paid at least 33-1/3% of the amount billed for service rendered subsequent to December 1 of the prior year;

SERVICE REGULATIONS (Continued)

(4) in any instance where it can be shown there has been tampering with the pipes, meters or other service equipment and the former customer enjoyed the benefit of the service obtained by such tampering.

Not later than September 15 of each year the Company shall conduct a survey of all former residential customers whose service was used to provide the primary source of space heating and whose service was terminated for nonpayment of a bill or deposit from December 1 of the previous year to September 15 of that year and where service has not been restored. Not later than October 1 of each year the Company shall notify each of these former customers that service will be restored by the Company if the customer will contact the Company and make arrangements to pay past due balances and any deposit under conditions set forth in this rule. The notice shall be to an adult member of the household by personal visit, telephone contact or mailing of a letter by first class mail to the last know address of that former customer. The utility shall keep records which will indicate the date, form and the results of such contact.

The Company shall file reports with the Commission providing such information as the Commission may deem appropriate.

12. Discontinuance of Service to Accounts Affecting Master Metered Apartment Buildings

83 Illinois Administrative Code, Part 280, Section 280.140 governs procedures for discontinuance of service to accounts affecting master-metered apartment buildings. These procedures include measures to inform tenants of the pending discontinuance of their utility service and set out their remedies including their right to petition of a court for appointment of a receiver to collect rents and remit a portion thereof to the Company for payment of utility bills.

SERVICE REGULATIONS (Continued)

13. Discontinuance at Customer's Request

A customer requesting termination of service must notify the company three (3) days in advance of the date termination is required.

14. Service Reconnection Charge

Service which is discontinued by the Company for Customer's nonpayment of bills, failure to comply with applicable service regulations, or at Customer's request may be restored upon payment by Customer of all indebtedness for gas service and a reconnection charge which shall be $30.00 for reconnection during regular office hours.

The Company will automatically waive one service reconnection charge for each customer per year. Such automatic waiver will apply only to reconnection at the meter. Customers may be liable for the additional costs incurred in disconnecting and reconnecting service other than at the meter.

Seasonal Gas Service

When the Customer makes only seasonal use of gas service and requests that the Company discontinues service for less than a twelve month period, at the time the Company is requested to restore service the customer shall pay at that time the monthly facilities charge times the number of months the service was discontinued plus the Company's reconnect charge.

14a. Payment by Not Sufficient Check Charge

When the customer pays by a check which is returned to the Company marked NSF (Not Sufficient Funds) the customer will be assessed a charge of $10.00.

The Company may serve a customer on a cash payment basis if more than one customer check is returned marked NSF in a twelve month period. Cash will be deemed to be U. S. currency, U. S. postal money order, or certified check.

15. Curtailment and Discontinuance During Periods of Insufficient Supply

During periods of insufficient gas supply the Company may curtail or discontinue deliveries of gas to customers. All such curtailment or discontinuance of service shall be made in accordance with the following priority-of-service categories, commencing with the Eighth Priority and progressing toward the First Priority in reverse numerical

SERVICE REGULATIONS (Continued)

order. Full curtailment of each lower priority category or sub-category shall be accomplished before curtailment of any higher priority is commenced.

(a) First Priority

All Residential Customer and all Public Housing Authority requirements.

(b) Second Priority

Firm Commercial Customer requirements (including educational facilities) of less than 500 Ccf per day.

(c) Third Priority

Large commercial requirements and firm industrial requirements for plant protection, feedstock and process needs, and Company storage injection requirements.

(d) Fourth Priority

All other industrial requirements not specified in any other priority listing.

(e) Fifth Priority

Firm Industrial Customer requirements for customers using more than 3,000 Ccf of gas per day but less than 15,000 Ccf of gas per day.

(f) Sixth Priority

Firm Industrial Customer requirements for customers using more than 15,000 Ccf of gas per day.

(g) Seventh Priority

Interruptible Customer requirements for customers using more than 3,000 Ccf of gas per day but less than 15,000 Ccf of gas per day.

(h) Eighth Priority

Interruptible Customer requirements for customers using more than 15,000 Ccf per day.

