ANNUAL REPORT ON THE DEVELOPMENT OF NATURAL GAS MARKETS IN ILLINOIS

ILLINOIS COMMERCE COMMISSION

JULY 2006

STATE OF ILLINOIS

ILLINOIS COMMERCE COMMISSION

June 30, 2006

The Honorable Rod R. Blagojevich
Governor
207 State House
Springfield, Illinois 62706

Dear Governor Blagojevich:

Enclosed is the Illinois Commerce Commission's report entitled "Annual Report on the Development of Natural Gas Markets in Illinois."

This report is submitted in compliance with Section 19-130 of the Public Utilities Act, Commission Study and Report (220 ILCS 5/19-100), the Alternative Gas Supplier Law.

Sincerely,

Charles E. Box
Chairman

527 East Capitol Avenue, Springfield, Illinois 62701 [TDD ("V/TTY") [217] 782-7434]

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Introduction

This report fulfills the statutory requirement in Section 19-130, Commission Study and Report, of Article 19 (220 ILCS 5/19) of the Illinois Public Utilities Act ("Act"). Section 19-130 requires the Illinois Commerce Commission ("Commission") to prepare an annual report analyzing the status and development of the retail natural gas market in the State of Illinois, including data on volumes of natural gas sold to retail customers and the number of customers served by alternative gas suppliers and gas utilities. The required data is included in tables and attached as an appendix.

Traditional gas utility sales service (”sales service”) is the sale of natural gas supply to retail customers at rates regulated by the Commission. The rates paid by sales service customers are separated into two parts. The delivery component recovers the cost to distribute gas, including the cost of utility-owned storage facilities, through rates that vary by customer class. The gas commodity component of sales service is regulated by the Commission to ensure that customers pay only for gas that is prudently purchased. The price for gas commodity fluctuates monthly, but it does not vary by customer class. Gas transportation service (“transportation service”) allows unregulated suppliers to sell competitively priced natural gas commodity to retail customers. Customers that choose transportation service pay rates regulated by the Commission to the utility for the delivery of natural gas, but the prices they pay for the natural gas that they buy from alternative suppliers is not regulated by the Commission. The wholesale commodity market is competitive, but the delivery function is a natural monopoly. Therefore, by unbundling the commodity from its delivery, retail customers can get direct access to the wholesale market. This has the potential to deliver lower prices, a wider array of services, and customized pricing, terms, and conditions of service to individual customers or groups of customers than is possible with sales service.

Transportation service continues to evolve. The first tariffs simply removed the utility’s gas supply charge from the transportation customer’s bill, with limited or no access to utility storage assets. More recently, transportation service is more sophisticated. It offers customers a number of alternatives to traditional utility sales service, including allocations of utility storage and flexible delivery and storage withdrawal terms. In 2005, transportation service accounted for 42.3% of retail natural gas sales in Illinois, up from the 2004 level when transportation service accounted for 41.3% of retail natural gas sales in Illinois. Most gas transportation volume can be attributed to large volume industrial and commercial customers served by more than 60 alternative retail suppliers. No alternative retail gas supplier had market share greater than 6% in calendar year 2005.

Transportation service is available to small commercial and residential customers in three utility service territories in Northern Illinois. The market for small volume customers continues to mature and grow. Small customers and suppliers remain interested in these programs. Overall, the number of small transportation customers increased by 14,705 in 2005 (a 6.9% increase). Overall, the number of transporting customers increased by 15,284 (a 6% increase).

I. Bundled Utility Sales Service vs. Unbundled Gas Transportation Service

Shippers of natural gas, including gas utilities (also referred to as Local Distribution Companies, LDCs), alternative gas suppliers, and other end-users, purchase gas supply at competitive prices at various points along a vast network of federally-regulated interstate pipelines. Shippers contract for the delivery of natural gas to retail customers via interstate pipelines and state-regulated LDC distribution systems. LDCs take receipt of natural gas at points called "city gates", where their distribution systems connect with interstate pipelines. Large LDCs may connect to multiple interstate pipelines with numerous city gates on each pipeline. Small LDCs may connect to only one pipeline with fewer city gate connections. Once an LDC takes receipt of gas at a city gate, it becomes responsible for delivering that gas to retail customers connected to the LDCs system.

