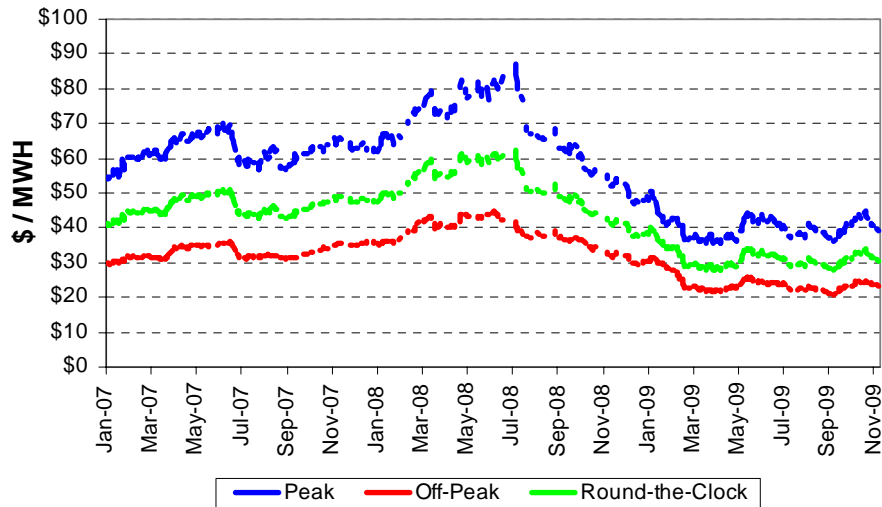


NEU Electric and Natural Gas Price Update

Electric: Short-Term Outlook

NYMEX Northern Illinois Hub forward prices for the December 2009 to November 2010 period are approximately 3.2¢ per kWh (\$32 per MWh). November 2009 PJM Chicago Zone Day-Ahead hourly index prices averaged 2.64¢ per kWh (\$26.4 per MWh) and Real-Time prices averaged 2.66¢ per kWh. Supplier margins, distribution costs, and transmission related costs must be added to these costs to obtain a delivered cost. The average Day-Ahead price for Cal' 09 through November has averaged \$28.5 per MWh and the average Real-Time price is \$28.5 per MWh.

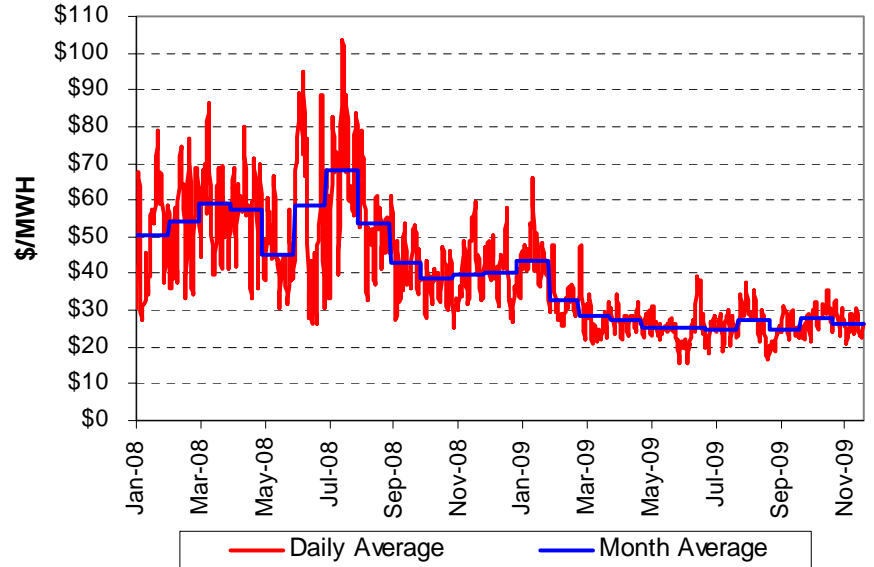
NYMEX N. Illinois Hub Forward Electric Prices 12-Month Prices Through November 30, 2009 *



* 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 Through 11/30/09



Summary of Day-Ahead and Real-Time Prices ComEd Zone (\$ per MWh)

