

About Nicor Gas



About the Company

Employees – Nicor Gas employs more than **2,200** of the 7,000 natural gas distribution employees in Illinois.

Infrastructure – **8 storage fields** with capacity to store **135 billion** cubic feet (Bcf) of natural gas.

34,300 – miles of pipeline

Customers – Nicor Gas is the largest natural gas distributor in Illinois with **2.3 million customers**

RESIDENTIAL: 2,075,401

COMMERCIAL: 182,602

INDUSTRIAL: 11,225

Top customer industries

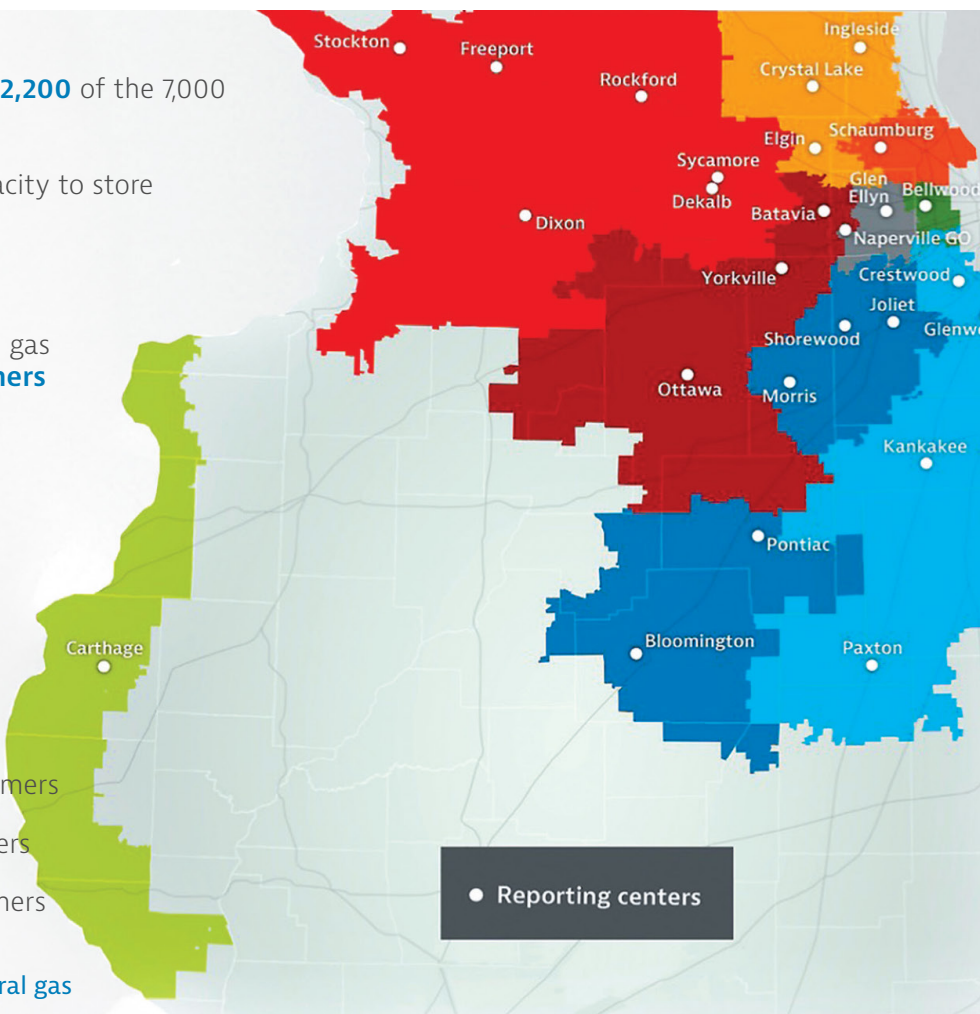
- Biofuels production
- Chemical industry
- Food production and processing
- Manufacturing

8th in Illinois in number of commercial customers

3rd in Illinois in number of industrial customers

6th in Illinois in number of residential customers

Currently, 75% of the natural gas and electricity energy needs of our customers are met by natural gas in the Northern Illinois region.