The Commission regulates fourteen Illinois LDCs with customer bases ranging in size from a few thousand customers to over two million customers. In Illinois, LDCs must offer "bundled" or sales service to all retail customers on their system. Sales service customers pay a regulated rate that includes the cost of natural gas supply, intestate pipeline services, and local distribution service. Gas costs, including the price of natural gas supply, leased interstate pipeline services (including storage services) required to deliver the commodity to the LDCs system and hedging costs to moderate price swings in the gas market, flow through a Purchased Gas Adjustment Clause ("PGA"). A single PGA commodity price is charged to all customers on sales service.

The Commission performs an annual PGA prudence review for each utility to determine whether it purchased gas in a prudent manner and to reconcile the costs of delivered gas with the revenues collected from customers for that gas. The cost of prudently procured gas is intended to equal the revenues received for that gas. If costs and revenues are not equal, a surcharge or refund to customers is required. If an LDC’s gas purchases are deemed imprudent, then the Commission disallows recovery of the imprudent costs associated with those purchases. PGA rates vary monthly since gas prices are variable. The PGA charge simply reflects the cost of the gas that the LDC buys to meet the needs of sales service customers as a group.

Transportation service allows retail customers to purchase competitively-priced natural gas supply from alternative gas suppliers. It also offers customers the ability to buy gas under terms that more closely reflect their individual needs. Alternative retail gas suppliers arrange for the delivery of transportation gas via interstate pipelines to the city gate. Or they may purchase supply at the city gate from wholesale suppliers. The LDC then receives that gas and delivers it to the suppliers' customers at a Commission-regulated delivery rate. All Illinois LDCs offer transportation service to industrial and commercial customers as an alternative to sales service.[1] Some Illinois LDCs also offer transportation services designed specifically for small commercial and residential customers.

Transportation service, unlike gas supply service, requires regulation of natural monopoly infrastructure such as distribution networks. Natural gas supply, on the other hand, is competitive. Allowing customers to independently buy gas is thus likely to result in lower prices and increase service offerings for transportation customers, all else equal. Since there are significant scale economies in the distribution system, the duplication of delivery system infrastructure is uneconomical and results in higher costs for delivery service. However, since the wholesale gas market is competitive, it is reasonable to expect a range of beneficial outcomes from allowing multiple shippers to sell natural gas supply to retail customers. In particular, lower prices for natural gas supply may result, and a broader set of services may be offered to consumers. These benefits can mean that the different consumers preferences are better satisfied, since suppliers can tailor pricing and terms and conditions of service to better meet the needs of individual customers or niche markets.

Suppliers offer a wider array of pricing options and other services to transportation customers than the utility's sales service. The products include contracts with fixed prices, variable market-based prices (monthly, quarterly, seasonally and annually), a fixed bill for twelve months, market-based prices with the option to lock in a fixed price or a ceiling price, discounts off of the LDC's PGA rate, and market-based prices in conjunction with a storage hedge. Most suppliers offer contracts with fixed prices for one to three year terms. At least one supplier offers a $10 check for signing up on-line.

II. History of Natural Gas Industry Restructuring in Illinois

A. ICC Advocacy of Open Access at the Federal Level

The Commission supports the development of federal policies that enable wholesale competition. The Commission focuses most of its attention on key proceedings at the Federal Energy Regulatory Commission ("FERC"). Starting as far back as 1983, the Commission intervened in numerous FERC proceedings to argue pro-competitive positions. The Commission consistently advocates the position that competitive forces, where viable, best protect consumers' interests. Non-discriminatory interstate pipeline transportation is the crucial link between the competitive supply market and natural gas consumers. Accordingly, the Commission supports policies that promote non-discriminatory access to interstate pipelines.

[1] Transportation service is also referred to as "unbundled" service, since the transportation services are provided and billed separately from the gas supply service.