SERVICE REGULATIONS (Continued)

16. Dispute Procedures

The Company will assign to one or more of its personnel in each of its offices where it transacts business with the public, the duty of hearing, in person, any dispute by an applicant, customer or user. Such personnel shall consider the complainant's allegations and shall explain the complainant's account and the Company's contentions in connection therewith. Such personnel shall be authorized to act on behalf of the Company in resolving the complaint and shall be available during all business hours for the duty hereinbefore described.

Where any dispute between the Company and an applicant, Customer or user cannot be resolved between the parties, the Company will direct its personnel engaged in personal contact with the applicant, customer or user seeking such dispute resolution under the provisions of these rules, to inform him/her, if he/she expresses non-acceptance of the decision of such personnel, of his/her right to have the problem considered and acted upon by supervisory personnel of the Company. The Company will further direct such supervisory personnel to inform such an applicant, customer, or user who expresses non-acceptance of the decision of such supervisory personnel, or his/her right to have the problem reviewed by the Commission, and will furnish him/her with the telephone number and address of the Consumer Services Division of the Illinois Commerce Commission.

When a customer disputes a particular bill, the Company will not discontinue service for nonpayment so long as the customer

(1) pays the undisputed portion of the bill or an amount equal to last year's bill at the location for the same period normalized for weather, whichever is greater; and

(2) pays all future periodic bills by the due date; and

(3) enters into bona fide discussions with the Company to settle the dispute with dispatch.

Only net rates shall be charged on any disputed bill paid within fourteen days of resolution of the dispute if the complaint was filed before the bill became past due.

SERVICE REGULATIONS (Continued)

17. Commission Complaint Procedures

Before the Commission may allow the filing of a formal complaint by an applicant, customer, user or utility, an informal complaint shall be filed with the Commission's Consumer Services Division.

The informal complaint

(1) should be in writing but may be initiated by telephone or in person at the office of the Commission; and

(2) shall provide the following information to the Commission

(i) the name, address and telephone number of the applicant, customer, or user

(ii) the name of the utility involved

(iii) the nature of the complaint in a clear and concise manner.

(iv) the specific relief requested.

Upon receipt of the informal complaint, the Customer Services Division shall:

(1) advise the party complained of that a complaint has been filed against it; the party complained of must in turn respond to the Consumer Services Division within fourteen days; and

(2) review and investigate the complaint; and

(3) advise the parties of the results of the investigation within a reasonable time not to exceed fourteen days following receipt of the response from the party complained of concerning the complaint.

If the Consumer Services Division is unable to resolve the complaint to the satisfaction of the parties or if the party complained of fails to respond to the Consumer Services Division without fourteen days, any party may file a formal complaint in accordance with the Commission's Rules of Practice. By agreement of the parties and the Consumer Services Division, these time limits may be extended.

SERVICE REGULATIONS (Continued)

Utility service shall not be discontinued for the reason which is the subject of the complaint during the pendency of any proceeding before the Commission pursuant to the provisions of this Rule so long as the customer has complied with the provisions of Rule 16.

18. Public Notice of Commission Rules

The Company will post in two public and conspicuous places in each of its offices where it transacts business with the public a notice as prescribed in Illinois Commerce Commission's Administrative Code Part 280.180.

19. Second Language Notices

Where there is demonstrated need for second language notices in the service area of the Company, the Company's procedure will be as defined in Illinois Commerce Commission's Administrative Code Part 280.190.

20. Customer Information Booklet

A customer information booklet which contains the Company's credit and collection practices will be provided to all applicants for service and will be available to customers at all business offices.

21. A copy of Illinois Commerce Commission's Administrative Code Part 280, effective December 15, 1994 will be on file in each Company office and open to public inspection.

SERVICE REGULATIONS (Continued)

22. Extension and Installation of Company Facilities

22.1 Gas Mains - Residential and Commercial Customer Extensions

The Company will, upon written application, extend its gas mains to a point adjacent to the property line of any customer or improved lots within a subdivision, subject to the following conditions:

(a) The Customer may be required to deposit with the Company in advance an amount equal to the Company's estimated cost of the required extension, computed at the Company's average cost for the preceding year, minus the estimated average cost of an extension of 200 feet of high pressure system main or 100 feet of low pressure system main. Where two or more customers are to be served from the extension, the total amount to be deposited shall be apportioned among the number of customers. Where an extension is required for service to lots under development in a subdivision, the subdivider may be required to deposit with the Company in advance an amount equal to the Company's estimated cost of the required extension computed at the Company's average cost for the preceding year. In such cases, the subdivider shall grant or cause to be granted to the Company the right for the installation, operation and maintenance of the gas main and any related facilities.

