



PUCO USE ONLY – Version 1.07		
Date Received	Renewal Certification Number	ORIGINAL CRS Case Number
		10 - 396 - GA-CRS

RENEWAL CERTIFICATION APPLICATION COMPETITIVE RETAIL NATURAL GAS SUPPLIERS

Please type or print all required information. Identify all attachments with an exhibit label and title (*Example: Exhibit A-16 - Company History*). All attachments should bear the legal name of the Applicant. Applicants should file completed applications and all related correspondence with the Public Utilities Commission of Ohio, Docketing Division, 13th Floor, 180 East Broad Street, Columbus, Ohio 43215-3793.

This PDF form is designed so that you may directly input information onto the form. You may also download the form by saving it to your local disk.

SECTION A - APPLICANT INFORMATION AND SERVICES

A-1 Applicant intends to renew its certificate as: (check all that apply)

☒ Retail Natural Gas Aggregator ☒ Retail Natural Gas Broker ☒ Retail Natural Gas Marketer

A-2 Applicant information:

Legal Name Integrys Energy Services - Natural Gas, LLC
Address 1716 Lawrence Drive, DePere, WI 54115
Telephone No. 920-617-6100 Web site Address www.integrysenergy.com
Current PUCO Certificate No. 10-186G(1) Effective Dates 4/25/10 through 4/25/12

A-3 Applicant information under which applicant will do business in Ohio:

Name Integrys Energy Services - Natural Gas, LLC
Address 1716 Lawrence Drive, DePere, WI 54115
Web site Address www.integrysenergy.com Telephone No. 920-617-6100

A-4 List all names under which the applicant does business in North America:

Integrys Energy Services - Natural Gas, LLC

A-5 Contact person for regulatory or emergency matters:

Name Amy Klaviter Title Regulatory Compliance Analyst
Business Address 20 N. Wacker Drive, Suite 2100, Chicago, IL 60606
Telephone No. 312-681-1855 Fax No. 312-681-1999 Email Address AKlaviter@integrysenergy.com

A-6 Contact person for Commission Staff use in investigating customer complaints:

Name Glenda O'Bannon Title Call Center Operations Coordinator
Business address 20 N. Wacker Drive, Suite 2100, Chicago, IL 60606
Telephone No. 312-681-1866 Fax No. 312-681-1999 Email Address Commissioncomplaints@integr

A-7 Applicant's address and toll-free number for customer service and complaints

Customer service address 300 W. Wilson Bridge Road, Suite 350, Worthington, OH 43085
Toll-Free Telephone No. 888-367-4493 Fax No. 614-844-4305 Email Address columbus@integrysenergy.com

A-8 Provide "Proof of an Ohio Office and Employee," in accordance with Section 4929.22 of the Ohio Revised Code, by listing name, Ohio office address, telephone number, and Web site address of the designated Ohio Employee

Name David George Title DMM Indirect Channel Manager
Business address 300 W. Wilson Bridge Road, Suite 350, Worthington, OH 43085
Telephone No. 614-844-4328 Fax No. 614-844-4305 Email Address DLGeorge@integrysenergy.com

A-9 Applicant's federal employer identification number 27-1158190

A-10 Applicant's form of ownership: (Check one)

☐ Sole Proprietorship ☐ Partnership
☐ Limited Liability Partnership (LLP) ☒ Limited Liability Company (LLC)
☐ Corporation ☐ Other

A-11 (Check all that apply) Identify each natural gas company service area in which the applicant is currently providing service or intends to provide service, including identification of each customer class that the applicant is currently serving or intends to serve, for example: residential, small commercial, and/or large commercial/industrial (mercantile) customers. (A mercantile customer, as defined in Section 4929.01(L)(1) of the Ohio Revised Code, means a customer that consumes, other than for residential use, more than 500,000 cubic feet of natural gas per year at a single location within the state or consumes natural gas, other than for residential use, as part of an undertaking having more than three locations within or outside of this state. In accordance with Section 4929.01(L)(2) of the Ohio Revised Code, "Mercantile customer" excludes a not-for-profit customer that consumes, other than for residential use, more than 500,000 cubic feet of natural gas per year at a single location within this state or consumes natural gas, other than for residential use, as part of an undertaking having more than three locations within or outside this state that has filed the necessary declaration with the Public Utilities Commission.)

<input checked="" type="checkbox"/> Columbia Gas of Ohio	<input checked="" type="checkbox"/> Residential	<input checked="" type="checkbox"/> Small Commercial	<input checked="" type="checkbox"/> Large Commercial / Industrial
<input checked="" type="checkbox"/> Dominion East Ohio	<input checked="" type="checkbox"/> Residential	<input checked="" type="checkbox"/> Small Commercial	<input checked="" type="checkbox"/> Large Commercial / Industrial
<input checked="" type="checkbox"/> Duke Energy Ohio	<input checked="" type="checkbox"/> Residential	<input checked="" type="checkbox"/> Small Commercial	<input checked="" type="checkbox"/> Large Commercial / Industrial
<input checked="" type="checkbox"/> Vectren Energy Delivery of Ohio	<input type="checkbox"/> Residential	<input type="checkbox"/> Small Commercial	<input checked="" type="checkbox"/> Large Commercial / Industrial

A-12 If applicant or an affiliated interest previously participated in any of Ohio's Natural Gas Choice Programs, for each service area and customer class, provide approximate start date(s) and/or end date(s) that the applicant began delivering and/or ended services.

☒ Columbia Gas of Ohio

<input checked="" type="checkbox"/> Residential	Beginning Date of Service	4/97	End Date	
<input checked="" type="checkbox"/> Small Commercial	Beginning Date of Service	4/97	End Date	
<input checked="" type="checkbox"/> Large Commercial	Beginning Date of Service	5/86	End Date	
<input checked="" type="checkbox"/> Industrial	Beginning Date of Service	5/86	End Date	

☒ Dominion East Ohio

<input checked="" type="checkbox"/> Residential	Beginning Date of Service	10/00	End Date	
<input checked="" type="checkbox"/> Small Commercial	Beginning Date of Service	10/00	End Date	
<input checked="" type="checkbox"/> Large Commercial	Beginning Date of Service	12/95	End Date	
<input checked="" type="checkbox"/> Industrial	Beginning Date of Service	12/95	End Date	

