

**CONTRACT FOR
ELECTRONIC BULLETIN BOARD SERVICE
PART ONE**

THIS CONTRACT is made and entered into on _____ (the "Effective Date") by and between The Peoples Gas Light and Coke Company or North Shore Gas Company or both as provided in Part Two of this Contract ("Company"), and _____ ("User") under the following circumstances:

A. Company is engaged in the business of purchasing, selling, distributing and transporting gas in Cook and/or Lake Counties, Illinois and is a public utility subject to the provisions of the Public Utilities Act of Illinois;

B. User is one or more of the following (i) a gas transportation or storage customer of Company, (ii) a duly authorized agent of one or more of said customers, under any one or more of Company's riders providing for the transportation or storage of customer-owned or supplier-owned gas contained in Company's Schedule of Rates on file with the Illinois Commerce Commission or User is authorized to make nominations on Company's system, or (iii) any other user to which the Company has agreed to provide access to PEGASysSM, including customers under Company's Operating Statement;

C. User desires to obtain access to Company's electronic bulletin board service ("Peoples Energy Gas Acquisition System" or "PEGASysSM") and to secure from Company a license for the computer software necessary to obtain such access; and

D. Company is willing to permit such access and grant such license as provided in this Contract and its Schedule of Rates;

NOW, THEREFORE, for and in consideration of the covenants and agreements contained in this Contract, Company and User agree as follows:

1. Service and License. Company agrees to provide and User agrees to accept the services and licenses described in Part Two of this Contract subject to the terms and conditions of this Contract.

2. Service Contract Information. The Service Contract(s) bearing the Customer ID Number(s) that User advises Company from time to time that User administers are the Service Contract(s) for which User shall have access to PEGASysSM both to obtain data from Company and to transmit data to Company.

User may add or delete from the list of Service Contracts to which it has access at any time and from time to time by providing thirty (30) days' prior written notice to Company. If User is authorized to make nominations on Company's system but is not a customer or authorized agent of a customer under Company's Schedule of Rates, then User shall not have access to any Service Contracts or any specific customer account information.

3. Notices. All notices required or permitted to be given under this Contract shall be given to a party at the address, fax number and telephone number set forth below, or such other address, fax number or telephone number as a party may designate to the other from time to time by written notice given as provided herein.

A. User

All Communications

Name: _____

Address: _____

Attn: _____

Telephone: _____

Fax: _____

B. Company

All Communications

The Peoples Gas Light and Coke Company
North Shore Gas Company
130 E. Randolph Drive
Gas Transportation Services
22nd Floor
Chicago, Illinois 60601

Telephone (800) 264-8026
Fax: (312) 240-4704

4. General. This Part One shall be subject to and interpreted in accordance with Part Two of this Contract (attached hereto), Company's Schedule of Rates, if applicable, Company's Operating Statement, if applicable, and the Service Contract(s), and the terms used in this Part One shall have the meanings ascribed to them in such documents. User acknowledges that it has received and read Part Two of this Contract. From time to time, Company may revise Part Two of this Contract and shall provide User with a copy of any such revised Part Two. In the event any revised Part Two of this Contract is unacceptable to User, User may terminate this Contract upon written notice to Company and compliance with the termination provisions of Part Two hereof as then in effect.

5. Effective Date. This Contract shall be effective as of the earlier of the Effective Date or the date on which User is given access to PEGASysSM.

IN WITNESS WHEREOF, Company and User have caused this Contract to be executed in duplicate by their duly authorized representatives as of the Effective Date.

USER

COMPANY

THE PEOPLES GAS LIGHT AND
COKE COMPANY
NORTH SHORE GAS COMPANY

By: _____

By: _____

Name: _____

Vice President
Marketing & Revenue Assurance

Title: _____

Effective on and after
March 1, 2005

**CONTRACT FOR
ELECTRONIC BULLETIN BOARD SERVICE
PART TWO**

1. Definitions. The following terms, where used in this Contract and in all forms, exhibits, schedules, appendices and amendments related to this Contract, shall have the following meanings:

“Company” shall mean (i) The Peoples Gas Light and Coke Company, if User’s use of PEGASysSM relates solely to its activities in the utility service territory of The Peoples Gas Light and Coke Company or services offered by Company pursuant to the Operating Statement, or (ii) North Shore Gas Company, if User’s use of PEGASysSM relates solely to its activities in the utility service territory of North Shore Gas Company, or (iii) both The Peoples Gas Light and Coke Company and North Shore Gas Company, if User’s use of PEGASysSM relates to its activities in the utility service territories of both utilities, as required by the context in which the word is used. When appropriate, the word “Company” shall be construed as meaning “Companies.”

“License Period” shall mean the period commencing on the date the Licensed Programs are accessible to User and ending on the termination date of this Contract.