(b) The Company shall make refunds, not to exceed the amount of the original deposit, for a period not to exceed ten years from the date the required extension is completed, by paying to the depositor or depositors an amount equal to the Company's average estimated cost, at the time of the original deposit of constructing an extension of 200 feet of high pressure system main or 100 feet or low pressure system main, for each additional customer who connects and takes service from or through the original extension. Refunds for the connection of additional customers shall be payable once a year when a review is made by the Company or upon notification from a depositor that a qualified customer is receiving service and upon confirmation by the Company. In the case of two or more depositors, the refund shall be apportioned among the depositors. The Company shall cease to make refunds at the expiration of the ten year period and if there is any portion of the deposit then unrefunded it shall be retained by the Company.

SERVICE REGULATIONS (Continued)

(c) Facilities will not be provided hereunder for any uneconomic extension, temporary business or business of doubtful permanency. For the purpose hereof, the term "uneconomic" shall mean any case where expected revenues make it doubtful that a reasonable return would be derived from the required investment. In such cases, the Customer or Subdivider may provide an additional deposit, over and above that provided for above, to make the required extension economic, as determined by the Company; provided, however, that this section shall not operate to deprive any customer of his right to 200 feet of high pressure system main or 100 feet of low pressure system main.

(d) The above provisions are effective in lieu of those contained in sub-paragraph (c)(1)(B) of 83 Illinois Administrative Code, Part 500, Section 500.310 and Section 500.320.

22.2 Meters and Services

(a) Upon written application Company will install all necessary meter connections and meter without charge subject to the provisions of Service Regulation No. 2.

(b) New service piping, up to and including a size of 1-1/2 inches in diameter, will be installed by the Company free of charge from its distribution main to the curb line of a public street, highway, road or alley upon which the premises of the applicant faces and abuts, and for an additional length, from such curb line to the meter location, determined in accordance with Service Regulation No. 2, as is determined by the allowance per customer for each major use of gas appliances and equipment specified below:

(i)

Residential Service	Allowance
Gas Space Heating Equipment	60 Feet
Water Heater	40 Feet

SERVICE REGULATIONS (Continued)

(ii) Non-Residential Service

Estimated annual consumption of 100 Mcf or less
Allowances as computed in accordance with the schedule in paragraph (i) of this Section, up to a maximum service length allowance of 100 feet.

Estimated annual consumption of more than 100 Mcf
Allowance as determined by Company's economic analysis of the estimated revenue, costs and total service conditions in each use.

(iii) Seasonal, Intermittent or Standby Service
When Applicant's expected use of gas service is for establishments to be occupied seasonally or intermittently, one half of the allowance set forth in paragraph (ii) of this Section will apply. No allowances will be made for equipment intended for standby or emergency use only.

(c) For service piping in excess of the portion installed at Company expense pursuant to paragraph (b) of this Section, customer will pay Company for installing service piping. The rate per linear foot of service piping will be the average cost incurred during the preceding calendar year for installing such service piping. Any charges for installing excess service piping are payable in advance.

(d) For any new service which a customer requires to be installed when the ground is frozen, the customer shall be charged for the removal of frost or other extra expense at the estimated or actual cost, whichever is the lesser, payable in advance.

(e) For farm tap service on Panhandle Eastern Pipe Line Company (Panhandle) and/or Trunkline Gas Company (Trunkline) transmission line(s), the Company will install its regulators and meters at the transmission pipe line tap locations, which have been agreed upon by the Customers and Panhandle and/or Trunkline. The tap connection to Panhandle's and/or Trunkline's transmission line will be installed and maintained by Panhandle. The Company will connect to Panhandle's and/or Trunkline's tap connection; install and maintain metering and regulating equipment; and connect to the Customer's service pipe -- at no expense to the Customer -- provided the Customer's service pipe has been extended to within three feet of the meter outlet.