☒ Duke Energy Ohio

<input checked="" type="checkbox"/> Residential	Beginning Date of Service	2/99	End Date	
<input checked="" type="checkbox"/> Small Commercial	Beginning Date of Service	2/99	End Date	
<input checked="" type="checkbox"/> Large Commercial	Beginning Date of Service	9/98	End Date	
<input checked="" type="checkbox"/> Industrial	Beginning Date of Service	12/92	End Date	

☒ Vectren Energy Delivery of Ohio

<input type="checkbox"/> Residential	Beginning Date of Service		End Date	
<input type="checkbox"/> Small Commercial	Beginning Date of Service		End Date	
<input type="checkbox"/> Large Commercial	Beginning Date of Service		End Date	
<input checked="" type="checkbox"/> Industrial	Beginning Date of Service	10/01	End Date	

A-13 If not currently participating in any of Ohio's four Natural Gas Choice Programs, provide the approximate start date that the applicant proposes to begin delivering services:

<input type="checkbox"/>	Columbia Gas of Ohio	Intended Start Date
<input type="checkbox"/>	Dominion East Ohio	Intended Start Date
<input type="checkbox"/>	Duke Energy Ohio	Intended Start Date
<input type="checkbox"/>	Vectren Energy Delivery of Ohio	Intended Start Date

PROVIDE THE FOLLOWING AS SEPARATE ATTACHMENTS AND LABEL AS INDICATED.

- A-14 **Exhibit A-14 "Principal Officers, Directors & Partners,"** provide the names, titles, addresses and telephone numbers of the applicant's principal officers, directors, partners, or other similar officials.
- A-15 **Exhibit A-15 "Corporate Structure,"** provide a description of the applicant's corporate structure, including a graphical depiction of such structure, and a list of all affiliate and subsidiary companies that supply retail or wholesale natural gas or electricity to customers in North America.
- A-16 **Exhibit A-16 "Company History,"** provide a concise description of the applicant's company history and principal business interests.
- A-17 **Exhibit A-17 "Articles of Incorporation and Bylaws,"** provide the articles of incorporation filed with the state or jurisdiction in which the applicant is incorporated and any amendments thereto, *only if the contents of the originally filed documents changed since the initial application.*
- A-18 **Exhibit A-18 "Secretary of State,"** provide evidence that the applicant is still currently registered with the Ohio Secretary of the State.

SECTION B - APPLICANT MANAGERIAL CAPABILITY AND EXPERIENCE

PROVIDE THE FOLLOWING AS SEPARATE ATTACHMENTS AND LABEL AS INDICATED

- B-1 **Exhibit B-1 "Jurisdictions of Operation,"** provide a current list of all jurisdictions in which the applicant or any affiliated interest of the applicant is, at the date of filing the application, certified, licensed, registered, or otherwise authorized to provide retail natural gas service, or retail/wholesale electric services.
- B-2 **Exhibit B-2 "Experience & Plans,"** provide a current description of the applicant's experience and plan for contracting with customers, providing contracted services, providing billing statements, and responding to customer inquiries and complaints in accordance with Commission rules adopted pursuant to Section 4929.22 of the Revised Code and contained in Chapter 4901:1-29 of the Ohio Administrative Code.
- B-3 **Exhibit B-3 "Summary of Experience,"** provide a concise and current summary of the applicant's experience in providing the service(s) for which it is seeking renewed certification (e.g., number and types of customers served, utility service areas, volume of gas supplied, etc.).
- B-4 **Exhibit B-4 "Disclosure of Liabilities and Investigations,"** provide a description of all existing, pending or past rulings, judgments, contingent liabilities, revocations of authority, regulatory investigations, or any other matter that could adversely impact the applicant's financial or operational

status or ability to provide the services for which it is seeking renewed certification since applicant last filed for certification.

- B-5 Exhibit B-5 "Disclosure of Consumer Protection Violations,"** disclose whether the applicant, affiliate, predecessor of the applicant, or any principal officer of the applicant has been convicted or held liable for fraud or for violation of any consumer protection or antitrust laws since applicant last filed for certification.

☒ No ☐ Yes

If Yes, provide a separate attachment labeled as **Exhibit B-5 "Disclosure of Consumer Protection Violations,"** detailing such violation(s) and providing all relevant documents.

- B-6 Exhibit B-6 "Disclosure of Certification Denial, Curtailment, Suspension, or Revocation,"** disclose whether the applicant or a predecessor of the applicant has had any certification, license, or application to provide retail natural gas or retail/wholesale electric service denied, curtailed, suspended, or revoked, or whether the applicant or predecessor has been terminated from any of Ohio's Natural Gas Choice programs, or been in default for failure to deliver natural gas since applicant last filed for certification.

☒ No ☐ Yes

If Yes, provide a separate attachment, labeled as **Exhibit B-6 "Disclosure of Certification Denial, Curtailment, Suspension, or Revocation,"** detailing such action(s) and providing all relevant documents.

SECTION C - APPLICANT FINANCIAL CAPABILITY AND EXPERIENCE

PROVIDE THE FOLLOWING AS SEPARATE ATTACHMENTS AND LABEL AS INDICATED

- C-1 Exhibit C-1 "Annual Reports,"** provide the two most recent Annual Reports to Shareholders. If applicant does not have annual reports, the applicant should provide similar information, labeled as Exhibit C-1, or indicate that Exhibit C-1 is not applicable and why.
- C-2 Exhibit C-2 "SEC Filings,"** provide the most recent 10-K/8-K Filings with the SEC. If applicant does not have such filings, it may submit those of its parent company. If the applicant does not have such filings, then the applicant may indicate in Exhibit C-2 whether the applicant is not required to file with the SEC and why.
- C-3 Exhibit C-3 "Financial Statements,"** provide copies of the applicant's two most recent years of audited financial statements (balance sheet, income statement, and cash flow statement). If audited financial statements are not available, provide officer-certified financial statements. If the applicant has not been in business long enough to satisfy this requirement, it shall file audited or officer-certified financial statements covering the life of the business.
- C-4 Exhibit C-4 "Financial Arrangements,"** provide copies of the applicant's current financial arrangements to conduct competitive retail natural gas service (CRNGS) as a business activity (e.g., guarantees, bank commitments, contractual arrangements, credit agreements, etc.)
- C-5 Exhibit C-5 "Forecasted Financial Statements,"** provide two years of forecasted financial statements (balance sheet, income statement, and cash flow statement) for the applicant's CRNGS operation, along with a list of assumptions, and the name, address, email address, and telephone number of the preparer.