B. Development of Retail Competition for Large Volume Customers in Illinois

The Commission has been approving unbundled gas transportation tariffs filed by Illinois LDCs for over two decades, if they are found to be just and reasonable. That process continues today. The LDC tariffs, along with interstate FERC-approved pipeline tariffs, create the rules and structure needed to establish competitive retail supply markets for commercial and industrial customers. There are many gas suppliers and marketers that can meet the needs of retail customers that choose to transport their own gas rather than purchasing PGA gas directly from their LDC under bundled tariffs. In 2005, transportation gas accounted for approximately 3.68 billion therms or about 42 percent of all gas delivered to retail customers in Illinois. This is almost the same amount that was transported during 2004. The number of large transportation service customers increased by 2.2 percent in 2005, going from 26,487 in 2004 to 27,066 in 2005.

The Commission supports efforts to expand and improve gas transportation programs as long as sales customers do not subsidize the programs and sales service reliability is not impaired. Charges for transportation services recoup the cost for providing a firm LDC service level requested by transportation customers. In the early stages of transportation service in Illinois, rate design amounted to deducting the PGA price from transported volumes. When transportation customers consumed LDC-supplied gas, they paid the regular PGA or bundled rate. Transportation tariffs have become more sophisticated, since utilities now supply storage services to transportation customers, while penalizing transporters for deviating from planned deliveries. When customers' gas usage differs from the level contracted for, various penalty charges or above-market rates may apply. The penalty charges try to prevent large-scale imbalances above the level the LDC is prepared to accommodate as specified in the tariff. They also protect against cross subsidization of transportation customers by bundled sales customers. Such penalties are more practical than curtailing service to transportation customers when their gas supply does not reach the city gate. This advantage is especially important when customers number in the thousands as they do in the small volume transportation programs.

C. Small Volume Transportation Programs

Small volume transportation programs for small commercial and residential customers are an important component of Illinois retail natural gas markets. They are also termed aggregation programs. Like transportation programs for large volume customers, aggregation programs give small volume customers the opportunity to purchase competitively priced natural gas commodity from alternative retail gas suppliers rather than traditional bundled utility service. However, the cost for advanced meters that can measure daily usage renders the service uneconomical for small volume customers. Small volume transportation programs allow suppliers to aggregate customer load and estimate their daily usage for balancing purposes instead of directly measuring daily usage with advanced meters.

The Commission has approved three small volume transportation programs. In December 2005, 170,939 residential customers and 56,385 commercial customers were served under small volume transportation programs in Illinois.

In 1997, Peoples Gas Light and Coke Company ("Peoples") filed small volume transportation tariffs that later become known as the "Choices For You" program. In 2000, the Commission approved Peoples' filing to institute a permanent unbundling program for all non-residential customers with an annual consumption of less than 50,000 therms. In 2002, the Commission approved Peoples and North Shore's plan to phase in residential "Choices For You" as a pilot program from May 2002 through April 2005. The participation limits on the "Choices For You" program were eliminated in 2005.

In 1997, the Commission approved Nicor's "Customer Select" pilot program and Supplier Aggregation Service. These tariffs allowed Nicor to offer a pilot transportation program to small volume industrial and commercial customers. Nicor received Commission approval to expand the availability of its program to approximately 65,000 industrial and commercial customers and 80,000 residential customers in September 1998. Residential customers were allowed to choose their own natural gas supplier in Nicor's service territory starting in May 1999. In July 2001, the Commission allowed Nicor to make Customer Select permanent, and on March 1, 2002, Customer Select was available to all of the nearly two million residential, commercial, and industrial customers in Nicor's service territory.

III. Value of Unbundled Service to Small Volume Customers

Program benefits depend on the prices and services offered by each supplier and the value that each customer derives from their chosen service option. As mentioned in Section II above, suppliers offer a wide array of pricing options and other services to small volume transportation customers. In order to evaluate their effects on customers' welfare, there are two questions that need to be answered.

First, are the prices available through third-party suppliers lower or higher than PGA charges? Second, what is the value to customers of the price programs and services that suppliers provide? The PGA is the Company's actual cost of gas. Since a utility's commodity costs fluctuate with the market, the PGA also fluctuates with the market. Supplier offerings differ in several ways from the PGA charges. For example, a customer might enter into a fixed price contract with a supplier. The customer's gas costs might be higher or lower than the PGA depending on how market prices behave. If market prices (and presumably PGA charges) fall, then remaining on bundled rates is the lower cost option. On the other hand, if prices (and PGA rates) rise, then PGA rates are likely higher. However, even if a customer enters into a fixed price contract and gas prices subsequently drop below the level of the fixed price, it may be that the customer's welfare was improved by the fixed price contract. This is true because the customer benefits from the reduced uncertainty from a fixed price relative to the PGA charge.