Safety and Reliability

INFRASTRUCTURE

Over the past decade, Nicor Gas has invested more than \$6 billion in its system. This investment has improved the safety and reliability of our natural gas delivery service, providing direct benefits to our customers and the communities we serve.

STORAGE ASSETS

Nicor Gas operates eight of the 400 storage facilities nationwide, located within Illinois, ensuring reliable natural gas availability for customers even during extreme weather conditions. During severe winter events such as polar vortexes and arctic blasts, natural gas delivered from Nicor Gas' storage fields accounted for approximately 50% of the energy distributed. The use of underground reservoirs with deep wells and impermeable caprock allows for the efficient storage and distribution of natural gas during winter operations. Nicor Gas prioritizes safety, reliability, affordability and peak day deliveries.

Safety

Safety remains a top priority, supported by rigorous self-monitoring at storage sites. Reliability is further strengthened by ongoing system upgrades, ensuring 24/7 energy availability even on the coldest days.

Reliability

Nicor Gas' storage capacity ensures consistent gas delivery even during extreme weather conditions.

Affordability

By purchasing gas at low summer prices and storing it, Nicor Gas passes on savings to their 2.3 million customers, ensuring cost-effective and reliable heating.

PEAK DAY DELIVERIES

Over the past six years, Nicor Gas' system has delivered record-breaking amounts of energy on three of its top 10 peak demand days.

Growth and Sustainability

Natural gas infrastructure will play a vital role in the state's transition to a clean energy future.

OPERATIONS EMISSIONS REDUCTIONS

- The increased utilization of natural gas has contributed to a 30% reduction in CO2 emissions from electricity generation in Illinois since 2012.
- With the support of regulators, Nicor Gas has made investments in pipeline and infrastructure modernization, reducing annual operations emissions by 54% from 2009 to 2019.
- We are leading the way by modernizing our system and exploring next-generation energy solutions, such as renewable natural gas (RNG), to support the company's goal of achieving net zero GHG emissions from operations by 2050 and to empower sustainability solutions for our customers.

ENERGY EFFICIENCY

In 2024, Nicor Gas distributed \$22.9 million in rebates through its Energy Efficiency Program.

Benefits of the Nicor Gas Energy Efficiency Program

\$280M+

in incentives since 2011

- Residential and multi-family customers: energy-saving kits and home assessments
- Commercial and public sector customers: building system optimization, energy-saving projects
- Income-qualified customers: comprehensive energy upgrades at no cost
- Rebates for energy-efficient equipment and improvements

247M+

first year therms saved since 2011

- Avoids more than 1.31 million metric tons of CO2 emissions
- Equivalent to the CO2 emissions generated by 304,800, passenger vehicles over the course of a year

\$2.5B+

economic activity spurred since 2011

- 10,700 jobs supported since 2011
- \$144 million spent with diverse suppliers
- \$927 million wages supported since 2011

\$1.3M+

customers in 643 communities have participated

- \$203 average incentive per customer
- Engaged 221,000 elementary school students in energy efficiency education

HYDROGEN (MACHH2)

The Midwest Alliance for Clean Hydrogen (MachH2), which includes over 70 public and private entities such as Nicor Gas, aims to produce, deliver and utilize clean, carbon-free hydrogen throughout the Midwest. The U.S. Department of Energy (DOE) plans to invest up to \$8 billion in a national hydrogen network through regional hubs as part of the Infrastructure Investment and Jobs Act. The Midwest Hydrogen Hub was awarded to MachH2 and officially announced by the DOE on Nov. 20, 2024, with up to \$1 billion in federal funding. Within this hub, Nicor Gas is exploring opportunities to demonstrate the critical role that gas infrastructure can play in the delivery of hydrogen.

CLEAN ENERGY ALLIANCE

- Nicor Gas is a foundational member of the Chicagoland Clean Energy Alliance, working with partners to promote clean energy innovation, economic growth, federal support and policy enhancements in the Midwest.
- Nicor Gas is preparing a \$2 billion proposal for the EPA's Clean Communities Investment Accelerator, highlighting their commitment to decarbonization and sustainable innovation in the region.

RENEWABLE NATURAL GAS

In 2024, Nicor Gas interconnected two third-party renewable natural gas (RNG) facilities. Nicor Gas anticipates accepting over 3 BCF of physical natural gas per year from these two interconnections. This volume of gas is sufficient to potentially meet the natural gas needs of approximately 26,000 average residential Nicor Gas customers.