- C-6 **Exhibit C-6 "Credit Rating,"** provide a statement disclosing the applicant's current credit rating as reported by two of the following organizations: Duff & Phelps, Dun and Bradstreet Information Services, Fitch IBCA, Moody's Investors Service, Standard & Poors, or a similar organization. In instances where an applicant does not have its own credit ratings, it may substitute the credit ratings of a parent or affiliate organization, provided the applicant submits a statement signed by a principal officer of the applicant's parent or affiliate organization that guarantees the obligations of the applicant.
- C-7 **Exhibit C-7 "Credit Report,"** provide a copy of the applicant's current credit report from Experion, Dun and Bradstreet, or a similar organization.
- C-8 **Exhibit C-8 "Bankruptcy Information,"** provide a list and description of any reorganizations, protection from creditors, or any other form of bankruptcy filings made by the applicant, a parent or affiliate organization that guarantees the obligations of the applicant or any officer of the applicant in the current year or since applicant last filed for certification.
- C-9 **Exhibit C-9 "Merger Information,"** provide a statement describing any dissolution or merger or acquisition of the applicant since applicant last filed for certification.

SECTION D – APPLICANT TECHNICAL CAPABILITY

PROVIDE THE FOLLOWING AS SEPARATE ATTACHMENTS AND LABEL AS INDICATED.

- D-1 **Exhibit D-1 "Operations,"** provide a current written description of the operational nature of the applicant's business. Please include whether the applicant's operations will include the contracting of natural gas purchases for retail sales, the nomination and scheduling of retail natural gas for delivery, and the provision of retail ancillary services, as well as other services used to supply natural gas to the natural gas company city gate for retail customers.
- D-2 **Exhibit D-2 "Operations Expertise,"** given the operational nature of the applicant's business, provide evidence of the applicant's current experience and technical expertise in performing such operations.
- D-3 **Exhibit D-3 "Key Technical Personnel,"** provide the names, titles, email addresses, telephone numbers, and background of key personnel involved in the operational aspects of the applicant's current business.

Applicant Signature and Title

Richard J. Bissing

Sworn and subscribed before me this

20

day of March

Month 2012

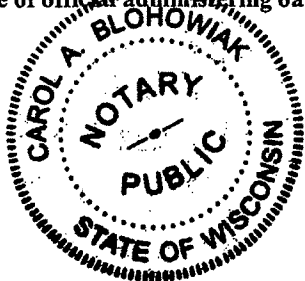
Year

Carol A. Blohowiak

Signature of official administering oath

Richard J. Bissing, Senior Vice President

Print Name and Title



My commission expires on 2-10-13



The Public Utilities Commission of Ohio

Competitive Retail Natural Gas Service
Affidavit Form
(Version 1.07)

In the Matter of the Application of)

Integrus Energy Services - Natural Gas, LLC)

for a Certificate or Renewal Certificate to Provide)

Competitive Retail Natural Gas Service in Ohio.)

Case No. 10 - 396 -GA-CRS

County of Brown
State of Wisconsin

Richard J. Bissing

[Affiant], being duly sworn/affirmed, hereby states that:

- (1) The information provided within the certification or certification renewal application and supporting information is complete, true, and accurate to the best knowledge of affiant.
- (2) The applicant will timely file an annual report of its intrastate gross receipts and sales of hundred cubic feet of natural gas pursuant to Sections 4905.10(A), 4911.18(A), and 4929.23(B), Ohio Revised Code.
- (3) The applicant will timely pay any assessment made pursuant to Section 4905.10 or Section 4911.18(A), Ohio Revised Code.
- (4) Applicant will comply with all applicable rules and orders adopted by the Public Utilities Commission of Ohio pursuant to Title 49, Ohio Revised Code.
- (5) Applicant will cooperate with the Public Utilities Commission of Ohio and its staff in the investigation of any consumer complaint regarding any service offered or provided by the applicant.
- (6) Applicant will comply with Section 4929.21, Ohio Revised Code, regarding consent to the jurisdiction of the Ohio courts and the service of process.
- (7) Applicant will inform the Public Utilities Commission of Ohio of any material change to the information supplied in the certification or certification renewal application within 30 days of such material change, including any change in contact person for regulatory or emergency purposes or contact person for Staff use in investigating customer complaints.
- (8) Affiant further sayeth naught.

Affiant Signature & Title

Richard J. Bissing

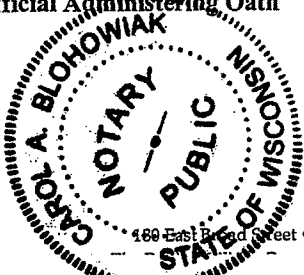
Sworn and subscribed before me this 20 day of March Month 2012 Year

Carol A. Blohowiak

Signature of Official Administering Oath

Richard J. Bissing, Senior Vice President

Print Name and Title



My commission expires on 2-16-13

(CRNGS Supplier Renewal)

Page 7 of 7

A-14 Exhibit A-14 "Principal Officers, Directors & Partners" provide the names, titles, addresses and telephone numbers of the applicant's principal officers, directors, partners, or other similar officials.

Directors:

Mark A. Radtke Integrays Energy Group, Inc. 700 North Adams St. P.O. Box 19001 Green Bay WI 54307 (920) 433-2976 – P (920) 433-1693 – F	Joseph P. O’Leary Integrays Energy Group, Inc. 130 E. Randolph St Chicago, IL 60601 Green Bay WI 54307 (312) 228-5411 – P (312) 228-5404 – F
Daniel J. Verbanac Integrays Energy Services, Inc. 1716 Lawrence Drive DePere WI. 54115 (920) 617-6058 – P (920) 617-6070 - F	

Officers:

Daniel J. Verbanac President Integrays Energy Services, Inc. 1716 Lawrence Drive DePere WI. 54115 (920) 617-6058 – P (920) 617-6070 – F DJVerbanac@integraysenergy.com	Ronnie E. Cardwell Vice President Integrays Energy Services, Inc. 1716 Lawrence Drive DePere WI. 54115 (920) 617-6216 – P (920) 617-6070 - F RECaldwell@integraysenergy.com
Richard J. Bissing Senior Vice President Integrays Energy Services, Inc. 1716 Lawrence Drive DePere WI. 54115 (920) 617-6015 – P (920) 617-6070 – F RJBissing@integraysenergy.com	Craig A. Vanderwerff Controller Integrays Energy Services, Inc. 1716 Lawrence Drive DePere WI. 54115 (920) 617-6204 – P (920) 617-6070 – F CAVanderwerff@integraysenergy.com
William J. Guc Treasurer Integrays Energy Group, Inc. 700 North Adams P.O. Box 19001 Green Bay WI. 54307 (920) 433-2639 – P (920) 433-7653 - F WJGuc@integraysgroup.com	Dane E. Allen Assistant Secretary Integrays Energy Group, Inc. 700 North Adams St. P.O. Box 19001 Green Bay WI 54304 (920) 433-2632 - P (920) 433-1577 - F DEAllen@integraysgroup.com