There is no precise dollar estimate for the benefits that small volume customers receive from the programs. CUB has a “CUB Gas Market Monitor” on its web site.[2] It lists the savings provided or increased costs imposed for each Alternative Retail Gas Supplier’s (ARGS) offer relative to the PGA. According to this site at the time of this report, only about one-quarter of all suppliers’ offers have lower rates than the PGA rate, ex post. However, the site does not estimate the value derived from price mitigation programs such as fixed price programs. In addition, the programs’ continued popularity evinces a belief by small volume customers that they derive benefits from the option to choose ARGS. More than 227,000 customers participated in the programs in calendar year 2005, an almost 7% increase in participation. Table A shows the Nicor, Peoples, and North Shore data for small volume transportation programs as of December 2005, December 2004, and December 2003.

Table A - Small Volume Transportation Customers by LDC

	Residential			Commercial			Total		
Program	**2003**	**2004**	**2005**	**2003**	**2004**	**2005**	**2003**	**2004**	**2005**
Nicor - Customer Select	145,072	147,933	157,096	48,864	49,575	48,024	193,936	197,508	205,120
Peoples - Choices For You	3,973	5,103	10,965	8,261	7,246	7,794	12,234	12,349	18,759
North Shore - Choices For You	2,804	2,431	2,878	353	331	567	3,157	2,762	3,445
Total	151,849	155,467	170,939	57,478	57,152	56,385	209,327	212,619	227,324

The data indicates that small volume residential and commercial customers will participate in competitive markets where aggregation tariffs are available. Also, these programs are still evolving. For example, Nicor's program has only been available on a permanent basis to all customers in Nicor's service territory since March 1, 2002. Peoples' and North Shore's small volume transportation programs became available on a pilot basis to a limited number of residential customers for the first time beginning on May 1, 2002. The small volume transportation programs have been available on either a permanent or pilot basis for at least three years as of December 2005. Assessing the level of competition for residential and small volume commercial customers in these service territories can be problematic. However, the participation rates by customers, as well as continued supplier interest, are encouraging news, particularly for residential customers.

The lower participation levels in Peoples' Choices For You can be attributed to several factors. First, Nicor Energy L.L.C was a major supplier in Peoples' service territory. Nicor Energy L.L.C disbanded in early 2003 and is no longer in business.

[2] See http://www.citizensutilityboard.org/GasMarketMonitor.php.

Nicor Energy L.L.C.'s former customers had to choose between taking service from one of two remaining suppliers and returning to utility sales service. Some returned to utility sales service. Second, the Gas Use Tax Law raised the cost of transporting gas by approximately 2.4 cents per therm. Third, only four suppliers currently market to residential and five to small commercial customers in Peoples' service territory, while twelve suppliers serve small volume customers Nicor's territory. Fourth, the cost to sign up new customers is higher in Peoples' service territory than in Nicor's service territory. Peoples assesses a $10 charge on suppliers for adding a new customer to a pool. Nicor only charges that $10 fee when suppliers sign-up customers that have previously taken service under Customer Select. It does not assess the charge when suppliers sign-up customers that have not previously participated in Customer Select.

Participation in competitive markets by small volume residential customers has expanded as suppliers and customers become more familiar with small volume markets in Northern Illinois. However, the number of small volume commercial customers has declined. While the number of commercial customers for North Shore and Peoples that buy gas from transporters has increased, the number of small volume commercial customers in the transport program for Nicor has fallen. The decline is small, and the reason for it is not clear.

IV. Recent Developments in Retail Natural Gas Markets

A. AmerenIP Group Balancing Service

On May 17, 2005, the Commission issued a Final Order in Docket No. 04-0476 AmerenIP's proposed General Increases in Natural Gas Rates. During the course of the proceeding, AmerenIP agreed to proposals by Commission Staff to implement a group balancing service for commercial and industrial customers in the AmerenIP service territory. The parties also agreed that the tariff should be effective for the winter of 2005. AmerenIP filed a tariff in compliance with the Commission's Order. AmerenIP appears to be ready to work with Staff to improve the balancing provisions in its tariffs as updates to AmerenIP's computer system permit.

