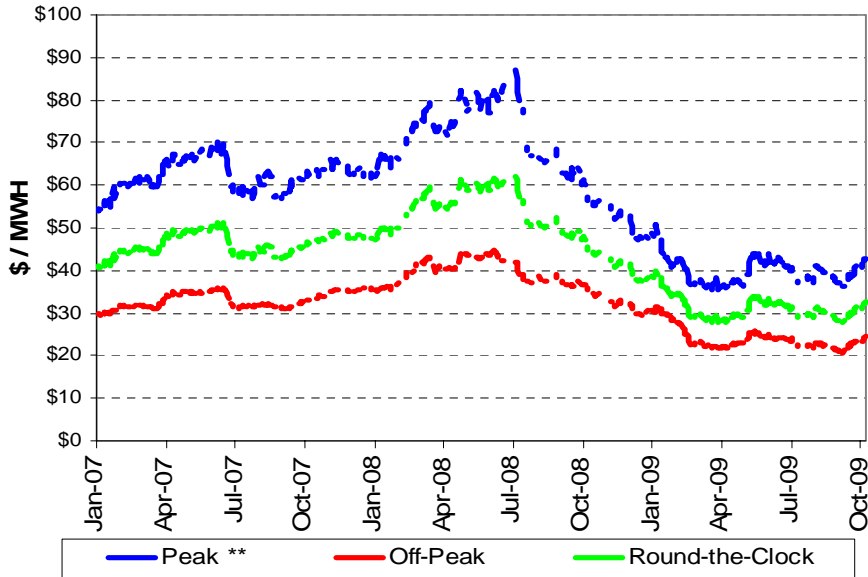


NEU Electric and Natural Gas Price Update

Electric: Short-Term Outlook

Short-term electric purchases at the PJM Day-Ahead index price continue to be an excellent buy. September PJM Chicago Zone prices averaged about 2.45¢ per kWh in September. October Day-Ahead prices through October 14 are averaging about 2.62¢ per kWh. Forward wholesale prices for 2010 are presently in the 3.6¢ per kWh range before additional costs for transmission and distribution.

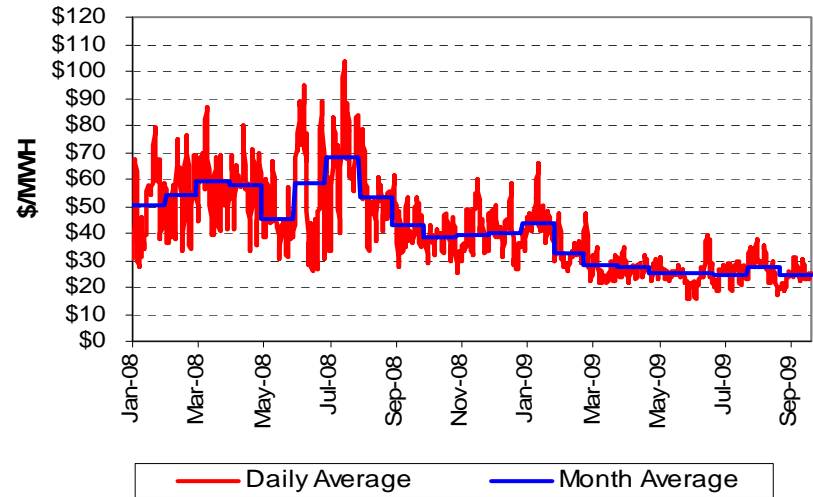
NYMEX N. Illinois Hub Forward Electric Prices 12-Month Prices Through October 9, 2009 *



* ComEd prices are about \$2 per MWH higher than NI-Hub prices.