<p>Leonardo G. Caro Vice President Integrys Energy Services, Inc. 2211 Old Earhart Rd Suite 175 Ann Arbor, MI 48105 DePere WI. 54115 (734) 761-2301 – P (734) 761-2140 - F LGCaro@integrysenergy.com</p>	<p>Barth J. Wolf Secretary Integrys Energy Group, Inc. 700 North Adams St. P.O. Box 19001 Green Bay WI 54304 (920) 433-1727 – P (920) 433-1526 - F BJWolf@integrygroup.com</p>
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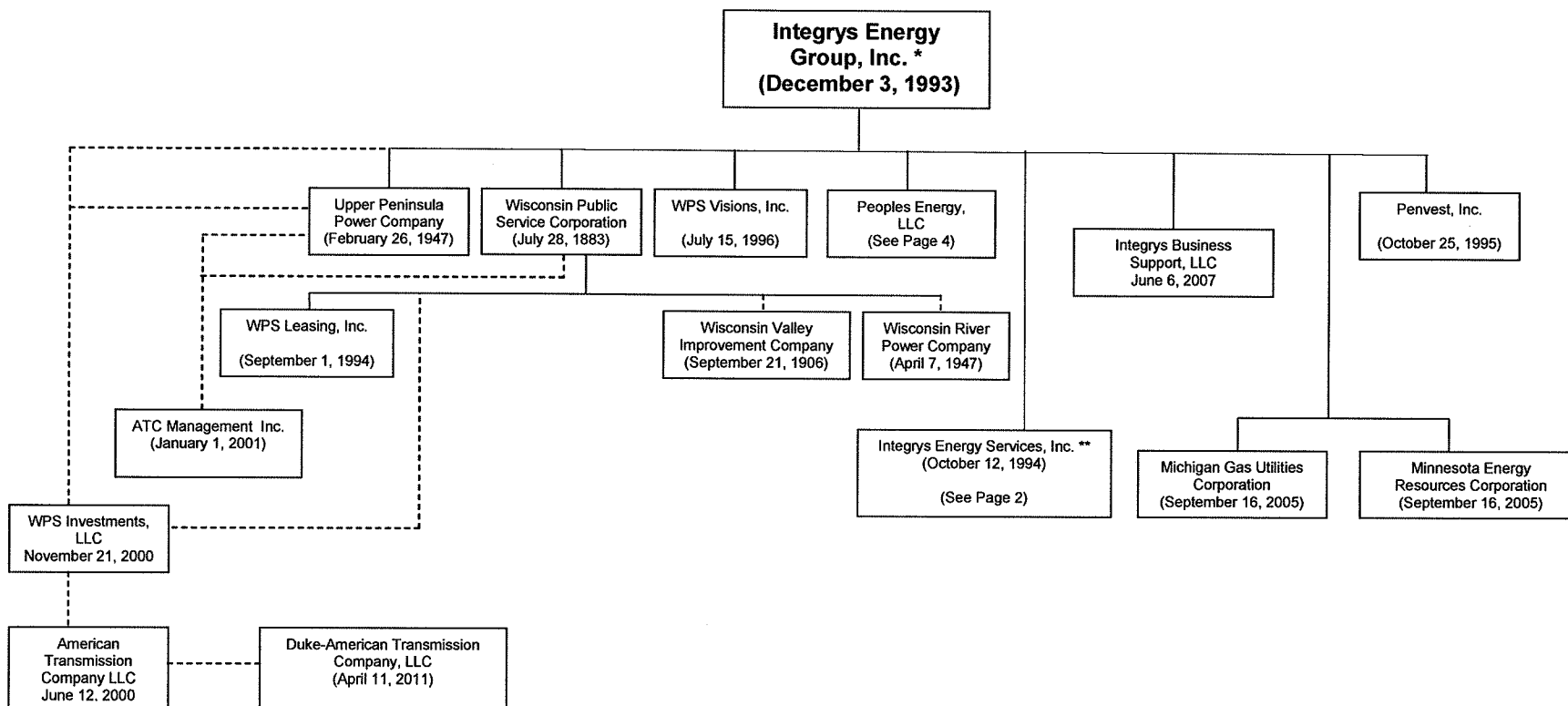
A-15 Exhibit A-15 "Corporate Structure," provide a description of the applicant's corporate structure, including a graphical depiction of such structure, and a list of all affiliate and subsidiary companies that supply retail or wholesale natural gas or electricity to customers in North America.

The following description states the relationship between Integrys Energy Group, Inc. ("TEG"), Integrys Energy Services, Inc ("TEGE Inc"), and Integrys Energy Services – Natural Gas, LLC ("TEGE LLC"). Also listed are TEGE Inc's affiliate and subsidiary companies that supply retail or wholesale natural gas and electricity in North America. The attached diagram shows a detailed picture of the TEG corporate structure. We have also included an organizational chart (**Attachment A**)

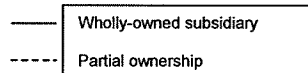
<i>AFFILIATE/DIVISION</i>	<i>ADDRESS</i>	<i>RELATIONSHIP</i>
<i>INTEGRYS ENERGY GROUP, INC.</i>	130 EAST RANDOLPH DRIVE, CHICAGO, IL 60601	PARENT COMPANY OF INTEGRYS ENERGY SERVICES, INC.
<i>INTEGRYS ENERGY SERVICES, INC.</i>	1716 LAWRENCE DRIVE, DEPERE, WI 54115	NON-UTILITY SUBSIDIARY OF INTEGRYS ENERGY GROUP INVOLVED IN MARKETING RETAIL ELECTRIC POWER AND NATURAL GAS
<i>INTEGRYS ENERGY SERVICES – NATURAL GAS, LLC.</i>	1716 LAWRENCE DRIVE, DEPERE, WI 54115	NON-UTILITY DIRECT WHOLLY OWNED SUBSIDIARY OF INTEGRYS ENERGY SERVICES, INC. INVOLVED IN RETAIL MARKETING FOR NATURAL GAS

TEGE Inc has five other wholly owned subsidiaries, Quest Energy LLC located in Ann Arbor, MI, Integrys Energy Services of New York, Inc. located in Buffalo, NY, Integrys Energy Services of Canada Corp. located in DePere, WI, Integrys Energy Services – Electric, LLC located in DePere, WI and WPS Power Development, LLC located in DePere, WI .