SERVICE REGULATIONS (Continued)

If additional pipe and materials are required to connect to the Customer's service, the Customer will pay the Company for same at the cost of labor and material required.

The Company will install and maintain a fence at its own expense, where in its judgment it is necessary to do so, around the metering and regulating equipment to protect it from the Customer's live stock or farming operations.

22.3 Higher Service Pressure

Gas at pressures higher than Company's Standard Service Pressure of seven inches water column will be made available to a customer upon request if high Pressure gas is available at the customer's premises or may be made available in accordance with this service regulation, and when such high pressure is required for proper operation of the customer's present or proposed utilization equipment. When such high pressure is made available, a specific service pressure shall be agreed upon by the Company and the customer within the limitation of applicable codes.

22.4 Service Line, Primary Fuel Line and Customer-Owned Fuel Lines

Definitions:

(a) Service Line: A distribution line that transports gas from a common source of supply (gas main) to a customer meter.
(b) Primary Fuel Line(Yard Line): That portion of the customer-owned piping that connect the outlet of the gas meter to the outside wall of residential and commercial premises, excluding any customer-owned branch lines that may be connected thereto.
(c) Customer-owned Piping: That portion of customer-owned piping downstream of a service line or primary fuel line that delivers gas to the customer appliances.
  (i) In the event that a service line is replaced:
  Atmos Energy Corporation will replace it at no cost to the Customer.
  (ii) In the event that a primary fuel line (yard line) is replaced:
  Atmos Energy Corporation will replace up to 150 feet at no cost to the customer and an additional 1 foot per Mcf of annual gas load in excess of a base load of 100 Mcf per year. Any additional footage shall be at the Customer's expense. The rate per linear foot of service piping will be the average cost incurred during the preceding calendar year for installing such piping.
  (iii) In the event that customer-owned fuel lines are replaced:
  Atmos Energy Corporation will reconnect to Customer's house piping at no cost to the Customer if existing piping is installed in accordance with all applicable codes. If existing piping is not in compliance with applicable codes, Company will allow up to 20 feet of replacement at no cost to the Customer. If non-compliance piping exceeds 20 feet, it will be the Customer's responsibility to reconnect at Customer's expense.

SERVICE REGULATIONS (Continued)

22.4 Service Line, Primary Fuel Line and Customer-Owned Fuel Lines (Continued)

(iv) If the Customer requires financing to pay for additional service line footage, reconnect piping or to correct for unsafe equipment, at Customer's request, Company may finance the cost up to $1000 for a maximum 24 month period at 6.5% add-on interest rate per year. Financing is subject to satisfactory credit approval.

23. Purchased Gas Cost Adjustment

Section A - Applicability

1) The Gas Charge(s) shall be applied to all therms associated with the service classifications so identified in the filed rate schedules of all gas public utilities operating in the State of Illinois. If a utility elects to establish separate Gas Charge(s) for recovery of costs of a seasonal nature, such Gas Charge(s) shall be applied to therms associated with the appropriate seasonal period. The Gas Charge(s) shall be applied to each therm billed during the effective month. Each Gas Charge shall be determined in accordance with Section F.

2) The period May 1, 2002 through December 31, 2002 will be known as the transition period. During the term of the transition period, the PGA rate calculated will consist of a single consolidated Gas Charge and six separate service area rates. Effective May 1, 2002, the Company shall determine a single consolidated Gas Charge for its state service area that will be effective for all filed Rate Schedules. Also during the transition period, one additional rate will apply to each separate service area that will be effective for all filed Rate Schedules. The separate rate for each service area will consist of any (over)/under recovered balances attributed to the periods prior to May 1, 2002. These (over)/under recovered balances shall continue to be refunded to or collected from the respective service areas through December 31, 2002.

3) Effective January 1, 2003, the Company will set a PGA rate that consists of only the single consolidated rate.

4) Beginning January 1, 2003, any remaining (over)/under recovered balances associated with each separate service area shall be reported on Schedule II, but no rate will be calculated based on this balance. For all individual service areas, the (over)/under recovered amount attributed to the months of October, November, and December 2002 and reported on line 9 of Schedule II, will be included in the calculation of the single consolidated rate.