Group Balancing allows suppliers or agents representing multiple transportation customers to group together customers' accounts when nominating gas to the utility's delivery system, managing customers' storage accounts, and balancing deliveries with usage. Group balancing is expected to reduce transaction costs associated with managing multiple transportation customer accounts and reduce the level of penalty charges assessed to transportation customers without impacting utility service.

B. Nicor Transportation Tariffs

Nicor proposed changes in the terms and conditions for its gas transportation services in Docket No. 04-0779. In the September 20, 2005 Order, the Commission approved several changes to its gas transportation tariffs for all commercial and industrial customers. Among the changes in the tariffs were adjustments to storage allocations and availability, and the rules governing nominations. In addition, for the Customer Select program, the formula for daily deliveries was made more flexible, the monthly tolerance level between deliveries and usage was increased, and the cap on the size of the group in balancing was increased.

C. Alternative Retail Gas Supplier Offers to Small Customers

In Docket No. 03-0592, the Citizens Utility Board ("CUB") filed a complaint with the Commission alleging certain violations of the law with respect to disclosure of terms and conditions and other aspects of Peoples Energy Services' supplier offer to residential transportation customers. The Commission ruled in favor of CUB's complaint on a number of issues, but the case is currently under appeal.

The Commission cannot discuss the details of the issues in this case because the case remains under appeal, but in general the Commission has authority, per Section 19-130 of the Act, over the disclosure of terms and conditions that alternative retail gas suppliers include in their supplier offers to retail customers. The Commission is not aware of pervasive violations of the disclosure requirements amongst ARGS, and the vast majority of ARGS who intend to provide long-term service are likely to comply with the disclosure requirements, but the Commission is aware of some instances in which allegations of violations are leveled against ARGS. The most notable recent example is the Attorney General's suit filed on April 26, 2005, in Cook County Circuit Court against Illinois Natural Gas Corporation (INGC). The lawsuit charged Illinois Natural Gas Savings Corporation, doing business as Illinois Natural Gas Corporation, with violating the Illinois Consumer Fraud and Deceptive Business Practices Act and other laws intended to protect consumers. The Attorney General and INGC reached a settlement in the case. No customers were ever switched to INGC. And on January 4, 2006, the Commission granted INGC's request to cancel its certificate of service authority. The Attorney General has also filed suit against Santanna Energy Services for reneging on fixed price offers on October 13, 2005 and switching customers to a variable priced contract. Also on that date, Santanna filed for Chapter 11 bankruptcy protection.

In Docket No. 06-0337, CUB filed a complaint against U.S. Energy Savings Corporation (USESC) for misrepresenting itself and information about natural gas markets. USESC is also accused of transferring customers without their consent to Nicor's Customer Select program. The docket remains open and so the Commission may not comment upon the case.

V. 2005 Calendar Year Data, Summary and Conclusions

Section 19-130, Commission Study and Report, of Article 19 (220 ILCS 5/19) of the Act requires this report to include the following data:

> (1) the aggregate annual demand of retail natural gas customers in the State of Illinois in the preceding calendar year;

(2) the total annual therms delivered and sold to retail customers in the State of Illinois by each gas utility and each alternative gas supplier in the preceding calendar year;

(3) the percentage of therms delivered and sold to customers in the State of Illinois in the preceding calendar year by each gas utility and each alternative gas supplier;

(4) the total number of customers in the State of Illinois served in the preceding calendar year by each gas utility and each alternative gas supplier;

Appendix A and Appendix B attached to this document provide the data required in Section 19-130. Appendix A sets forth gas utility market data and rankings, and total supplier market data. Appendix B sets forth total supplier market data and rankings. Most transportation customers have a designated agent that acts as a liaison between the utility and the transportation customer. This agent may be an alternative gas supplier as defined in Section 19-105 of the Act, or the agent may be a consultant that arranges for an alternative gas supplier to deliver gas to the city gate on behalf of one or more transportation customers. The latter never takes title to the gas and, therefore, does not offer gas for sale, lease, or in exchange for other value received to one or more customers or engage in the furnishing of gas to one or more customers. Rather, the entity essentially acts as a gas-purchasing consultant. This year, utilities better differentiated between actual alternative gas suppliers as defined in Section 19-105 and agents that represented customers but never took title to gas delivered to the utilities' systems.