** Peak prices are based on NERC wholesale pricing periods (6AM to 10 PM, M-F).

PJM Day-Ahead Prices for ComEd Zone Average of Daily Hourly Prices



Summary of Day-Ahead Prices for ComEd Zone

Avg of Day-Ahead Hourly Prices (\$ per MWH)			
	Mo Avg	Peak **	Off-Peak
Jan-09	\$43.63	\$50.93	\$37.63
Feb-09	\$32.82	\$38.23	\$27.90
Mar-09	\$28.35	\$34.85	\$22.49
Apr-09	\$27.21	\$32.55	\$22.10
May-09	\$25.82	\$32.66	\$20.19
Jun-09	\$24.65	\$32.54	\$17.11
Jul-09	\$24.78	\$30.61	\$19.08
Aug-09	\$27.45	\$33.30	\$22.64
Sep-09	\$24.51	\$29.60	\$20.06
Oct-09	\$26.16	\$31.33	\$21.46
Cal '07	\$45.34	\$59.33	\$33.16
Cal '08	\$50.50	\$66.24	\$36.74
Cal '09	\$28.67	\$34.80	\$23.25

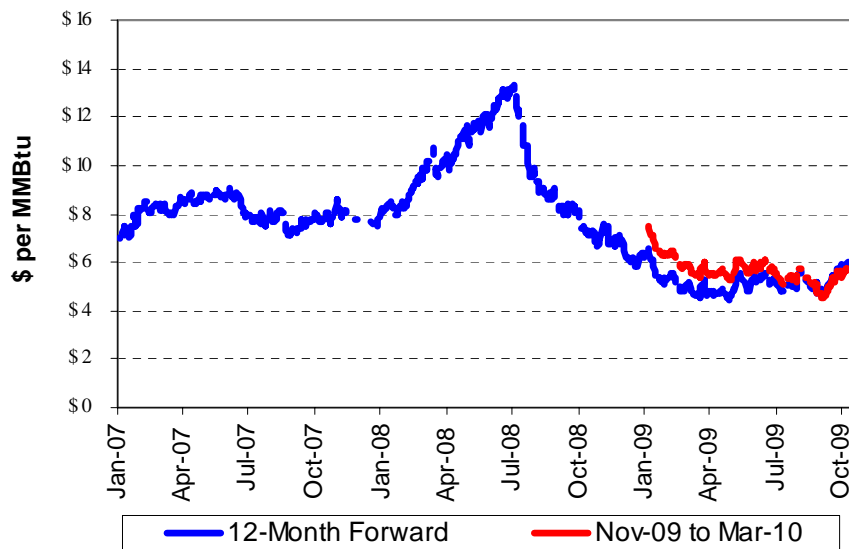


NEU Electric and Natural Gas Price Update

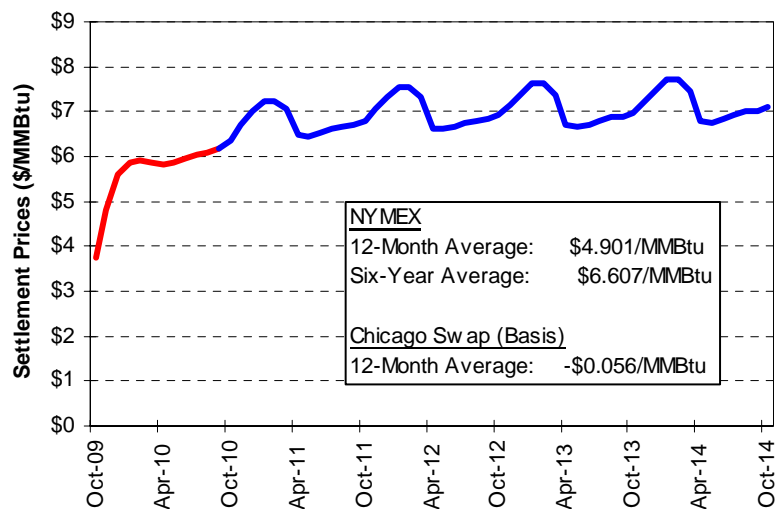
Natural Gas: Short-Term Outlook

Natural gas inventory levels are near-record level and running about 15% higher than volumes last year and . the five year average. While natural gas prices have increased over the last few weeks the Energy Information Agency reported in its October 7, 2009 Short-Term Report expectations by NOAA for a milder winter. Henry Hub prices averaged \$3.07 per MCF in September. Some analysts are expecting a decline in the November futures contract that will off-set recent price increases.