SERVICE REGULATIONS (Continued)

5) For the period January 1, 2002 through December 31, 2002, the Company will provide one consolidated annual reconciliation that includes amounts attributed to both the single consolidated rate and to the separate service area rate.

6) Utilities shall report monthly, in a format designated by the Illinois Commerce Commission ("Commission"), the Gas Charge(s), calculated under the provisions of Section F to be applied to service billed during the effective month. The reports required by this Section 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" shall mean the effective month. For the TOP/Transition Gas Charge and the Demand Gas Charge, the base period shall mean the remaining months in the reconciliation year which includes the effective month.

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

SERVICE REGULATIONS (Continued)

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

"Gas used by the utility" shall include all gas used by the utility 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" shall mean the 12-month period ending December 31 for which actual gas costs and associated revenues are to be reconciled.

"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 utility'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 Charge(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

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

   b) costs for storage services purchased;

   c) transportation costs related to such natural gas and any solid, liquid or gaseous hydrocarbons and any storage services; and

   d) 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 (1)(a) through (c) of this Section with the exception of any charges related to GRI contributions.

2) Determinations of the Gas Charge(s) shall exclude the estimated cost of gas to be used by the utility, based on the system average cost of gas for the effective month.

3) The cost of gas estimated to be withdrawn from storage during the base period shall be included in the Gas Charge(s).

SERVICE REGULATIONS (Continued)

4) 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 (1) of this Section. 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 utility shall refrain from entering into any such transaction that would raise the Gas Charge(s).

5) Revenues from penalty charges or imbalance charges, which the Commission has previously approved to prevent unauthorized actions of customers, shall offset gas costs.

6) Revenues from "cash-out" schedules, which the Commission has previously approved for transportation customers' monthly imbalances, shall offset gas costs. Under such schedules, the utility 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 utility pursuant to any such "cash-out" schedule shall be treated as gas costs recoverable under this Section.

Section E - Adjustment to Gas Costs

1) 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;

   a) refunds, directly billed pipeline surcharges, unamortized balances of adjustments in effect as of the utility's implementation date, and other separately designated adjustments;

   b) the cumulative difference between actual recoverable gas costs and purchased gas adjustment ("PGA") recoveries for months preceding the filing month; and

   c) the unamortized portion of any Adjustment Factor(s) included in prior determination of the Gas Charge(s).

2) If a utility 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 utility 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)

1) Each month the utility shall determine the Gas Charge(s) to be placed into effect for service billed during the effective month.

SERVICE REGULATIONS (Continued)

2) The Gas Charge(s) shall be determined in accordance with the following formula:

$$GC = \frac{(G \pm A \pm O)}{(T)} \times 100$$

Where:

GC = The Gas Charge(s) in cents per therm rounded to the nearest 0.01¢; any fraction of 0.01¢ shall be dropped if less than 0.005¢ or, if 0.005¢ or more, shall be rounded up to the next full 0.01¢. A utility may establish separate Gas Charges for each type of gas cost.

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 a utility 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(2).

T = The estimated applicable therms of gas associated with service to be billed during the base period.

Section G - Annual Reconciliation

1) In conjunction with a docketed reconciliation proceeding, the utility shall file with the Commission an annual reconciliation statement, which shall be certified by the utility's independent public accountants and verified by an officer of the utility. This statement shall show the difference between the following:

a) the costs recoverable through the Gas Charge(s) during the reconciliation year, as adjusted by Factor A and Factor O, and

SERVICE REGULATIONS (Continued)

b) the revenues arising through the application of the Gas Charge(s) to applicable therms during the reconciliation year.

2) If, after hearing, the Commission finds that the utility 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.

24. Other Conditions of Service

24.1 The Company shall endeavor to furnish continuous service to the customer but does not guarantee uninterrupted service.

24.2 Gas purchased from the Company shall be used by the Customer at one location and shall not be resold.

25. Transportation Service

A. Definitions

For purposes hereof:

(i) "Connecting Pipeline Company" means a pipeline supplier to the Company whose facilities in the sole judgment of the Company can be utilized to transport gas to the Company for delivery by the Company to the Customer under this Rate Schedule.