The aggregate annual demand of Illinois retail natural gas customers in 2005 was approximately 8.7 billion therms. More than 254,000 transportation customers purchased 42% of the total gas sold to Illinois retail customers from almost 70 alternative retail gas suppliers. The remaining 58% was delivered by Illinois LDCs and sold at regulated PGA rates to 3.8 million Illinois retail natural gas customers. The greatest market share among alternative gas suppliers was 5.83% of the total volumes delivered to both transportation and sales service customers. Only one other alternative gas supplier had a market share greater than a 5% in 2005. The number of participating suppliers and low supplier market shares reflect a significant level of statewide retail competition, especially for large volume customers, which account for the majority of transportation volumes in Illinois.

Section 19-130 requires that market share data, based on the total number of therms delivered and sold to all retail customers in Illinois (sales service and transportation), be included in this report. Data measuring each supplier's market share of the transportation market only, rather than the entire Illinois retail market, provides a different perspective on the level of competition by focusing on competition between alternative gas suppliers rather than the broader measure of total deliveries that includes both utility bundled sales and alternative gas supplier sales. Table B shows the 2004 top ten suppliers' market share of transportation volumes in 2004, market share of transportation volumes in 2003, and their 2003 market share ranking. A comparison of 2005 and 2004 numbers shows little change in the total share of the top ten producers. The top ten suppliers served 62.4% of the transportation market in 2005, while in 2004, the top ten suppliers served 63.5% of the market. Overall, the level of market concentration remained low in 2005 reflecting a market with significant competition.

Table B - Market Shares and Rank of 2005 Top Ten Suppliers in 2004

Top Ten Suppliers in 2005	Rank of 2005 Top Ten Suppliers in 2004	Market Share of Transportation Volumes in 2005	Market Share of Transportation Volumes in 2004
1	1	13.9%	13.8%
2	2	11.9%	11.4%
3	3	9.1%	8.2%
4	4	6.8%	7.6%
5	6	6.1%	5.7%
6	5	4.5%	5.8%
7	8	2.7%	2.8%
8	7	2.7%	2.9%
9	9	2.4%	2.7%
10	12	2.3%	1.6%
	Totals	62.4%	63.5%[3]

The number of residential customers taking transportation service continues to rise, while the number of small volume commercial customers taking transportation service, though slightly declining, remains at high levels. It appears that large volume commercial and industrial customers have successfully negotiated Nicor Energy L.L.C.'s exit and the impact from the Gas Use Tax Law. It appears that transportation service remains attractive to many customers.

[3] This is the market share for the top ten suppliers in the 2004 Report. It is not the sum of the numbers above since the rankings have changed since 2004.

Appendix A

Gas Utility Market Data, Rankings and Total Supplier Market Data				
Utility	**Rank**	**2005 Volumes - Therms**	**2005 Customers**	**2005 Total Market Share Volumes**
Nicor Gas Company	1	2,512,051,318	1,923,934	28.92%
Peoples Gas Light & Coke Company	2	1,122,409,500	781,730	12.92%
Ameren IP	3	498,029,810	417,589	5.73%
AmerenCILCO	4	324,309,414	216,962	3.73%
North Shore Gas Company	5	238,473,310	150,403	2.75%
AmerenCIPS	6	173,702,983	190,510	2.00%
MidAmerican Energy Company	7	75,259,980	65,752	0.87%
Atmos	8	24,345,640	23,004	0.28%
Interstate Power & Light	9	11,723,475	5,634	0.13%
Illinois Gas Company	10	11,230,943	10,010	0.13%
South Beloit Gas Water & Electric	11	9,279,173	7,730	0.11%
Consumers Gas Company	12	6,192,440	5,748	0.07%
Mt. Carmel Public Utility Company	13	3,476,505	4,363	0.04%
Total Utility		5,010,484,491	3,803,369	57.68%
Total Supplier		3,675,716,278	254,401	42.32%
Total		8,686,200,769	4,057,770	100.00%