“Licensed Programs” shall mean the proprietary computer software in object code format licensed to User hereunder through the User ID to permit User to access PEGASysSM, and all documentation related thereto.

“Operating Statement” shall mean The Peoples Gas Light and Coke Company’s Operating Statement on file with the Federal Energy Regulatory Commission, or any successor to that agency, as amended and in effect from time to time, which is incorporated in and made a part of this Contract by reference.

“Peoples Energy Gas Acquisition System” or “PEGASysSM” shall mean Company’s electronic bulletin board service as further described in this Contract.

“Schedule of Rates” shall mean Company’s Schedule of Rates for Gas Service on file with the Illinois Commerce Commission, or any successor to that agency, as amended and in effect from time to time, which is hereby incorporated into and made a part of this Contract by reference.

“Service Contract(s)” shall mean the contract(s) for the transportation of customer-owned or supplier-owned gas entered into between Company and one of its customers pursuant to any one or more of Company’s riders providing for the transportation of customer-owned or supplier-owned gas contained in Company’s Schedule of Rates.

“User” shall mean the party entering into this Contract with Company and identified in Part One of this Contract.

“User ID” shall mean one or more identification codes issued by Company to User that enables User to obtain access to PEGASysSM and such User ID shall represent User’s license to use PEGASysSM and the Licensed Programs.

Effective on and after
March 1, 2005

2. Scope of Contract.

(a) Electronic Bulletin Board Service. The service that is the subject of this Contract is available to (i) any entity authorized to make nominations on Company's system, or (ii) any gas transportation or storage customer of Company or a duly authorized agent of said customer, or any entity authorized to nominate gas on behalf of said customer, under any one or more of Company's riders providing for the transportation or storage of customer-owned or supplier-owned gas contained in Company's Schedule of Rates or (iii) any other user to which the Company has agreed to provide access to its electronic bulletin board service. Subject to the terms and conditions of this Contract, Company shall: a) permit access through the internet to PEGASysSM to User; and b) license the software necessary to enable User to gain access to PEGASysSM. Through such access User may obtain data from Company or transmit data to Company related to the Service Contract(s) of User or of User's customers or User's nominations on Company's gas transportation system, or to obtain other information regarding the Company's gas transportation system. User shall not sell, lease, store or provide, directly or indirectly, access to PEGASysSM or the Licensed Programs or any portion thereof to any third party.

(b) Grant of License. Company hereby grants User, through the provision of a User ID, a non-transferable license to the Licensed Programs solely for the purpose of permitting User to use PEGASysSM in accordance with the terms and conditions of this Contract and Company's Schedule of Rates or Operating Statement, as applicable. User, by virtue of said license, shall acquire no copyright or other intellectual property rights whatsoever in the Licensed Programs. User shall not attempt to reproduce, copy, alter, modify, reverse engineer or otherwise change the Licensed Programs in any way whatsoever.

(c) Necessary Hardware and Software. User shall procure and maintain, at its sole cost and expense, all computer hardware and software, access to the internet and take such other action, as directed by Company from time to time as necessary to operate the Licensed Programs and access PEGASysSM. User agrees that it is solely and fully responsible for procuring, maintaining and replacing all such computer hardware and software and Company shall have no responsibility or liability with respect thereto whatsoever.

(d) Rates for Service. During the License Period, User agrees to pay the rates and fees with respect to access to PEGASysSM and the license of the Licensed Programs in accordance with Company's standard rates and fees determined by Company and provided to User from time to time. Company may change its rates and fees at any time upon at least thirty (30) days prior written notice to User.

3. Term of Contract. This Contract, including the license to use the Licensed Programs, shall be effective as of the earlier of the Effective Date or the date on which User is given access to PEGASysSM or the Licensed Programs and shall continue in full force and effect subject to the right of either party to terminate this Contract upon at least thirty (30) days prior written notice, and subject also to Company's right to terminate this Contract pursuant to Section 11 of this Part Two. The parties' rights and obligations under Sections 2(d), 9, 10, 13 and 14 of this Part Two shall survive any termination of this Contract. Notwithstanding the foregoing, (a) upon the termination of any Service Contract the information for which User is provided access through PEGASysSM, the applicability of this Contract to the terminated Service Contract shall cease on the date of such termination, and (b) if User is an agent of a transportation customer of Company and ceases to be the duly authorized agent for said

Effective on and after
March 1, 2005

customer, then User's access to said customer's Service Contracts shall terminate on the date User ceases to be the agent for said customer.

4. Access to PEGASysSM. Subject to the other provisions of this Contract, Company shall endeavor to provide access to PEGASysSM at least eight (8) hours per day. User agrees that Company has no responsibility or liability whatsoever for the failure of any third party internet service provider or dial-up networking communications software provided by third parties and User shall contact such third-party provider with respect to any defects, problems or failures that adversely affect User's ability to access PEGASysSM.