(ii) "Transportation Imbalance" occurs when more or less gas is received by the Company from the Connecting Pipeline Company for the customer's account, less the unaccounted for gas adjustment, than is delivered to that customer's facilities for the month.

(iii) "PGA Provisions" means the Company's Purchased Gas Adjustment Rider, as amended and approved by the Commission from time to time.

(iv) "Pipeline Balanced Customer" means the connecting pipeline company requires access to customer's daily usage and allocates it to customer's pipeline transportation agreement.

SERVICE REGULATIONS (Continued)

25. Transportation Service (continued)

B. Terms and Provisions of Service Under This Rate Schedule

(i) Unless otherwise agreed to by the Company, the minimum term of a contract to provide service to a customer under this Rate Schedule shall be one year.

(ii) Except as expressly modified by the provisions of this rate schedule, all of the terms, provisions, and conditions of the rate schedule (as made effective by the Commission from time to time) applicable to Customer shall also apply to service by the Company to Customer under this rate schedule.

(iii) Customer must notify Company on Company's standard form of the volume of gas to be delivered into the Company's system for the account of the Customer during the billing month and the daily rate of delivery. This nomination must be received by the Company by the nomination deadline on the Connecting Pipeline Company for both first of the month nominations and mid-month changes. The quantity of gas delivered into the Company's facilities for the account of the Customer shall be based on the transportation nomination for that month. Adjustments will be made if the Connecting Pipeline Company's reported volumes vary from the nominated volume.

(iv) The Customer is responsible for making all arrangements for transporting the gas from its source of supply to the Company's interconnection with the Connecting Pipeline Company unless other arrangements have been made between the Customer and the Company.

(v) The Customer shall warrant that they have good and legal title to all gas which Customer causes to be delivered into the Company's facilities and Customer shall hold the Company harmless from any loss or claim in regard to the same.

(vi) Customer shall have the obligation to balance, on a daily basis, receipts of transportation gas by the Company at the Company's applicable Receipt Point(s) with deliveries of such gas by the Company to the Customer's Point of Delivery plus retention amounts pursuant to item (vii) below. Fees for Positive and Negative imbalances will be levied as described in (a) and (b) below. (a) and (b) below will not apply to Pipeline-Balanced Customers. (a) below will not apply to those customers having elected full firm standby service.

(a) Daily Schedule Fee

The daily scheduling fee shall apply to all customers electing transportation service on both positive and negative daily imbalances to the extent that the daily imbalance exceeds the Daily Contract Quantity. The Company will assess daily schedule fees as follows:

25. Transportation Service (continued)

B. Terms and Provisions of Service Under This Rate Schedule (Continued)

(a) Daily Schedule Fee

VARIANCE	CHARGE
0% to 5%	No additional charges
5% to 10%	$0.10/MMBtu
>10%	$0.20/MMBtu

Variance is defined as the difference between the confirmed nomination and actual usage, less any Daily Contract Quantity on a daily basis.

(b) Cashout of Monthly Imbalances

If total monthly nominations are greater than total monthly usage, the customer will receive credit for the positive imbalance according to the following schedule:

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% of Imbalance		Cashout Price for Excess Quantities	Cashout Price for Deficient Quantities
0%	up to 5%	100%	100%
5%	up to 10%	85%	115%
10%	up to 15%	70%	130%
15%	up to 20%	60%	140%
	20%	50%	150%

The cashout price will be equal to the average weekly index price for the respective Connecting Pipeline Company for the appropriate month as published in Natural Gas Week plus applicable pipeline commodity and fuel charges.

(c) The Company may charge the Customer for any daily or monthly overrun penalties assessed to the company by the Connecting Pipeline Company.

These penalties will be allocated as follows:

(1) If the Connecting Pipeline Company has a fixed-volume daily tolerance, the tolerance will be allocated pro-rata among the transporting Customers and system supply according to the actual volumes used on the day that the penalty was incurred. Transporting Customers will not be assessed any penalty unless their daily imbalance exceeds their pro-rata share of the tolerance.

