Original Sheet No. 21.4A

DAILY IMBALANCE CASH-OUT PROVISIONS RIDER TO RATE SCHEDULES

No. 1 of 5 Sheets

AVAILABILITY

This Rider shall apply to any Rate Schedule that incorporates this Daily Imbalance Cash-out Provisions Rider by reference.

DAILY IMBALANCE CASH-OUT PROVISIONS

Imbalance

The Qualifying Customer shall use its best efforts to balance within plus or minus five percent (5%) on a daily basis its confirmed nominations of gas at the city gate with its usage at the burnertip. Volume imbalances shall be subject to the daily charges provided herein.

Daily Imbalances During Non-Critical Periods

For Undertake Imbalances (the Qualifying Customer's nominated volume is greater than its metered volume) the Company will purchase gas from the Qualifying Customer at the rates below:

Imbalance Level	Company Pays Qualifying Customer
-0% to 4.99%	100% of the Lesser of Daily Index or First of Month Index
-5% to 9.99%	90% of the Lesser of Daily Index or First of Month Index
-10% to 20%	80% of the Lesser of Daily Index or First of Month Index
Under - 20%	60% of the Lesser of Daily Index or First of Month Index

For Overtake Imbalances (the Qualifying Customer's nominated volume is less than its metered volume) the Qualifying Customer will purchase gas from the Company at the rates below, plus the applicable transportation charge as provided for in the Qualifying Customer's transportation tariff:

Oualifying Customer

Level	Pays Company
+ 0% to 4.99%	100% of the Greater of Daily Index or First of Month Index
+ 5% to 9.99%	110% of the Greater of Daily Index or First of Month Index
+10% to 20%	120% of the Greater of Daily Index or First of Month Index
Over + 20%	140% of the Greater of Daily Index or First of Month Index

Original Sheet No. 21.4B

DAILY IMBALANCE CASH-OUT PROVISIONS RIDER TO RATE SCHEDULES

No. 2 of 5 Sheets

DAILY IMBALANCE CASH-OUT PROVISIONS (continued)

The Daily Index price shall be the arithmetic average of the range of prices posted for "Chicago LDC's, large end users" under the table Citygate, Pooling Point Prices as published in Gas Daily. In the event this posting is unavailable, Company will establish a new Daily Index price.

The First of Month Index price shall be the arithmetic average of the "Range of Reported Spot Prices Utilities" for the first day of each Month appearing under the table "Northern Illinois/Northern Indiana" as published in INSIDE FERC.

Daily Imbalances During Critical Periods

Imbalance

For Undertake Imbalances (the Qualifying Customer's nominated volume is greater than its metered volume) the Company will purchase gas from the Qualifying Customer at the rates below:

Imbalance Level	Company Pays Qualifying Customer
- 0% to .99%	100% of the Lesser of Daily Index or First of Month Index
- 1% to 4.99%	90% of the Lesser of Daily Index or First of Month Index
- 5% to 10%	80% of the Lesser of Daily Index or First of Month Index
Under - 10%	60% of the Lesser of Daily Index or First of Month Index

For Overtake Imbalances (the Qualifying Customer's nominated volume is less than its metered volume) the Qualifying Customer will purchase gas from the Company at the rates below, plus the applicable transportation charge as provided for in the Qualifying Customer's transportation tariff:

Oualifying Customer

Level	Pays Company
+ 0% to .99% + 1% to 4.99% + 5% to 10% Over + 10%	100% of the Greater of Daily Index or First of Month Index 110% of the Greater of Daily Index or First of Month Index 120% of the Greater of Daily Index or First of Month Index 140% of the Greater of Daily Index or First of Month Index

Original Sheet No. 21.4C

DAILY IMBALANCE CASH-OUT PROVISIONS RIDER TO RATE SCHEDULES

No. 3 of 5 Sheets

DAILY IMBALANCE CASH-OUT PROVISIONS (continued)

Daily Imbalances During Critical Periods - (continued)

In addition to the above charges, Qualifying Customer will pay the greater of \$60.00 per Dth or the applicable pipeline penalty charges.

For purposes of this section Critical Period shall be as defined on page 4 of these provisions. The Company shall use reasonable efforts to notify Qualifying Customers when a Critical Period is in effect on its system, as defined under Notification Period on page 4 of these provisions.

Should the Qualifying Customer be in an imbalance during a Critical Period which is opposite the Company's imbalance during the Critical Period, the Qualifying Customer shall be assessed as follows:

- (1) the lesser of Daily Index or First of Month Index for all Undertake Imbalances; or
- (2) the greater of Daily Index or First of Month Index for all Overtake Imbalances.

If, at the request of the Company, the Qualifying Customer assumes an imbalance beneficial to the Company, the undertake or overtake imbalances shall be assessed at 100% of the Daily Index price.

The Daily Index price and the First of Month Index price shall be as defined above under Daily Imbalances during Non-Critical Periods.

Original Sheet No. 21.4D

DAILY IMBALANCE CASH-OUT PROVISIONS RIDER TO RATE SCHEDULES

No. 4 of 5 Sheets

EXTRAORDINARY CIRCUMSTANCES

In the event that system supply gas is not available to satisfy overtake imbalances, the Company shall use its reasonable efforts to acquire replacement volumes of gas from other sources. Under these circumstances, Qualified Aggregator shall be responsible for all costs incurred by the Company to obtain gas supply including, but not limited to, upstream and on-system capacity costs, supply costs plus an additional charge of \$60.00 per Dth for all short-fall volumes.

IMBALANCE NETTING OPTION

Qualifying Customers selecting the Imbalance Netting Option under FDTS and FTS will be balanced as an eligible, aggregated pool as defined by the Company utilizing this Rider.

DEFINITIONS

The term "Critical Period" shall be any time declared by the Company whenever any of the following conditions occurs or is anticipated to occur which jeopardizes the operational integrity of all or a portion of the Company's system:

- (1) Any area of the Company's system is operating at or near design capacity;
- (2) Failure or operational constraint of the Company's transmission, distribution, or gas storage facilities;
- (3) System pressure, affected by pipelines' delivery pressures or other unusual conditions;
- (4) The Company's transmission, storage, and supply resources are being used at or near their rated maximum deliverability; and
- (5) The Company's pipeline transporters issue or declare an Operational Flow Order (OFO) or the equivalent of a Critical Period.

Original Sheet No. 21.4D

DAILY IMBALANCE CASH-OUT PROVISIONS RIDER TO RATE SCHEDULES

No. 5 of 5 Sheets

DEFINITIONS (continued)

The term "Operational Flow Order" is an order declared by a transporting pipeline that increases the otherwise normal charges for failure to comply with specific operational constraints.

The term "Notification Period" shall mean the timeframe in which the Company shall notify the Qualifying Customer of its intent to implement a Critical Period. Such timeframe shall be as far as is practicable in advance of such implementation, but not less than thirty (30) minutes.