SMART NEIGHBORHOOD™

Nicor Gas and Habitat for Humanity are collaborating on the Smart Neighborhood™ initiative, creating net-zero homes that integrate natural gas, electricity and renewables for affordability and resilience. This partnership is building sustainable and affordable housing communities in Aurora and Carpentersville, with a ribbon cutting expected in 2025.

About the Communities

Empowering Consumers

The two new planned communities will offer residents a new level of freedom—freedom from the burden of expensive mortgages and the peace of mind that comes with energy-efficient technology in their homes, resulting in lower monthly energy bills.

Reducing our Carbon Footprint

The new homes will be designed to be carbon neutral, meaning they will not produce more CO2 than they consume. This allows residents to feel good about contributing to environmental sustainability.

Net Zero Homes

The new homes will come equipped with smart combinations of renewable, electric and natural gas technologies. More specifically, the Smart Neighborhood will come equipped with high efficiency building envelopes, solar panels and battery solutions that allow for further reliability in the event of storms or inclement weather.

Affordability

Natural gas continues to be the most economical option for winter residential heating, potentially saving households up to \$1,396 per year when used for heating, cooking and clothes drying. Natural gas is 3.3 times more affordable than other energy sources and is projected to be 30-50% less than other fuels through 2050. For Nicor Gas customers, the average annual energy bill is \$1,075, compared to \$2,470 for propane and \$4,568 for electricity.

PEMBROKE

➤ Nicor Gas has installed approximately 32 feet of new natural gas pipelines, providing clean and affordable energy options to the rural communities of Hopkins Park and Pembroke Township.

➤ This initiative, driven by the community and supported by local and state leaders, as well as organizations like Rainbow PUSH and Nicor Gas, addresses funding and infrastructure needs for natural gas expansion, enhancing equity and energy choice in the region.

BILL PAYMENT ASSISTANCE

In 2024, Nicor Gas provided 160,000 bill payment assistance grants totaling \$30 million to support income-eligible customers. These programs included both state and federal funding, as well as initiatives like Nicor Gas Sharing, Energy Aide and Shield of Caring.

COMMUNITY CONNECTION CENTER (C3)

➤ The Nicor Gas Community Connection Center (C3) is a free service that connects customers with various support options, including bill payment assistance, energy-saving programs and basic needs services. Beyond energy assistance, a dedicated team also helps customers access information about housing, food and essential services.

➤ Since its inception in 2022, the C3 team has successfully connected over 20,000 customers with a range of support services, including more than \$19 million in energy assistance grants and discounts.

NICOR GAS SHIELD OF CARING

➤ The Nicor Gas Shield of Caring Program, managed by The Salvation Army, provides assistance to residential customers who are experiencing financial hardships and have past-due Nicor Gas bills due to various circumstances.

➤ In 2024, \$1.3 million in grants aided 5,900 customers with bill payments, while 14,500 families received basic needs support.

NICOR ILLINOIS COMMUNITY INVESTMENT (NICI)

Nicor Illinois Community Investment (NICI), established in 2021, has invested \$1.825 million in Rockford, Joliet and South Suburban Cook County, benefiting over 7,000 individuals. Each year, NICI provides grants for high-impact community projects, programs supporting small businesses and entrepreneurs and critical support for communities needing assistance. Through its grant portfolio and small business program, NICI invests in transformative work that fosters economic opportunity for Northern Illinois.



CHARITABLE GIVING

In 2024, Nicor Gas and its foundations, the Nicor Gas Foundation and Nicor Illinois Community Investment, donated more than \$5 million to United Way, The Salvation Army and 240+ nonprofits in Northern Illinois, emphasizing economic impact, inclusion, basic needs and environmental conservation.