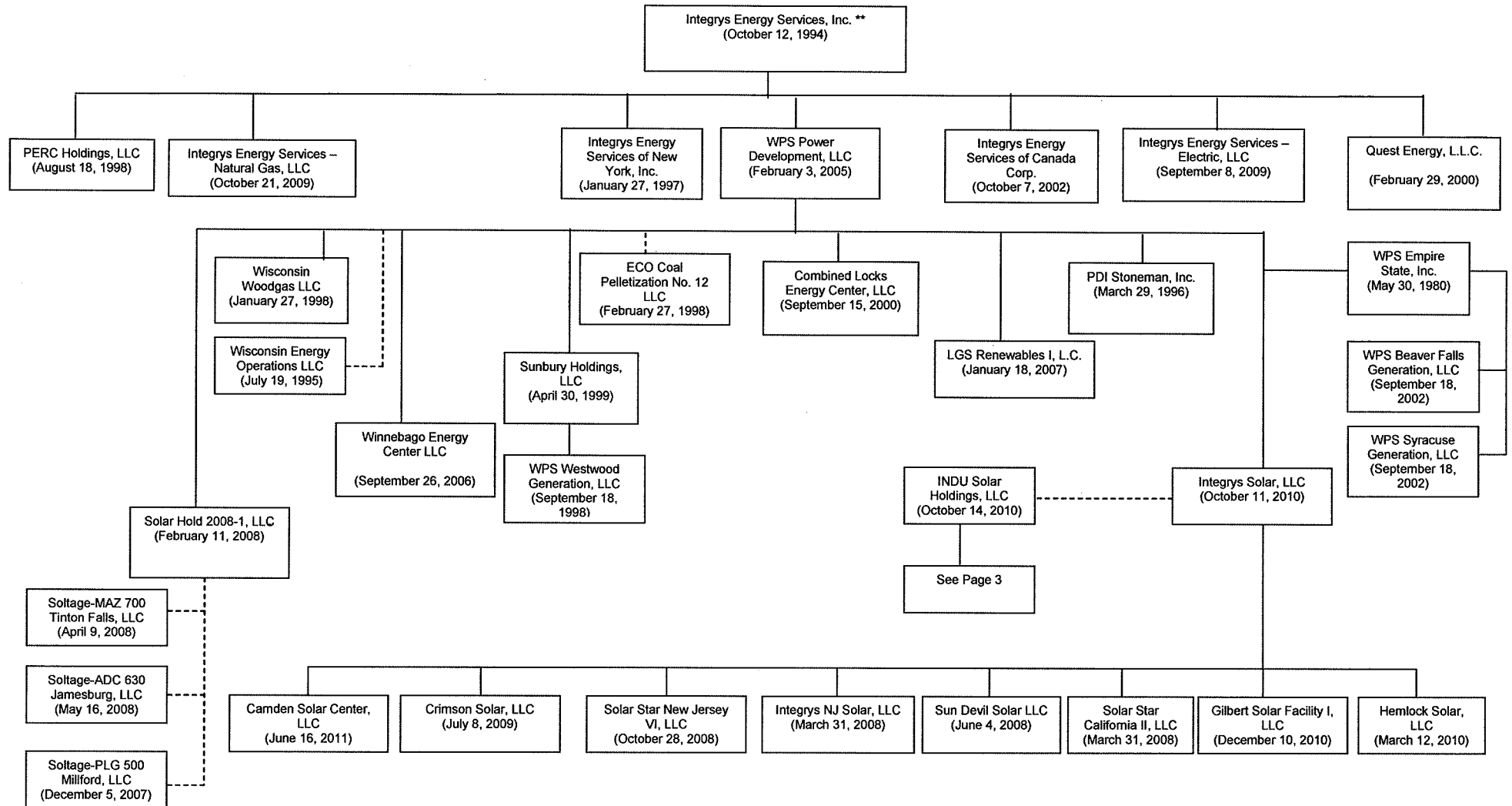
Integrys Energy Group, Inc. Organizational Chart (as of January 1, 2012)



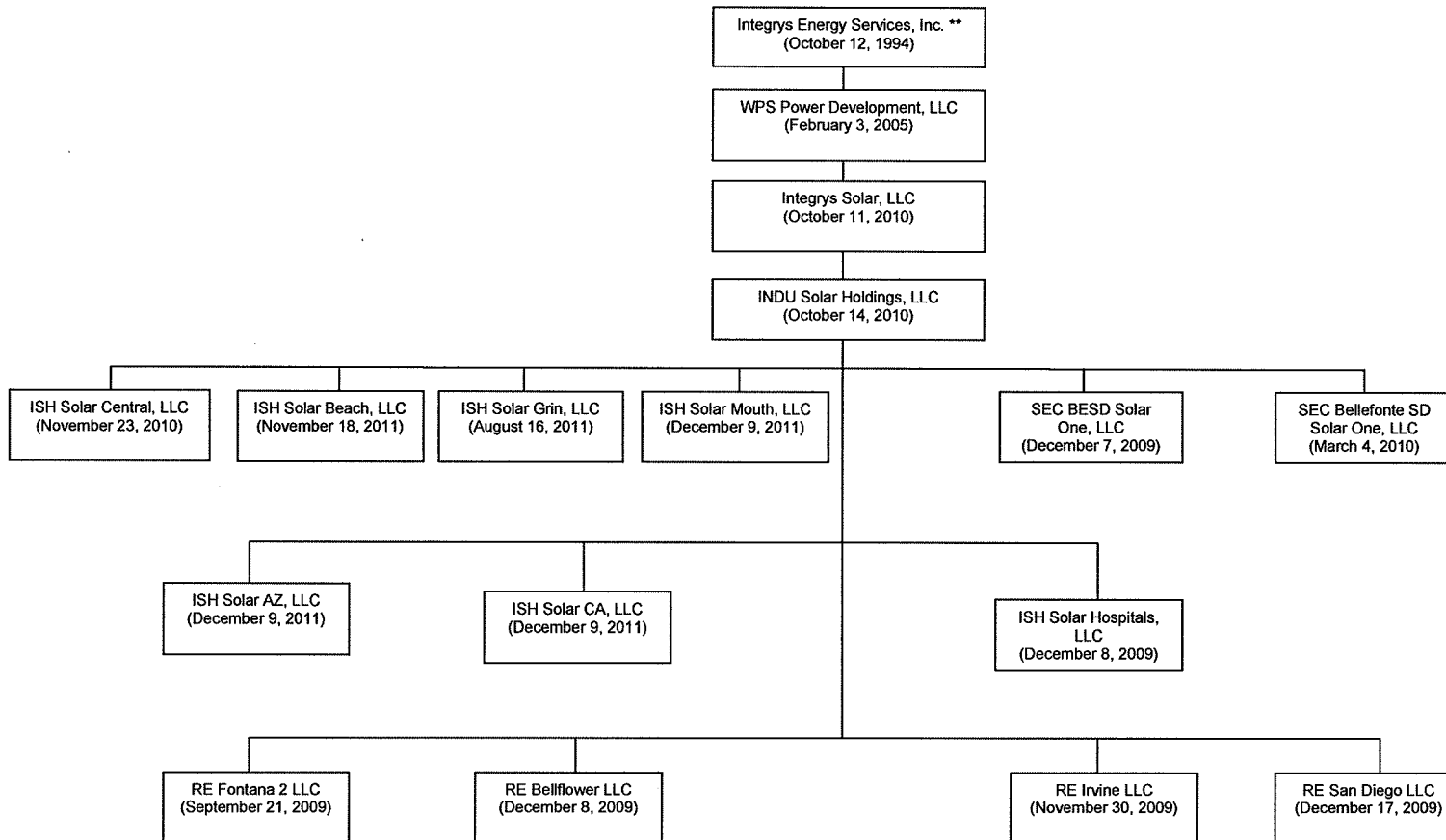
* Holding company structure became effective on September 9, 1994.
 ** FSG Energy Services is a division of Integrys Energy Services, Inc.



