

INVESTINGinILLINOIS

*A **Nicor Gas**® System Improvement Initiative*

City of Bensenville

April 11, 2017

Nicor Gas is now part of Southern Company

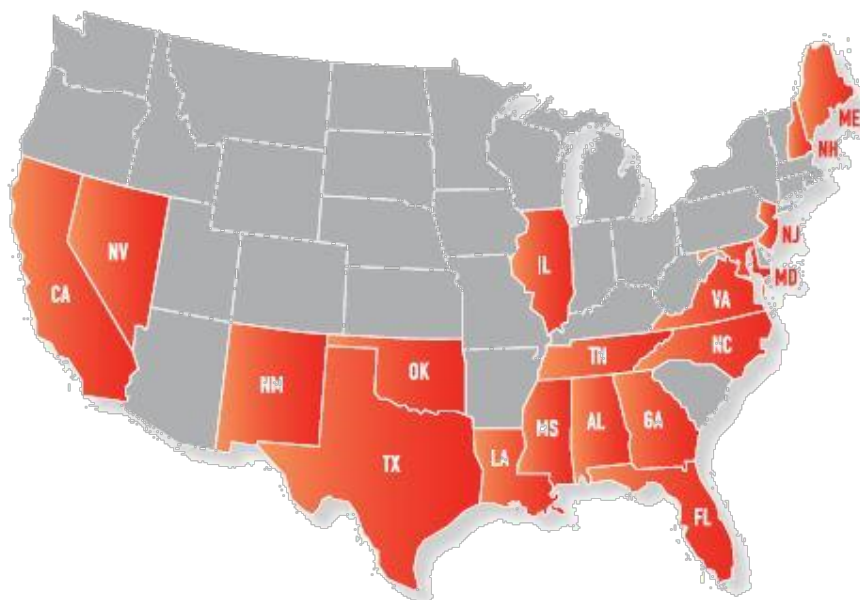
OUR NEW COMPANY

APPROXIMATELY
44,000 MW
OF GENERATING
CAPACITY

NEARLY
200,000
MILES OF
POWER LINES

MORE THAN
80,000
MILES OF NATURAL
GAS PIPELINES

190 Bcf
OF NATURAL GAS
STORAGE CAPACITY



OPERATIONS IN
18 STATES

11
ELECTRIC & NATURAL
GAS UTILITIES

32,500
TOTAL EMPLOYEES

9 MILLION
UTILITY CUSTOMERS

MORE THAN
1 MILLION
RETAIL CUSTOMERS

Nicor Gas Profile

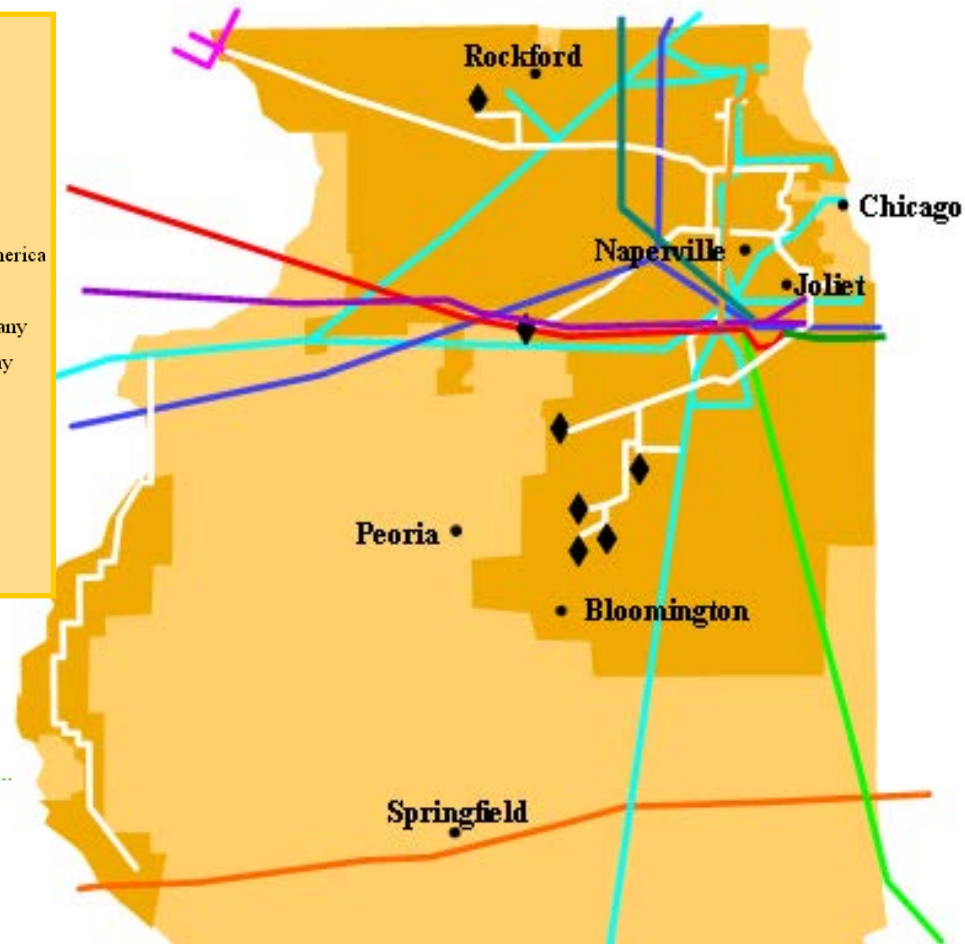
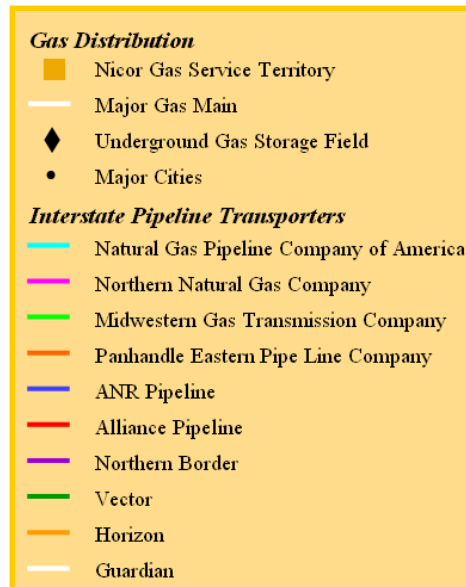
34,000-mile gas distribution system