5. User ID. Company shall issue one or more unique User IDs to each User. User agrees that any person permitted by User to access PEGASysSM shall be deemed to have legal authority to act on behalf of User both in obtaining data from and transmitting data to Company via PEGASysSM and Company shall be entitled to rely in good faith upon such person's authority without making any inquiry as to whether such person possesses actual authority to so obtain and transmit data. The User IDs are confidential. User agrees that User and any authorized persons given User's User IDs shall not disclose User's User IDs to any person not having authority to access PEGASysSM on User's behalf. User shall immediately notify Company in writing if any employee or agent of User ceases to be an authorized user of User's User IDs.

6. Force Majeure. Notwithstanding anything in this Contract to the contrary, neither Company nor User shall be liable to the other for any act, omission or circumstances occasioned by or in consequence of any acts of God, strikes, lockouts, acts of the public enemy, wars, blockades, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, storms, floods, washouts, power failures, arrests and restraints of rulers and peoples, civil disturbances, explosions, breakage, accident or failure of equipment (including, but not limited to, daily demand measurement devices and Company's computer system), the order of any court or governmental authority, including any rules and regulations contained in Company's Schedule of Rates or Operating Statement, and any other cause, whether of the kind herein described or otherwise, and whether caused or occasioned by or happening on account of the act or omission of Company or User or some person or concern not a party to this Contract, not within the control of the party claiming suspension pursuant to this Section 6 and that by the exercise of due diligence such party is unable to prevent or overcome. A failure to settle or prevent any strike or other controversy with employees or with anyone purporting or seeking to represent employees shall not be considered to be a matter within the control of the party claiming suspension. Such causes or contingencies affecting the performance of the Contract by either party shall not relieve such party of liability in the event of its concurring negligence or in the event of its failure to use due diligence to remedy the situation and remove the cause in an adequate manner and with all reasonable dispatch; nor shall such causes or contingencies affecting the performance of this Contract relieve User from its obligations to make payments for any service rendered by Company to User.

7. Reliance by Company. Company may act, and shall be fully protected by User in acting, in reliance upon any acts or omissions of User with respect to all matters and transactions conducted through PEGASysSM. Company shall not be required to act in reliance upon information transmitted by User to Company if such action would be inconsistent with this Contract, any Service Contract, Company's Schedule of Rates, Company's Operating Statement or any applicable laws, rules or regulations.

Effective on and after
March 1, 2005

8. Use of Data by User. User acknowledges and agrees that Company is not responsible for any actions or decisions taken by User or by any person on User's behalf in response to information provided through PEGASysSM.

9. Limitation of Liability.

(a) No Warranty. PEGASYSSM AND THE LICENSED PROGRAMS ARE PROVIDED HEREUNDER "AS IS." COMPANY, ITS DIRECTORS, OFFICERS, AGENTS, EMPLOYEES AND AFFILIATES SHALL HAVE NO LIABILITY WHATSOEVER TO USER OR THIRD PARTIES FOR THE ACCURACY, TIMELINESS, COMPLETENESS, RELIABILITY, PERFORMANCE OR CONTINUED AVAILABILITY OF PEGASYSSM OR THE LICENSED PROGRAMS, OR FOR DELAYS OR OMISSIONS THEREIN OR INTERRUPTIONS THEREOF. COMPANY DISCLAIMS ALL WARRANTIES WITH RESPECT TO PEGASYSSM AND THE LICENSED PROGRAMS, WHETHER EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

(b) Damages. IN NO EVENT WILL COMPANY BE LIABLE FOR ANY PUNITIVE, SPECIAL, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES WHICH MAY BE INCURRED BY USER BASED UPON, ARISING OUT OF OR IN ANY WAY RELATED TO THIS CONTRACT, EVEN IF COMPANY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

(c) Sole Remedy. If User is unable to access PEGASysSM for a period of three (3) or more consecutive days as a result of any negligent act or omission of Company, Company will refund to User or credit to User's account (as determined by Company) an appropriate amount not to exceed one (1) month's charges applicable to PEGASysSM and/or the Licensed Programs hereunder; provided, however, that User provides Company with written notice of its inability to access PEGASysSM within thirty (30) days thereof. Other than termination, the remedy provided in this Section 9(c) is User's sole and exclusive remedy for any breach by Company of its obligations under this Contract.

10. Indemnity. User shall indemnify Company and hold Company harmless from and against all costs, expenses (including attorneys' fees), losses, damages, claims, judgments, suits or proceedings arising from:

(a) User's failure to perform any of User's obligations under this Contract, including any breach of confidentiality and any unauthorized use by a formerly authorized person or by any unauthorized person who gained knowledge of User's ID;

(b) any failure by User to act or perform any duty required by the PEGASysSM system or any use of the Licensed Programs not expressly permitted by this Contract; and

(c) any willful or negligent act or omission by User, all formerly authorized persons or unauthorized persons who gained knowledge of User's User ID that interferes with the proper operation of PEGASysSM or the Licensed Programs. Notwithstanding the foregoing, User shall not be liable to Company if an unauthorized person gains access to PEGASysSM solely through the negligence or willful misconduct of Company.