Specifically, each transporting Customer's actual usage for any day penalties were incurred will be divided by the total actual usage at the city gate. This percentage will be multiplied by the daily tolerance allowed by the Connecting Pipeline Company to get that Customer's Allocation of Tolerance for that day.

25. Transportation Service (continued)

B. Terms and Provisions of Service Under This Rate Schedule (Continued)

The Overrun Volume will be any positive volume calculated by subtracting the Customer's Allocation of Tolerance for that day from the customer's daily imbalance. The Percentage of Total Overrun of Total Overrun will be calculated by dividing each Customer's Overrun Volume by the Total Overrun Volume. The Penalty Charge will be calculated by multiplying the Customer's Percentage of Total Overrun by the total penalty charge invoiced by the Connecting Pipeline Company.

(2) If the Connecting Pipeline Company has a tolerance based on a percentage of nominated volume, the Transporting Customer will not be assessed any penalty unless their daily imbalance exceeds that percentage of their nomination.

Specifically, each transporting Customer's nomination will be multiplied by the percentage allowed by the Connecting Pipeline Company to get that Customer's tolerance for the day. The Overrun Volume will be any positive volume calculated by subtracting the Customer's tolerance for that day from the Customer's daily imbalance. The Percentage of Total overrun will be Calculated by dividing each Customer's overrun Volume by the Total Overrun Volume. The Penalty Charge will be calculated by multiplying the Customer's Percentage of Total overrun by the total penalty charge invoiced by the Connecting Pipeline Company.

(vii) A percentage adjustment for unaccounted for gas shall be made to the volumes of gas delivered into the Company's facilities for the Customer's account, and the volumes of gas deliverable to the Customer under this rate schedule shall be reduced by such percentage. Such percentage shall be equal to the percent that unaccounted-for gas bore to total sendout as recorded by the Company during its most recent 12 months ending June.

(viii) The Company reserves the right to refuse to accept gas for the account of the Customer into Company's facilities if the same would reduce the volumes of the gas otherwise available to Company from the Connecting Pipeline Company.

(ix) Customers served under this Rate Schedule shall be required to pay for the cost and installation of measurement data collection and verification equipment. Customers shall also be required to pay the cost of installation, maintenance and any monthly usage charges associated with telephone, power or other utilities or energy sources required for the operation of the data collection and verification equipment. Customers shall also be required to provide adequate space in new or existing facilities for the installation of the data collection equipment.

25. Transportation Service (continued)

B. Terms and Provisions of Service Under This Rate Schedule (Continued)

This provision will not apply to Pipeline Balanced Customers or Customers electing full firm standby and using less than an average of 100 Mcf/day over the previous twelve (12) months prior to signing the contract.

C. Rate

Firm Standby and Partial Standby Charge

Customers having elected a firm standby or partial firm standby service shall be billed a Demand Gas Charge (DGC), as set forth in Section 23 of the Company's Service Regulations, multiplied by the Daily Contract Quantity set forth in the Customer's contract. Daily Contract Quantities for customers electing full firm standby will be determined by the Company. Daily Contract Quantities for customers electing partial firm standby service will be determined by the Customer.

Overrun Penalty

Volumes of gas taken at any time in excess of the amount stipulated by the Company in the curtailment notice as being available to Customer shall constitute overrun gas. A penalty of $2.50 per Ccf of such overrun volumes shall be paid by Customer in addition to all other charges payable hereunder provided; however, Company has the right to waive any portion of the overrun penalty on a non-discriminatory basis for good cause.

Payment

Each monthly bill for service is payable on the date of issue. A charge of one and one-half percent (1-1/2%) per month may be added to the amount of any bill remaining unpaid after 14 days following the date of mailing a bill. When a customer mails any payment for gas service and such payment is received at the Company's office not more than two (2) full business days after the due date printed on the bill, the customer shall be deemed to have made timely payment.

SERVICE REGULATIONS (Continued)

Adjustment for State of Illinois Gross Receipts Tax pursuant to the Gas Revenue Tax Act.

1. The tax rate of 0.1% net charge will be applicable to all charges, including charges for gas service; service disconnection and reconnection; line extensions, relocation, installation and replacement; meter relocation and jobbing.
2. A tax rate of the lesser of 2.4 cents per Ccf of five (5%) of gross receipts received* from each customer will apply to each customer.