Largest natural gas distribution company in Illinois

17,000 sq. mile service area

2.2+ million customers

650+ communities served



What is *Investing in Illinois*?

- Nicor Gas is increasing the level of infrastructure improvements on its system
 - The Natural Gas Consumer, Safety & Reliability Act is the law that allows us to make certain infrastructure enhancements
 - The multi-year program began in 2015



What is *Investing in Illinois*?

- The infrastructure enhancements include:
 - Replacing hundreds of miles of aging natural gas pipeline
 - Replacing storage systems to help us supplement natural gas supplies in the winter
 - Refurbishing stations that regulate natural gas pressure



Benefits of *Investing in Illinois*

- This program benefits our company, customers and the communities we serve by:
 - Upgrading infrastructure that will enhance safety and reliability
 - Improving customer convenience and reducing need for future repairs
 - Enhancing capacity



Benefits of *Investing in Illinois*

- Additionally, we anticipate the infrastructure improvements throughout our territory will support:
 - New business development spurred by an improved, modernized infrastructure
 - Increased business activity driven by the heightened demand for goods and services
 - Job creation as a result of an expanded need for employees, contractors, vendors and suppliers

What *Investing in Illinois* Means for our Customers

- If a property is going to be affected by our modernization efforts, we will contact customers
 - Letters and newsletters
 - Door hangers and yard flags
 - Face-to-face
- Our employees and contractors wear identification badges

What *Investing in Illinois* Means for our Customers

- “Qualified Infrastructure Charge” appeared on bill in March 2015
 - Cost-controlled adjustment not to exceed an annual average **four percent of delivery charges**
 - **All** customers are impacted by the adjustment
 - The amount may change from month to month **based on consumption and the investment** we make under the program
- The amounts billed are filed monthly with the Illinois Commerce Commission

Investing in Illinois Communication Pieces

June 29, 2015

Enhancements to your natural gas system in Evanston/Skokie

INVESTING in ILLINOIS
A Nicor Gas System Improvement Initiative

Investing in Illinois: A Nicor Gas System Improvement initiative is a multi-year initiative to modernize aging natural gas infrastructure. Nicor Gas will be modernizing the system that delivers natural gas safely and reliably to your neighborhood and we want to keep you informed of our work. Highlighted below are the major steps involved in the project that we will soon be starting in your neighborhood.

Inspect Sewers
June 29, 2015
Sewer inspections are part of Nicor Gas' safety practices. If your sewer service is not accessible from the street, a Nicor Gas contractor will schedule an appointment to inspect the sewer line from inside your property. There will be no interruption to your natural gas or sewer service during the inspection. Visit information from the inspection will be marked on lawns and sidewalks with spray paint.

Install the Natural Gas Main
July 13, 2015
Nicor Gas will install a new natural gas main in your neighborhood.

Install the Natural Gas Line
August 3, 2015
Nicor Gas will install a new natural gas line that connects your property to the new natural gas main. Utilities may again be marked with spray paint and flags.