	Day-Ahead LMP			Real-Time LMP		
	Mo Avg	Peak **	Off-Peak	Mo Avg	Peak *	Off-Peak
Jan-09	\$43.63	\$50.93	\$37.63	\$42.47	\$49.47	\$36.71
Feb-09	\$32.82	\$38.23	\$27.90	\$33.53	\$39.72	\$27.91
Mar-09	\$28.35	\$34.85	\$22.49	\$26.92	\$33.45	\$21.04
Apr-09	\$27.21	\$32.55	\$22.10	\$27.13	\$32.62	\$21.89
May-09	\$25.82	\$32.66	\$20.19	\$25.97	\$33.74	\$19.57
Jun-09	\$24.65	\$32.54	\$17.11	\$25.72	\$34.73	\$17.09
Jul-09	\$24.78	\$30.61	\$19.08	\$24.99	\$29.86	\$20.22
Aug-09	\$27.45	\$33.30	\$22.64	\$27.81	\$34.06	\$22.66
Sep-09	\$24.51	\$29.60	\$20.06	\$24.65	\$29.07	\$20.78
Oct-09	\$28.26	\$33.67	\$23.81	\$28.02	\$33.85	\$23.22
Nov-09	\$26.36	\$31.82	\$22.00	\$26.55	\$31.16	\$22.88
Cal '08	\$50.50	\$66.24	\$36.74	\$49.38	\$65.70	\$35.11
Cal '09	\$28.53	\$34.59	\$23.26	\$28.51	\$34.70	\$23.13

