

The Peoples Gas Light and Coke Company

RIDER TO SCHEDULE OF RATES FOR GAS SERVICE

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Rider CFY

Choices For Yousm Transportation Service

Applicable to Service Classification Nos. 1, 2 and 8

Transportation service under this rider is available to any customer who meets the following criteria:

- (1) satisfies each of the qualifications set forth in Section B of this rider;
- (2) is a customer under Service Classification No. 1, 2 or 8 at a single point of metering; and
- (3) contracts with a CFY Supplier.

Section A - Definitions

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

Billing Cycle shall mean the regular periodic interval for reading the meter or estimating the consumption of a customer for billing purposes.

Companion Classification shall mean Service Classification No. 1, 2 or 8.

Maximum Daily Quantity (MDQ) shall mean the quantity, calculated by the Company, equal to the customer's highest metered gas requirements in the billing period during the most recent December through February period, adjusted to a 30 day equivalent basis and divided by 21, rounded to the nearest therm.

* The Company shall recalculate the customer's MDQ each April. The customer's MDQ shall remain in effect for the one year period commencing May 1, unless revised by the Company based on evidence of changed usage or as required in connection with a Transfer of Service, as defined in Section D of this rider.

* **Maximum Storage Quantity (MSQ)** shall mean the MDQ multiplied by the number of days of bank provided in the Company's rates, as shown on the information sheet filed with the Commission on the most recent April 1 of each year to be effective on the next May 1 for a one-year period.

* **Pool** shall have the meaning ascribed to it in Rider AGG.

* **CFY Supplier** shall mean any supplier who executes a written contract with the Company for service under Rider AGG.

Section B - Customer Qualifications

To take service under this rider, a customer must:

- (1) enter into a contract with a CFY Supplier;
- (2) be a member of a Pool; and
- (3) provide the Company regular access to the meter.

* **Section C - Rates**

The rates for service hereunder shall consist of an Aggregation Balancing Charge, a Hub Credit Gas Charge and a Storage Gas Charge as well as those charges defined in the customer's Companion Classification, excluding the Gas Charge.

Date Issued: JANUARY 17, 2012

Date Effective: JANUARY 21, 2012

Asterisk (*) indicates change.

Issued by James F. Schott, Vice President
130 East Randolph Drive, Chicago, Illinois 60601
Filed Pursuant to Order of Illinois Commerce Commission
Entered January 10, 2012 in Docket No.11-0281

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* **Section C - Rates** - continued

Aggregation Balancing Charge through April 30, 2012

The monthly Aggregation Balancing Charge shall be an amount equal to (i) all therms delivered to the customer under this rider, multiplied by (ii) the sum of the effective Aggregation Balancing Gas Charge (ABGC) and the effective Hub Credit Gas Charge (HCGC₁) determined under Rider 2 of this rate schedule.

Hub Credit Gas Charge effective May 1, 2012

The monthly Hub Credit Gas charge shall be the effective Hub Credit Gas charge (HCGC₁) as determined under Rider 2 of this rate schedule. This charge shall be multiplied by the therms delivered to the customer in the month.

Storage Gas Charge effective May 1, 2012

The monthly Storage Gas Charge shall be determined according to the following formula:
MSQ multiplied by the effective Storage Gas Charge determined under Rider 2 of this rate schedule.

Late Payment Charge

A charge for late payment shall be determined under the Late Payment Charge provision in the Terms and Conditions of Service of this rate schedule.

Reimbursement for Taxes

In addition to the charges under Rider 1, the customer shall reimburse the Company for any taxes that the Company shall be required to pay or obligated to collect from the customer for service hereunder. Any such taxes and associated costs that the Company is authorized by law or contract to recover shall be billed to the customer on a monthly basis.

* **Section D - Terms and Conditions of Service**

Service shall be provided hereunder whenever and to the extent that CFY Supplier-owned gas has been delivered for the customer to the Company's system in accordance with Rider AGG.

The gas delivered by the Company hereunder shall be measured in accordance with the Terms and Conditions of Service of this rate schedule.

Except as noted, this rider is subject to Terms and Conditions of Service and Riders to Schedule of Rates for Gas Service, which are applicable to this rider.

Initiation of Service

For a customer receiving service under this rider, the effective date of service shall be the first day of the customer's Billing Cycle after the customer's enrollment under this rider has been acknowledged by the Company.

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Section D - Terms and Conditions of Service - continued

Termination of Service

** Customers may elect to terminate service under this rider. However, a customer may not terminate and subsequently renew service under this rider within a twelve month period if service is not renewed under this rider within 120 days of such termination.

** A customer electing to terminate service under this rider must contact their elected CFY Supplier. The effective date of termination shall be the first day of the customer's next Billing Cycle following notification to the Company by the CFY Supplier.

The Company may terminate service to the customer due to non-payment of Company charges or non-compliance with the provisions of this rider.

Termination for non-payment of Company charges shall be in accordance with 83 Illinois Administrative Code Part 280. Except for non-payment of Company charges, if the customer shall fail to comply with or perform any of the conditions or obligations hereunder, the Company may terminate all service under this rider 10 days after providing written notice, unless the customer cures such failure during this ten-day period. The termination of service for any such cause shall not release the customer from the obligation to make payment of any amounts due or to become due in accordance with the terms of this rider.

The CFY Supplier may terminate service to the customer subject to contractual provisions between the parties and must also provide fifteen days written notice to the customer. The effective termination date shall be the first day of the customer's next Billing Cycle following notification to the Company by the CFY Supplier. In the event of a CFY Supplier-initiated termination, the customer may return to retail service under the Companion Classification. The customer has the option of contracting with a different CFY Supplier, subject to the provisions described in Changing CFY Suppliers and Termination of Service of this rider.

Transfer of Service

A customer who requests that service be terminated at the current premises in conjunction with the initiation of service at a different premises within the Company's service territory may remain on this rider, provided that service at the different premises meets the requirements of Section B of this rider and subject to the provisions described in Termination of Service of this rider.

Changing CFY Suppliers

Customers may change CFY Suppliers no more than once each Billing Cycle. It is the customer's responsibility to coordinate any required contractual arrangements with the CFY Supplier.

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Asterisk ()** indicates moved from a prior page.

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Section D - Terms and Conditions of Service - continued

Bills to Customer

Customers shall receive a bill from the Company for charges defined in Section C; provided, if the customer is receiving third party billing, the Company shall send such bills or billing information to the customer's CFY Supplier. The bill from the Company shall contain the information required by 83 Illinois Administrative Code Part 500 and be issued on a monthly or bimonthly basis.

The customer shall be billed by the Company and remit payments to the Company for the CFY Supplier's charges if the CFY Supplier, acting as agent for the customer, has: (a) entered into an agreement with the Company for such billing services, and (b) informed the Company that this customer is to receive such service.

Third-Party Billing

Customers receiving service under this rider may designate their CFY Supplier as the bill recipient for bills rendered by the Company.

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Asterisk (*) indicates change.

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