Connect the System & Retire Facilities
Nicor Gas will contact you to schedule an appointment to move your natural gas meter outside and reconfigure your inside piping. Your natural gas will remain off for approximately three hours. If there is more than one meter, the process may take longer. As a safety measure, we will remove or seal the retired natural gas line at the point it enters your property.

Restore Landscaping & Pavement
October 31, 2015 - Expected completion
We understand that you value the appearance of your property. Nicor Gas will restore landscaping and paving impacted by our construction to the condition in which we found it. Temporary restoration of some areas may be necessary until permanent restoration can be completed.

For Your Safety
These improvements are part of the Natural Gas Consumer Safety & Reliability Act and code are recovered under the Qualified Infrastructure Charge. All Nicor Gas employees and contractors will have Nicor Gas or AGI. Identification issued to cards and will present them if requested.

Our Commitment
We take great care in implementing construction practices that limit disturbances and we understand your time is valuable. We appreciate your understanding and thank you for allowing us to continue to provide you with safe and reliable natural gas service.

Areas Affected

Skokie
9200 – 9354 Barnhart Ave.
3312 – 3338 Church St.
9305 – 9406 East Prairie
3309 – 3306 Emerson St.
3301 – 3344 Dering Ave.
3300 – 3344 Lyons St.
3301 – 3322 Manor Ct.

Evanston
2100 – 2127 Barnhart Ave.
2617 – 2829 Elgin Rd.
2024 – 2130 Elgin Ave.
2100 – 2131 Lincolnwood Ct.
1 – 17 Martha Ln.
2500 – 2513 McCormick Blvd.
1901 – 2105 McDonald Ave.
2435 – 2521 Sherman St.

Questions?
Project Related
Dan Kolberg: 830.818.5945

Landscaping & Paving
800.790.6114 ext. 4

For more information:
nicorgas.com/WorkInYourNeighborhood
800.580.2329

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WS 15020

Nicor Gas
An AGI Resources Company

Sample Customer Newsletter

INVESTING in ILLINOIS
A Nicor Gas System Improvement Initiative

Do you ever think about the robust underground pipeline that delivers natural gas to your home?

At Nicor Gas we don't just think about the underground pipeline—we design, build, operate and maintain more than 16,000 miles of pipeline infrastructure across northern Illinois. This infrastructure delivers natural gas to warm your home and cook your food while also delivering the clean energy that businesses need to manufacture goods and run large industrial machinery.

To ensure continued safe and reliable delivery of natural gas to the more than 650 northern Illinois communities we serve, Nicor Gas is increasing the level of infrastructure improvements through a program we call Investing in Illinois: A Nicor Gas System Improvement Initiative.

Important information regarding infrastructure improvements that will impact your rate.

We're investing in a wide range of improvements

Beginning in 2015, and over the course of nine years, Nicor Gas will be upgrading many parts of our infrastructure to ensure our customers have access to the energy they need. This law that allows us to enhance our infrastructure, the Natural Gas Consumer Safety & Reliability Act, focuses on increasing public safety by accelerating the repair, rehabilitation and replacement of portions of Illinois' natural gas distribution system.

Investing in Illinois will allow Nicor Gas to:

- Replace hundreds of miles of aging natural gas pipeline
- Move natural gas meters from inside homes and businesses to outside
- Upgrade natural gas storage systems
- Retainish stations that regulate the natural gas pressure in our system

This initiative will strengthen the regional economy

Not all communities will experience construction activities, but the benefits of this initiative are far-reaching. We anticipate the work throughout our region will support:

- Job creation as a result of expanded needs for employees, contractors, vendors and suppliers
- Increased business activity driven by the heightened demand for goods and services during the nine-year initiative
- New business development spurred by an improved, modernized infrastructure

What this means for you

If your neighborhood or property is going to be affected by our modernization efforts, Nicor Gas representatives will contact you in advance to reduce any inconvenience. Upcoming projects can be viewed at nicorgas.com/WorkInYourNeighborhood.

As required by Illinois law, the Qualified Infrastructure Charge will be added as a line item on your monthly Nicor Gas bill. The amount will change from month to month, based on your natural gas consumption and the investment we make under the program.

The amounts billed under the Qualified Infrastructure Charge are filed monthly with the Illinois Commerce Commission and will be reviewed by the Commission annually.

Nicor Gas is proud to be Investing in Illinois.

nicorgas.com/WorkInYourNeighborhood
InvestingInIllinois@agiresources.com

Nicor Gas
An AGI Resources Company

Sample Bill Insert

INVESTINGⁱⁿILLINOISTM

A **Nicor Gas**® System Improvement Initiative

Nicor Gas is proud to be *Investing in Illinois*

Questions?