11. Termination for Noncompliance. If User shall fail to comply with or perform any condition or obligation imposed by any provision of this Contract, the Service Contract(s), or

Effective on and after
March 1, 2005

Company's Schedule of Rates or Operating Statement, as applicable, User shall notify Company and Company may, upon learning of such failure from User or otherwise, terminate service and the license of the Licensed Programs under this Contract ten (10) days after mailing written notice of Company's intention to so terminate, unless within such ten (10) days User shall make good such failure. Termination is not an election of remedies and Company retains all rights it may have against User hereunder, at law or in equity for any failure by User to perform its obligations under this Contract.

12. Reservation. Company reserves the right to add, modify, suspend or terminate PEGASysSM functions at any time.

13. Confidentiality. User acknowledges that the Licensed Programs are the proprietary and confidential information of Company or of third parties to whom Company owes a duty of confidentiality. User agrees to hold the Licensed Programs in strict confidence and shall not disclose the Licensed Programs to any third parties whatsoever other than User's authorized employees or representatives requiring access to the Licensed Programs to obtain and transmit data on PEGASysSM on User's behalf. User shall not use the Licensed Programs for any purpose other than the express purposes set forth in this Contract. In the event that any portion of the Licensed Programs are intentionally or inadvertently disclosed by User, its employees, agents, subcontractors, consultants, attorneys or any other person obtaining the Licensed Programs from User, User shall immediately notify Company by telephone and in writing and, at User's sole expense, retrieve the Licensed Programs and obtain a protective order with respect to the recipient thereof and, if unsuccessful in such efforts, shall reimburse Company for all reasonable expenses (including attorneys' fees) incurred by Company in attempting to retrieve the Licensed Programs and shall cooperate with Company in retrieving the Licensed Programs and obtaining a protective order with respect thereto. User acknowledges and agrees that any breach by User of this Section 13 would result in significant harm to Company for which money damages would not be a sufficient remedy and, in addition to any other remedies available to Company hereunder, at law or in equity, Company will be entitled to specific performance and injunctive relief as remedies for any such breach, plus attorneys' fees and court costs incurred in pursuing such remedies.

14. Governing Law. THIS CONTRACT IS ENTERED INTO IN THE STATE OF ILLINOIS AND SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF ILLINOIS WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAW. THE PARTIES AGREE THAT THE FORUM OF ANY LITIGATION OR OTHER DISPUTE IN ANY WAY RELATED TO THIS CONTRACT OR THE EXECUTION OR PERFORMANCE HEREOF SHALL BE BEFORE THE ILLINOIS COMMERCE COMMISSION OR IN A STATE OR FEDERAL COURT LOCATED IN COOK COUNTY, ILLINOIS, AND NOWHERE ELSE. USER HEREBY IRREVOCABLY SUBMITS ITSELF PERSONALLY AND IN RESPECT OF ITS PROPERTY TO THE ORIGINAL JURISDICTION OF THE STATE AND FEDERAL COURTS SITTING IN CHICAGO, ILLINOIS WITH REGARD TO ANY AND ALL SUCH LITIGATION OR DISPUTES AND IRREVOCABLY WAIVES ANY AND ALL OBJECTIONS TO SUCH JURISDICTION AND VENUE BASED ON *FORUM NON CONVENIENS* OR SIMILAR PRINCIPLE.

15. Third Party Beneficiary. Company and User agree that there is no third party beneficiary of this Contract and that the provisions of this Contract do not impart enforceable rights in anyone who is not a party.

Effective on and after
March 1, 2005

16. Entire Agreement of the Parties. This Contract and the documents and instruments expressly incorporated herein constitute the entire understanding of the parties. Except as provided in this Section 16 or otherwise expressly provided in this Contract, no amendment, modification or alteration shall be binding unless made by a written instrument that is signed by both parties and specifically references this Contract. Company may amend this Contract upon thirty (30) days prior written notice to User by providing User with an amendment to this Part Two or a revised Part Two of this Contract or by means of a revision to Company's Schedule of Rates or Operating Statement.

17. Assignment and Subcontracting. This Contract shall be binding upon the parties' respective successors and assigns, provided, however, that User may not assign or subcontract this Contract in whole or in part without the prior written consent of Company, which consent shall not be unreasonably withheld.

18. Captions and Headings. The titles, captions and headings of the sections hereof are inserted for convenience of reference only and shall not affect the construction or interpretation of this Contract.

-END-