FUTURE OF GAS

In March 2024, the Illinois Commerce Commission (ICC) launched the Future of Gas proceedings to align the gas distribution system with the goals of the Climate and Equitable Jobs Act (CEJA). The ICC proposed a multiphase workshop approach for this initiative. Nicor Gas and Southern Company Gas have been actively involved, advocating for the natural gas sector and promoting its role in a sustainable energy future through affordable decarbonization. They engaged with stakeholders to ensure inclusive dialogue, resulting in over 800 individuals on the distribution list and 250 participants in most workshops. The Nicor Gas and Southern Company Gas team delivered seven presentations and coordinated several others from recognized industry partners to demonstrate the value of natural gas and its role in achieving climate goals affordably. The Phase 1 report, released in August 2024, identified hundreds of topics for further evaluation, underscoring the complexity of decarbonization in Illinois. Consequently, the ICC extended the proceedings from a one-year, two-phase process to a year-and-a-half-long process with multiple phases and subphases.

Congratulations to the

**2024 Business
Utility Customer
Champions**



2024 Business Customer Champion by Escalent®

Nicor Gas is proud to be one of just 24 utilities across the nation recognized as a 2024 Business Customer Champion for outstanding service and dedication to customer satisfaction. This prestigious designation is awarded based on extensive research conducted by Escalent, a leading human behavior and analytics advisory firm. The recognition highlights utilities that have excelled in delivering reliable service, maintaining transparent communication and providing innovative solutions to meet the needs of their business customers.

Economic Impact

- Natural gas is the main fuel source used by manufacturers in Illinois.
- Since 2010, natural gas use by Illinois businesses has grown by nearly 10%.

Natural gas in Illinois supports around 150,000 stable and well-paying jobs, including 2,311 employees from various Southern Company entities. Among these, 1,491 are covered employees. Over the years from 2019 to 2023, an average of 495 employees have been hired annually.

Nicor Gas Operations



ECONOMIC IMPACT

\$ 1.551 billion

Total economic impact

\$ 860 million

Dollars into the economy

\$ 691 million

Indirect and other value benefiting the economy



EMPLOYMENT IMPACT

10,787

Jobs created

2,951

Direct and contractor employment (FTE)

7,836

Indirect employment created



SUPPLY CHAIN IMPACTS

\$ 879.6 million

Total supply chain effect

\$ 467.6 million

Supply chain direct expenditures

\$ 412.0 million

Value added from indirect and induced effects

COMMUNITY AND ECONOMIC DEVELOPMENT

Nicor Gas' Community and Economic Development Team collaborates with state and regional organizations, including Intersect Illinois, the Department of Commerce and Economic Opportunity (DCEO), and the Greater Chicago Economic Partnership, to attract and expand businesses in Illinois. Nicor Gas actively engages with these partners to recruit high-energy industries, such as data centers and electric battery manufacturers, to our service territory and Illinois. The team emphasizes the reliability and resilience of natural gas as a primary energy source and a driver of economic development.



GOVERNOR'S JAPAN TRADE MISSION

As part of Nicor Gas' leadership and engagement with Intersect Illinois, Nicor Gas CEO Wendell Dallas participated in Governor Pritzker's Economic Development Mission to Japan in October of 2024. This was the second of such mission that Nicor Gas was invited to participate, the first was 2023's trade mission to the United Kingdom.

SUPPLIER INCLUSION

Supplier Inclusion at Nicor Gas aligns with equity principles, transitioning from transactional sourcing to cultivating sustainable energy industry partnerships. Their goal is to foster a culture of excellence, delivering value through learning and collaboration. In 2024, they spent \$317.9 million with businesses owned by minorities, women and veterans, representing 42.58% of our total company expenditures. More than 52% of this investment was directed to Illinois-based companies, reinforcing our commitment to supporting local economies.



NICOR GAS CAREER ACADEMY

Established in 2018, the Nicor Gas Career Academy, in partnership with IBEW Local 19, NPL Construction Co. and the Quad County Urban League, is a six-week program that combines natural gas operations training with math, employability skills and professional development. The program prepares individuals for entry-level careers in the utility industry through a comprehensive curriculum focused on industry fundamentals and safety protocols.

Participants complete 120 hours of job readiness training, including classroom instruction, hands-on learning, job shadowing and mock interviews to refine practical skills. To date, the academy has graduated 223 participants across 10 cohorts, with many securing opportunities in the field.

Thanks to the ongoing collaboration with the Quad County Urban League, NPL, Miller Pipeline and IBEW Local 19, the Nicor Gas Career Academy continues to provide valuable career pathways and strengthen the workforce.