* The definition of "gross receipts" will exclude the following services:

- Charge for gas service where the customer has not used any gas.
- Charge for bad checks.
- Finance of credit charge, penalty or charge for delayed payment, or discount for prompt payment.
- Charges for reconnection of service or for replacement or relocation of facilities.
- Advances or contributions in aid of construction.
- Repair, inspection, or servicing of equipment located on the customer's premises.
- Leasing or rental equipment, the leasing or rental of which is not necessary to distributing, furnishing, supplying, selling, storing or transporting gas.
- Any sale to a customer if the taxpayer is prohibited by the U.S. or State Constitution, treaty, convention, statue, or court decision from recovering the related tax liability from the customer.
- Gas revenue tax (state or local) added to a customer's bill.
- Municipal Utility Tax Charge. Where the Company pays a municipal tax on gross receipts, imposed by a municipality under the provisions of Section 8-11-2 of the "Illinois Municipal Code", as heretofore and hereafter amended, the additional charge shall offset the effect of the tax in accordance with the provisions of Section 9-221 of the The Public Utilities Act, as heretofore and hereafter amended. The additional charge shall cover: (1) the municipal tax itself; (2) an allowance of three percent to the tax for costs of accounting; and (3) the increase in taxes and other payments to governmental bodies resulting from the additional charge.
  The amount of such additional charge shall be determined by multiplying the applicable additional charge rate (as shown on the Information Sheet supplemental to the Sheet) by billing, including, where applicable, state tax additions referred to above for gas furnished by the Company for use or consumption and not for resale within the corporate limits of the municipality, including any taxable service billed in connection therewith.
  The additional charge currently applicable in each municipality which had levied a municipal tax on gross receipts is shown on the Information Sheet supplemental to this Sheet. The effectiveness of any additional charge due to tax shall coincide with the date upon which gross receipts are subject to tax.

Ill. C. C. No. 3
ATMOS ENERGY CORPORATION **First Revised Sheet Supplemental to No. 59**
Canceling Original Sheet Supplemental to Sheet No. 59

The additional charge currently applicable in each municipality which has levied a utility tax on gross receipts is shown below.

Municipality	Additional Charge
Saint Elmo	1.03 %
St. Peter	2.06 %
City of Altamont	3.09 %
Village of Brownstown	2.06 %
Eldorado	3.50 %

Ill. C. C. No. 3
First Revised Sheet No. 60
ATMOS ENERGY CORPORATION **Canceling Original Sheet No. 60**

SERVICE REGULATONS (Continued)

Renewable Energy Resources and coal Technology Development Assistance Charge
and
Energy Assistance Charge for the Supplemental Low-Income Energy Assistance Fund

Applicable to all Rates and Special Contracts

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 authorizing charges for Renewable Energy Resources and Coal Technology Development Assistance and Supplemental Low-Income Energy Assistance, the Company shall incorporate the following amounts each customer's bill:

A monthly renewable Energy resources and coal Technology Development Assistance Charge shall be incorporated as follows:

For each account for residential service: $0.05

For each account for nonresidential service for which usage for the previous calendar year was

Less than 4,000,000 Ccf	$0.50
4,000,000 Ccf or greater	$37.50

A monthly Energy Assistance Charge for the supplemental Low-Income Energy Assistance Fund shall be incorporated as follows:

For each account for residential service: $0.40

For each account for nonresidential service for which usage for the previous calendar year was

Less than 4,000,000 Ccf	$4.00
4,000,000 Ccf or greater	$300.00

The total amount of such charges will be incorporated with the customer's Monthly Facilities Charge. For each customer account for which there is no existing Monthly Facilities Charge, a Monthly Facilities Charge that includes the appropriate Renewable Energy Resources and Coal Technology Development Assistance Charge and Energy Assistance Charge for the Supplemental Low-Income Energy Assistance Fund will be shown on the customer's monthly bill.

The charges contained in this tariff sheet shall begin to be collected with customers' bills on the later of the effective date of this tariff sheet or the date on which House Bill 362 is enacted into law.