Appendix B

Supplier Market Data & Rankings					
Supplier	**Rank**	**2005 Volumes in Therms**	**2005 Customers**	**2005 Total Market Share by Volume**	**2005 Transportation Only Market Share by Volumes**
Transport w/out Agent		559,689,029	70	6.44%	15.21%
1	1	511,094,481	22,192	5.89%	13.91%
2	2	436,315,727	249	5.03%	11.87%
3	3	334,634,839	1,681	3.86%	9.11%
4	4	251,358,471	5,004	2.90%	6.84%
5	5	224,106,676	3,849	2.58%	6.10%
6	6	164,439,687	74,748	1.89%	4.47%
7	7	98,513,593	925	1.14%	2.68%
8	8	98,119,814	665	1.13%	2.67%
9	9	87,970,150	31,685	1.01%	2.39%
10	10	85,946,659	1,543	0.99%	2.34%
11	11	84,559,012	421	0.97%	2.30%
12	12	61,910,571	55,732	0.71%	1.68%
13	13	59,019,966	271	0.68%	1.61%
14	14	52,646,954	298	0.61%	1.43%
15	15	50,959,251	512	0.59%	1.39%
16	16	41,750,075	85	0.48%	1.14%
17	17	39,433,501	27,104	0.45%	1.07%
18	18	33,147,258	14	0.38%	0.90%
19	19	33,077,534	50	0.38%	0.90%
20	20	30,960,390	2	0.36%	0.84%
21	21	29,844,832	13,681	0.34%	0.81%
22	22	29,796,271	7	0.34%	0.81%
23	23	23,181,801	362	0.27%	0.63%
24	24	21,359,103	6	0.25%	0.58%
25	25	20,754,303	9	0.24%	0.56%
26	26	19,009,661	8	0.22%	0.52%
27	27	15,377,266	211	0.18%	0.42%
28	28	15,348,064	2,492	0.18%	0.42%
29	29	14,991,063	947	0.17%	0.41%
30	30	14,222,540	326	0.16%	0.39%
31	31	11,190,507	4,678	0.13%	0.30%
32	32	10,545,471	30	0.12%	0.29%
33	33	8,581,887	1	0.10%	0.23%
34	34	8,559,097	19	0.10%	0.23%
35	35	8,020,507	-	0.09%	0.22%
36	36	7,718,792	305	0.09%	0.21%
37	37	7,049,579	32	0.08%	0.19%
38	38	6,037,056	1	0.07%	0.16%
39	39	5,983,969	31	0.07%	0.16%

Appendix B

Supplier Market Data & Rankings					
Supplier	**Rank**	**2005 Volumes in Therms**	**2005 Customers**	**2005 Total Market Share by Volume**	**2005 Transportation Only Market Share by Volumes**
40	40	5,095,229	2,776	0.06%	0.14%
41	41	4,927,622	8	0.06%	0.13%
42	42	4,768,658	20	0.05%	0.13%
43	43	4,579,403	173	0.05%	0.12%
44	44	4,357,414	1	0.05%	0.12%
45	45	3,946,839	135	0.05%	0.11%
46	46	3,767,818	10	0.04%	0.10%
47	47	3,290,020	-	0.04%	0.09%
48	48	3,106,261	214	0.04%	0.08%
49	49	2,452,809	23	0.03%	0.07%
50	50	2,442,461	358	0.03%	0.07%
51	51	2,391,327	353	0.03%	0.07%
52	52	2,353,395	2	0.03%	0.06%
53	53	1,418,808	-	0.02%	0.04%
54	54	1,389,490	2	0.02%	0.04%
55	55	1,188,967	-	0.01%	0.03%
56	56	1,173,164	25	0.01%	0.03%
57	57	1,043,310	-	0.01%	0.03%
58	58	979,126	28	0.01%	0.03%
59	59	870,690	1	0.01%	0.02%
60	60	733,964	1	0.01%	0.02%
61	61	665,739	1	0.01%	0.02%
62	62	662,544	1	0.01%	0.02%
63	63	420,807	6	0.00%	0.01%
64	64	286,966	1	0.00%	0.01%
65	65	178,040	16	0.00%	0.00%
Total Supplier		3,675,716,278	254,401		