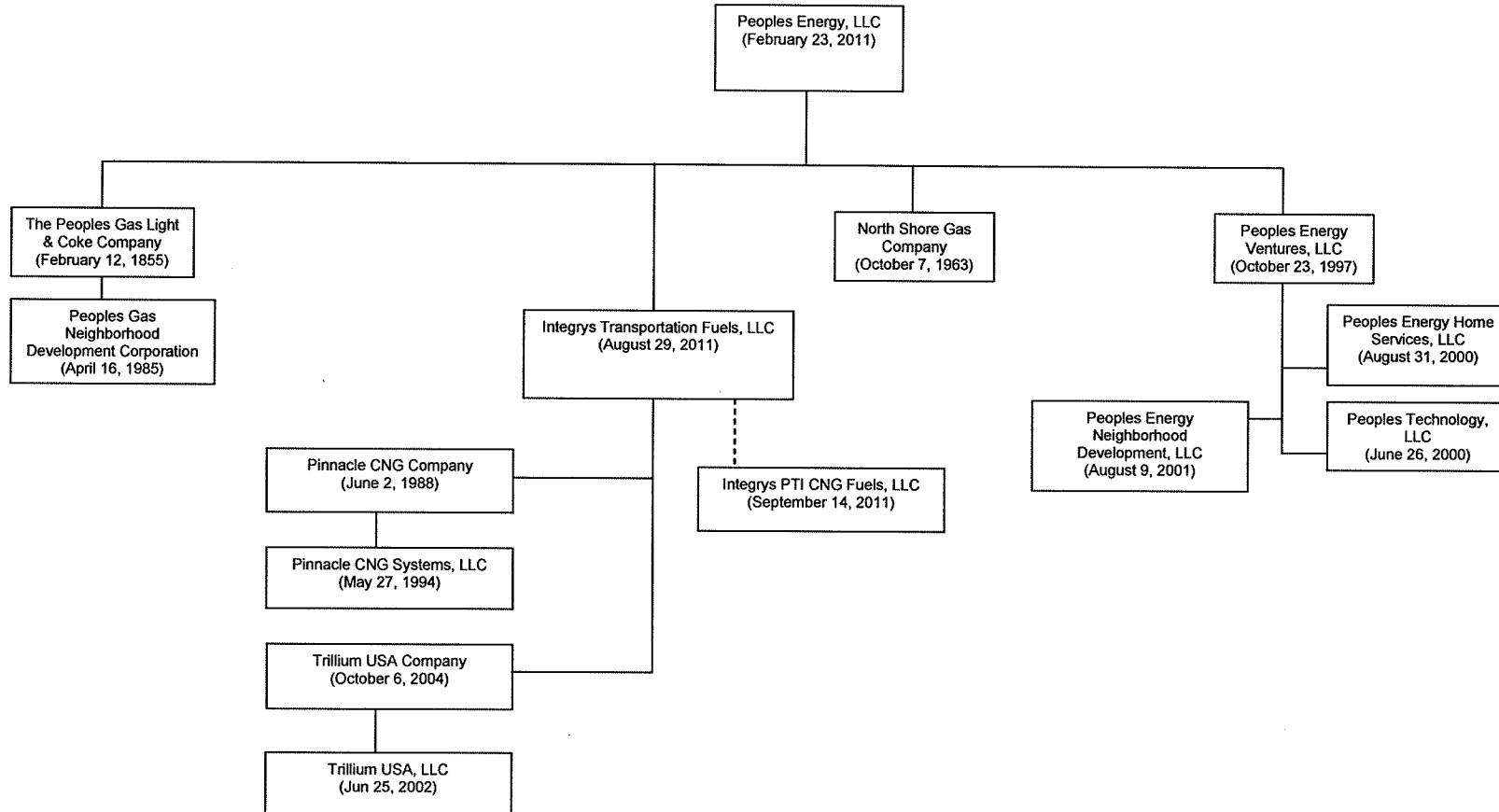
Integrus Energy Group, Inc. Organizational Chart (as of January 1, 2012)



Integrus Energy Group, Inc. Organizational Chart (as of January 1, 2012)



Integrus Energy Group, Inc. Organizational Chart (as of January 1, 2012)



A-16 Exhibit A-16 "Company History," provide a concise description of the applicant's company history and principal business interests.