NYMEX Natural Gas Forward Prices Through October 9, 2009



NYMEX Settlement Prices on Last Trade Day of October 2009 Contract



Utility Natural Gas Supply Costs – Oct '09

Gas Supply Costs:	Peoples		
	Gas	North Shore	NICOR
Bundled Gas Supply Cost	\$0.5081	\$0.5319	\$0.3998
Commodity	\$0.4516	\$0.4463	\$0.3705
Non-Commodity Charge	\$0.0565	\$0.0856	\$0.0293
Demand	\$0.2471	\$0.3599	\$0.5480
Environmental Surcharges			
Rider 11, Peoples and North Shore	\$0.0131	\$0.0182	
Rider 12, NICOR - Small C&I			\$0.0034
Rider 12, NICOR - Large C&I			\$0.0008
Rider VBA - Balancing Adjustment	(\$0.0117)	(\$0.0045)	
Hub Service Credit	(\$0.0003)		
NICOR Transportation Service Adj.			(\$0.0013)
NICOR, Rider 5 Storage Adj. Factor			\$0.0002



On-Going NEU Regulatory Issues

Open Electric and Natural Gas Proceedings before the Illinois Commerce Commission

- **Investigation of ComEd's Cost of Service Study**

On January 30, 2009 Commonwealth Edison Company ("ComEd") filed a revised Cost of Service Study ("COSS") separating costs by primary and secondary service levels. Intervenor filed rebuttal testimony on October 2, 2009 and ComEd is scheduled to file its surrebuttal testimony on October 23. Hearings are scheduled for early November. No date has been set for a final order.

- **ComEd's Proposed Advanced Metering Program**

ComEd filed a petition with the ICC on June 1, 2009 to implement a pilot Advanced Metering Infrastructure ("AMI") program of approximately 141,000 meters.

- **Peoples Gas Rate Increase Proceeding**

On February 25, 2009 Peoples Gas and North Shore filed petitions with the ICC for 35% rate increases. The ICC is expected to issue a proposed order on November 6, 2009.

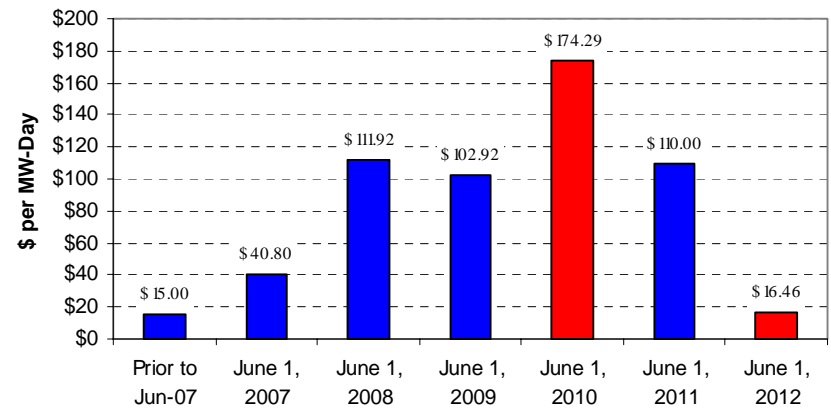
- **ICC Recommending NICOR Refund \$100 Million**

ICC Staff is recommending that NICOR issue refunds from its Purchased Gas Clause and Gas Cost Performance Program dating back to 1999.

PJM Reliability Pricing Model ("RPM") Forward Capacity Values (\$ per MW Day)

In May 2009 PJM announced the results of its RPM auction for 2012 capacity. A significant price decrease occurs in June 2012. All customers must pay for PJM capacity. ComEd determines a customer's Peak Load Contribution ("PLC") and their electric suppliers are required to purchase capacity from PJM for each customer's PLC. A customer's PLC is based on their average hourly load contribution during PJM's system peak (average of five highest hourly peaks during summer period).

PJM Capacity Values (Jun-07 to Jun-12)



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