



Nicor Gas  
Gas Transportation  
Customer Service Center

P. O. Box 199  
Aurora, IL 60504-0199

Phone 630-993-4041  
Fax 630-993-2070  
Email: GTCAC@nicor.com

September 25, 2013

Mr. Rich Schutz  
President  
Windy City Energy  
7N018 Whispering Trails Rd.  
St Charles, IL.. 60175

Delivered by Email and U.S. Mail

Dear Mr. Rich Schutz:

Nicor Gas has recently evaluated its exposure relative to Rider 13 Suppliers. Windy City Energy serves many of its customers behind Nicor Gas's city-gate through the Supplier Transportation Service tariff (as filed and approved with the Illinois Commerce Commission). Please be advised that pursuant to the terms of Rider 13, Nicor Gas is requiring "adequate assurances of payment". The tariff allows for assurances of an amount equivalent to up to two months of service, including gas costs. Except in the event where the actual deposit amount calculates to less than \$100,000 and no reduction is made, Nicor Gas has reduced the calculation of your deposit, for the next 12 month period, to the higher of \$100,000 or 25% of what would normally be required. Your deposit requirement is \$100,000.00 as calculated per the attached worksheet. The assurance amount is due by November 1, 2013 and may be fulfilled by prior cash payment, unless your company elects to provide an alternative form of credit enhancement and communicates details of the alternative to Nicor Gas by October 10, 2013. Nicor Gas reserves the right to perform periodic evaluations of the adequate assurance amount; and based upon its periodic evaluation, Nicor Gas may revise its request for adequate assurance.

Acceptable forms of alternative credit enhancement would include: (i) letter of credit -- see below for requirements; or (ii) a parent guaranty from an affiliate approved by Nicor Gas, at its sole discretion, and rated by S&P or Moody's at a minimum level of BBB+/Baa1, respectively.

If you plan to provide a letter of credit, it must be a standby irrevocable letter of credit approved by Nicor Gas, in its reasonable discretion, naming Northern Illinois Gas Company d/b/a Nicor Gas Company as the beneficiary, with an expiry date of October 31, 2014. Please email a blank form from your bank by October 10, 2013 to Nicor Gas for approval. The issuer of the letter of credit must be an "Eligible LC Bank". Any such letter of credit will be available for drawing by presentation of sight drafts in Chicago, Illinois at the office of the issuer or an advising bank that has been approved by Nicor Gas, or in another location in the United States if such presentation may be made by facsimile transmission. "Eligible LC Bank" means a commercial bank organized and existing under the laws of the United States or a state thereof or the District of Columbia, operating from an office in the continental United States, acceptable to Nicor Gas, whose general long-term unsecured debt is at such time rated at least "A" by Standard & Poor's Ratings Services, and at least "A2" by Moody's Investor Service; in the event such a commercial bank is rated by only one of S&P or Moody's, eligibility will be based on the available rating.

EXHIBIT C

Nicor Gas requires the adequate assurance of payment from your company by November 1, 2013 in order to comply with the above-referenced tariff provision. In the event Nicor Gas does not receive the adequate assurance of payment on or before November 1, 2013, Nicor Gas shall avail itself of all remedies available under the applicable tariff terms and conditions.

Please direct these documents to the attention of:

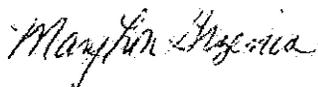
Robert DePriest  
Supervisor, Gas Transportation  
Nicor Gas  
1844 Ferry Road  
Naperville, Illinois 60563-9600  
[rdepries@aglresources.com](mailto:rdepries@aglresources.com)

ACH transfer information is as follows:

Bank: JP Morgan  
City/State: New York, NY  
ABA#: 021409169  
Account#: 405  
Account name: Northern Illinois Gas Company d/b/a Nicor Gas Company  
Ref: 10 digit Nicor Gas Account Number

If you have any questions regarding this request for deposit, please contact Robert DePriest at (630) 388-2127.

Sincerely,



Mary Lou Grzenia  
Manager, Customer Select & Gas Transportation

Attachment

cc: Lee Smith, Director, Credit, AGL Resources

Windy City Energy  
 NON-COMMON OWNERSHIP GROUP DATA AS OF 09/01/13  
 Account No. 0398615269

Prepared 9/24/2013

	Group No.	Number of Accounts	MDCQ (Therms)
1	5203	70	62,359
<b>Totals</b>		<b>70</b>	<b>62,359</b>

**WEIGHTED AVERAGE COST OF GAS  
 AND  
 DEPOSIT CALCULATION**

Month	Futures Price 1:	Usage Trend 2:	Wtd Avg Price of Gas
October 2013	\$ 3.898	8%	\$ 0.312
Nov	\$ 3.948	11%	\$ 0.434
Dec	\$ 4.078	12%	\$ 0.489
January 2014	\$ 4.054	15%	\$ 0.608
Feb	\$ 4.050	13%	\$ 0.527
Mar	\$ 4.003	13%	\$ 0.520
Apr	\$ 3.917	8%	\$ 0.313
May	\$ 3.931	6%	\$ 0.236
Jun	\$ 3.955	4%	\$ 0.158
Jul	\$ 3.982	3%	\$ 0.119
Aug	\$ 3.996	3%	\$ 0.120
Sep	\$ 3.993	4%	\$ 0.140
	<u>100%</u>		<u>\$ 3.997</u>

Wtd. Avg. Price Per Therm:	\$ 3.997
Total Rider 13 MDCQ (in Therms)	62,359
Total adjusted Rider 13 MDCQ	42,299
# of MDCQ days = 2 mos. usage	18
Deposit amount (rounded to \$10k)	\$ 300,000
Deposit reduced to the higher of 25% or \$100k (rounded to \$10k)	\$ 100,000

**Footnotes:**

- 1/ NYMEX Henry Hub settlement (per Platts Gas Daily as of 09/17/13)  
 - Chicago City-Gate Basis (per Platts inside FERC as of 09/17/13)
- 2/ Usage distribution per daily balanced customer sample
- 3/ Total Rider 13 manager Maximum Daily Contract Quantity (MDCQ)
- 4/ Two months' usage as related to MDCQ days per daily balanced customer sample
- 5/ Deposit amount = Weighted average price of gas \* Total adjusted Rider 13 MDCQ \* # of MDCQ days