On February 21, 2007, WPS Energy Services, Inc.'s name changed to Integrys Energy Services, Inc. (TEGE Inc). The name of the parent corporation also changed on that date from WPS Resources Corporation to Integrys Energy Group, Inc. This new name, Integrys, reflected the integration of Peoples Energy Corporation into the holding company structure. Integrys Energy Group, Inc. is a publicly traded (NYSE: "TEG") holding company based in Chicago, Illinois. TEGE Inc is a wholly owned direct subsidiary of Integrys Energy Group, Inc. On October 21, 2009, the applicant, Integrys Energy Services - Natural Gas, LLC (TEGE LLC) was created as a separate legal entity with the intent to serve all of TEGE Inc.'s natural gas retail business upon receipt of contract assignments and any required regulatory approvals and meeting any utility requirements to effectuate the transfer.

TEGE Inc acquired an Ohio-based natural gas marketer, Fuel Services Group, in October 1996. With the acquisition, Fuel Services Group was renamed FSG Energy Services and operated as a division of TEGE Inc. However, TEGE Inc gradually transitioned all customers' agreements to the Integrys Energy Services, Inc brand name and operating company. By the end of 2010, TEGE Inc transitioned all its customers to TEGE LLC.

TEGE LLC is registered to serve residential, small commercial, large commercial, industrial and aggregation customers in Ohio behind Duke Energy, Dominion East Ohio Gas, Columbia Gas and Vectren Energy Delivery. TEGE LLC also serves customers in Michigan and Illinois and was recently granted a gas license in Iowa, Virginia, Maryland, the District of Columbia and New Jersey.

A-17 Exhibit A-17 "Articles of Incorporation and Bylaws," if applicable provide the articles of incorporation filed with the state or jurisdiction in which the applicant is incorporated and any amendments thereto.

Attached is the Limited Liability Company Agreement for TEGE LLC (**Attachment B**)

LIMITED LIABILITY COMPANY AGREEMENT
OF
INTEGRYS ENERGY SERVICES – NATURAL GAS, LLC
EFFECTIVE AS OF OCTOBER 21, 2009

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LIMITED LIABILITY COMPANY AGREEMENT

This Limited Liability Company Agreement ("Agreement") of Integrys Energy Services – Natural Gas, LLC (the "Company") is created and shall be effective as of October 21, 2009, by Integrys Energy Services, Inc., a Wisconsin corporation (the "Sole Member").

RECITALS

A. A limited liability company known as Integrys Energy Services – Natural Gas, LLC (the "Company"), was formed on October 21, 2009 by causing the filing of its Certificate of Formation with the Delaware Secretary of State pursuant to the Act.

B. Sole Member desires to adopt this Agreement as the operating agreement of the Company under the Act with respect to the capitalization and operation of the Company.

NOW, THEREFORE, in consideration of the foregoing, the Company shall be managed and operated pursuant to this Agreement as follows:

ARTICLE I DEFINITIONS

Certain capitalized terms used in this Agreement shall have the following meanings:

1.1. "Act" means the Delaware Limited Liability Company Act, 6 Del. C. §§ 18.101 et seq., as amended from time to time, and any successor provisions thereto.

1.2. "Actor" has the meaning set forth in Section 5.17.

1.3. "Agreement" means this Operating Agreement, as it may be amended, supplemented, or restated from time to time.

1.4. "Board of Directors" means the manager of the Company as described in Section 5.1.

1.5. "Business Day" means any day other than Saturday, Sunday, and any day which is a day on which banking institutions in De Pere, Wisconsin are authorized or required by law or other governmental action to close.

1.6. "Code" means the Internal Revenue Code of 1986, as amended from time to time, and any successor provisions thereto.

1.7. "Certificate of Formation" means the Certificate of Formation of the Company, as filed with the Delaware Secretary of State, as the same may have been or may be amended from time to time.

- 1.8. “Company” has the meaning set forth in the Recitals of this Agreement.
- 1.9. “Director” means a member of the Board of Directors.
- 1.10. “Dissolution Event” has the meaning set forth in Section 9.1.
- 1.11. “Entity” means any general partnership, limited partnership, limited liability partnership, limited liability company, corporation, joint venture, trust, business trust, estate, cooperative, association, or government unit.
- 1.12. “GAAP” means United States generally accepted accounting principles as in effect from time to time, consistently applied.
- 1.13. “Membership Interest” means a member’s entire interest in the Company, including the member’s share of any distributions of the Company’s assets pursuant to this Agreement and the Act, and the right to vote on, consent to, or otherwise participate in, any decision or action of or by the members required under this Agreement and the Act. Membership Interests are represented by Units.
- 1.14. “Person” means any individual or Entity.
- 1.15. “President/CEO of Integrys Energy Services” means the individual who from time to time holds the position of President and Chief Executive Officer of the Sole Member.
- 1.16. “Secretary” means the Secretary of the Company or other officer of the Company as designated by the Board of Directors pursuant to Section 5.14, or if no such Person has been appointed, then the highest officer of the Company, or if no officer has been appointed, then the Board of Directors.
- 1.17. “Sole Member” means Integrys Energy Services, Inc., a Wisconsin corporation.
- 1.18. “Treasury Regulations” or “Treas. Reg.” means the regulations promulgated under the Code, as such regulations may be amended from time to time. All references herein to specific sections of the Treasury Regulations shall be deemed also to refer to any corresponding provisions of succeeding Treasury Regulations.
- 1.19. “Unit” means the Units issued and owned or held by the Sole Member representing its Membership Interest in the Company.

ARTICLE II ORGANIZATION AND PURPOSE

- 2.1. Formation. The Company was organized as a Delaware limited liability company by the filing of the Certificate of Formation pursuant to the Act.

2.2. Name. The name of the Company is "Integrys Energy Services – Natural Gas, LLC". The name of the Company may be changed from time to time at the discretion of the Board of Directors, and the Board of Directors is hereby authorized and empowered to execute and deliver in the name and on behalf of the Company any and all documents necessary or appropriate to effect any such name change, including, without limitation, amendments to the Certificate of Formation, provided that the Secretary promptly notifies the Sole Member of any such name change. The Company may conduct its business under such other fictitious names as the Board of Directors selects and the law permits.

2.3. Principal Place of Business. The principal office and place of business of the Company shall be located at 1716 Lawrence Drive, De Pere, Wisconsin 54115. The Company may locate its principal office and places of business at any other place in the United States as the Board of Directors may from time to time deem advisable.

2.4. Registered Agent and Registered Office. The Company's registered agent shall be The Corporation Trust Company. The address of the Company's registered office shall be Corporation Trust Center, 1209 Orange Street, Wilmington, Delaware 19801. The Company's registered agent and registered office may be changed from time to time in the sole discretion of the Board of Directors by filing the name of the new registered agent and/or the address of the new registered office with the appropriate authority as required by applicable law.