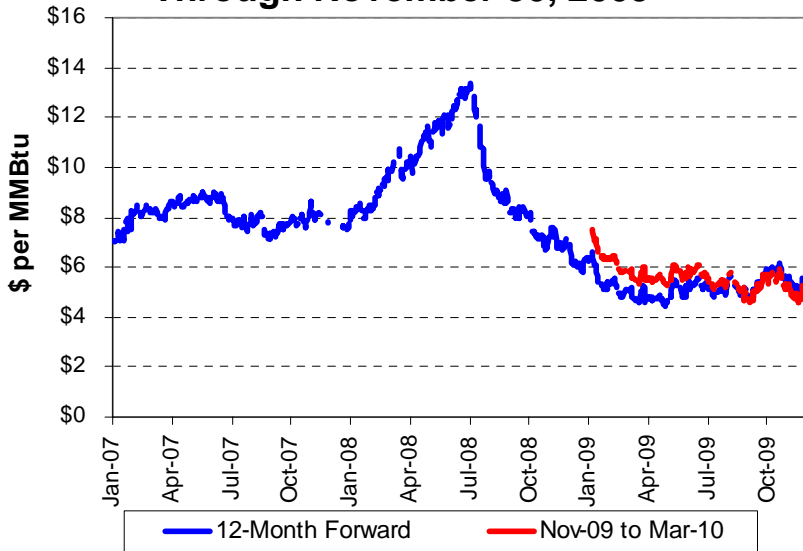


NEU Electric and Natural Gas Price Update

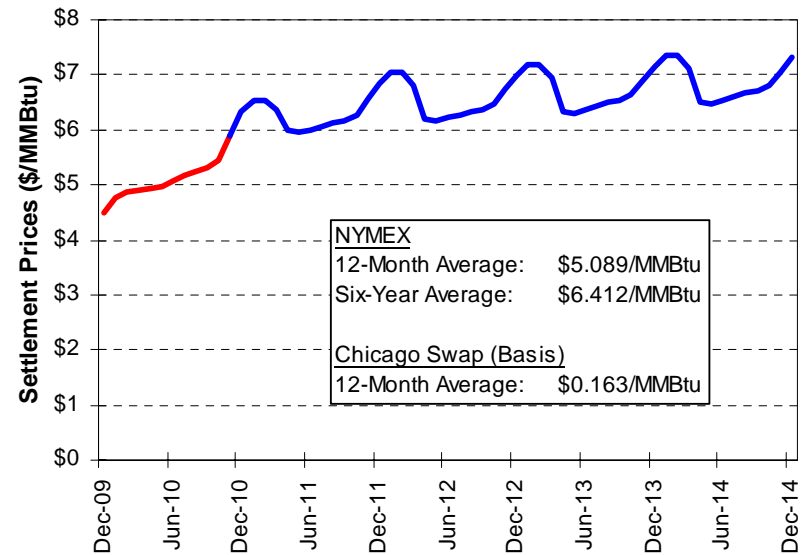
Natural Gas: Short-Term Outlook

The Energy Information Administration ("EIA") reported that as of Friday, November 27, working gas in underground storage rose to 3,837 billion cubic feet (Bcf). For the first time since 2001 a net storage injection in November occurred. Natural gas prices (NYMEX futures) reacted to this November injection and have fallen below \$5 per MMBtu for the Jan-10 to Aug-10 period. Weather and storage will likely be the major factors that effect prices during the 2009/10 winter season. The 2009 Atlantic hurricane season closed with the fewest named storms and hurricanes since 1997. NOAA currently expects warmer than normal temperatures across the western and central U.S. this winter. Storage is at record levels.

NYMEX Natural Gas Forward Prices Through November 30, 2009



NYMEX Natural Gas Settlement Prices on Last Trade Day of December 2009 Contract



Utility Natural Gas Supply Costs – Dec '09

Gas Supply Costs:	Peoples		
	Gas	North Shore	NICOR
Bundled Gas Supply Cost	\$0.5348	\$0.5779	\$0.4999
Commodity	\$0.4791	\$0.4929	\$0.4740
Non-Commodity Charge	\$0.0557	\$0.0850	\$0.0259
Demand	\$0.2520	\$0.3726	\$0.4952
Environmental Surcharges			
Rider 11, Peoples and North Shore	\$0.0088	\$0.0204	
Rider 12, NICOR - Small C&I			\$0.0034
Rider 12, NICOR - Large C&I			\$0.0008
Rider VBA - Balancing Adjustment	(\$0.0114)	(\$0.0029)	
Hub Service Credit	(\$0.0036)		
NICOR Transportation Service Adj.			(\$0.0016)
NICOR, Rider 5 Storage Adj. Factor			\$0.0001



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. Hearings were completed during the first week of November and Initial Briefs were filed on November 20 and Reply Briefs are due on December 7. No date has been set for a Final Order.

Peoples Gas and North Shore Rate Increase Proceedings

On November 6, 2009 Administrative Law Judges (ALJ's") issued a proposed order in Peoples Gas' and North Shore's requests for increases in their distribution rates. ALJ's are recommending the ICC approve increases \$66.2 Million (14.4%) for Peoples Gas and \$13.4 Million (20.5%) for North Shore. ALJ's also are recommending approval of Peoples Gas' proposed Infrastructure Cost Recovery Rider (Rider ICR) allowing Peoples Gas to accelerate the replacement of cast-iron pipelines. These Rider ICR would be assessed to customers as a line item charge.

Utilities Filed Tariff Revisions to Recover Incremental Uncollectible Costs

ComEd, Peoples Gas, North Shore and NICOR all have petitions before the ICC seeking approval for the recovery of the incremental uncollectible amounts through special riders. There is no estimate of the cost impact to customers. Changes to Section 16-111.8 of the Illinois Public Utility Act, enacted on July 10, 2009, allow utilities to recover incremental costs. Customers will likely see this change 2010

Energy Efficiency Projects: Funding Opportunities

Mr. Chris Skey, DLA Piper reported at the December 2 meeting of the Northern Illinois Energy Users that Public Act 96-0817 was passed into law and becomes effective on January 1, 2010. This law permits the Illinois Finance Authority to issue up to \$2 billion in bonds to support energy efficiency projects. The legislation as passed defines "Energy Efficiency Project" as measures that reduce the amount of electricity or natural gas required to achieve a given end use. Contact either PES, the NEU or Chris Skey at DLA if you would like additional information about this funding opportunity. Additional information can also be found at www.dlapiper.com/global/publications.

Large Customer Energy Analysis Program (LEAP)

The Illinois Dept. of Commerce and Economic Opportunity has a Large Customer Energy Analysis Program (LEAP) program that provides funding for developing an energy management program. Potential funding is available up to \$20,000. This program is a three-step program:

1. Management Diagnostic Using One-2-Five Software (Free)
2. Develop Comprehensive Energy Management Plan (50% of the total cost up to \$10,000)
3. Facility Energy Assessment (50% of the total cost up to \$10,000)

NEU Energy Price Update is prepared by:

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Contact either Brad Fults or Charles Drake if you have questions about information in this bulletin or if you would like information about the NEU. Charles Drake can be reached at (630) 766-6677.

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