2.5. Term. The Company shall continue until the winding up of its business is completed following a Dissolution Event.

2.6. Purpose. The purpose of the Company shall be to engage in the business of marketing and selling natural gas. The Company may exercise all powers reasonably connected with such business activities as well as any other business activities that may be legally exercised by limited liability companies under the Act, and the Company may engage in all activities necessary, customary, convenient, or incident to any of the foregoing.

2.7. Organization Costs. The Company shall be responsible and shall pay for all fees, expenses and costs incurred in establishing and forming the Company, including, but not limited to, organizational fees, legal fees and accounting fees.

2.8. Separate Entity. Subject to Section 2.9, the Sole Member intends that the Company conduct its business in a manner consistent with its treatment as a limited liability company and not be operated or treated as an alter ego or surrogate of the Sole Member for any purpose, including, but not limited to, the Federal Bankruptcy Code, and this Agreement shall not be construed to suggest otherwise. The Sole Member shall not be liable for the liabilities of the Company except to the extent the Sole Member specifically assumes or guarantees any such liability in writing. The failure of the Company to observe any formalities or requirements relating to the exercise of its powers or the affairs of the Company shall not be grounds for imposing personal liability on the Sole Member for liabilities of the Company.

2.9. Tax Classification. For federal income tax purposes and, where permitted, for state income tax purposes, the Company shall be treated as a disregarded entity (or division

of its Sole Member) unless the Sole Member elects different treatment under Treasury Regulation Section 301.7701-3 and/or applicable state tax law.

2.10. Foreign Qualification. Before the Company transacts business in any jurisdiction other than Delaware in a manner that would require the Company to qualify or register to do business in such additional jurisdiction, the officers of the Company shall take all necessary actions to qualify the Company as a foreign limited liability company authorized to transact business in each such jurisdiction.

2.11. Membership Unit Certificate. The Company may issue certificates that evidencing the current ownership of Units in the Company.

ARTICLE III THE SOLE MEMBER

3.1. Sole Member. The name and the business address of the Sole Member of the Company is:

Integrus Energy Services, Inc.
1716 Lawrence Drive
De Pere, Wisconsin 54115

3.2. Admissions of Additional Members. Additional members may be admitted to the Company in the sole discretion of the Board of Directors. Any additional member so admitted shall execute this Agreement as it may be modified or restated to reflect the addition such new member(s).

3.3. Meetings. A meeting of the Sole Member may be held at such time and place as may be designated by the Board of Directors, for the purposes of transacting such business as may come before the meeting.

3.4. Consent without Meeting. Any action required or permitted by this Agreement or any provision of law to be taken at a meeting of the Sole Member, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by an officer or authorized representative of the Sole Member and the written consent is delivered to the Company for inclusion in the records of the Company.

3.5. Limitation of Liability. The Sole Member's liability for debts, liabilities, and obligations of the Company shall be limited as set forth in this Agreement and other applicable law. Unless otherwise specifically agreed by the Sole Member in a writing separate from this Agreement, the Sole Member shall not be personally liable for any debt, obligation or liability of the Company. The failure of the Company to observe any formalities or requirements relating to the exercise of its powers or management of its business or affairs under this Agreement or the Act shall not be grounds for imposing liability on the Sole Member or the Board of Directors for liabilities of the Company.

3.6. Liability of Sole Member to the Company. If the Sole Member receives a distribution made by the Company in violation of this Agreement or the Act, the Sole Member shall be liable to the Company for the amount of such distribution if the Company makes a claim for such amount within three (3) years of the distribution date.

ARTICLE IV CAPITAL CONTRIBUTIONS

4.1. Initial Capital Contributions. The Capital Contribution made to the Company by the Sole Member upon the execution of this Agreement, and the number of Units issued to the Sole Member in exchange for such Capital Contribution are set forth on Exhibit A.

4.2. Additional Capital Contributions. Additional capital contributions to the Company may be made at the discretion of the Sole Member. The Sole Member shall not be required to make any additional Capital Contributions. No additional Units in the Company shall be issued without the prior written consent of the Board of Directors.

4.3. Interest on Capital Contributions. Except as otherwise expressly provided in this Agreement, the Sole Member shall not be paid interest on the Sole Member's Capital Contributions to the Company.

4.4. Loans. No provision of this Agreement shall be construed so as to prohibit the Company from obtaining working capital or investment capital funds through loans from third parties (which loans shall be nonrecourse with respect to the Sole Member) or in any other manner permitted by law.

ARTICLE V MANAGEMENT

5.1. Generally. The business of the Company shall be directed, managed, and controlled by its Board of Directors (the "Board of Directors"). Except as otherwise provided by nonwaivable provisions of applicable law, the Board of Directors shall have authority, power, and discretion to establish policies and procedures for the Company, to manage, direct, and control the business and properties of the Company. Unless authorized to do so by this Agreement or by the Board of Directors, no member, Director, officer, employee, attorney-in-fact or other agent of the Company shall have any power or authority to bind the Company in any way, to pledge its credit or to render it liable for any purpose. The Board of Directors shall be considered the "manager" of the Company as that term is defined under the Act.

5.2. Election of Directors; Eligibility. The Board of Directors shall consist of not less than three (3) Directors, the exact number of which may be designated from time to time by the Board of Directors. Only an individual (and not an Entity) may serve as a Director.

5.3. Chairman. The Board of Directors may elect from among its number a Chairman. The principal duties of the Chairman shall be to preside at all meetings of the Board of Directors and at all meetings of the Sole Member which pertain solely to the Company, to counsel with the officers of the Company, to coordinate functions of the Board of Directors and

those of the officers and other members of the Board of Directors, and to help develop and implement the overall policies and principles of the Company's operation endorsed by the Board of Directors. In the event the Chairman is unable to attend a Board of Directors meeting, the President/CEO of Integrys Energy Services shall assume the duties of the Chairman until the Chairman can act on his own behalf.

5.4. Meetings. The Board of Directors shall meet at such time and place as is determined by the Board of Directors and approved by the Chairman, as required to carry on the business of the Company. After obtaining the approval of the Chairman, any Director may call a meeting of the Board of Directors. The Director calling the meeting may designate any place, either within or outside the State of Delaware, as the place of meeting for any meeting of the Board of Directors. Meetings of the Board of Directors may be held in person or by use of any means of communication by which all Directors participating in the meeting may simultaneously hear each other.

5.5. Notice of Meetings; Waiver of Notice. Written notice stating the place, day, and hour of the meeting and the purpose or purposes for which the meeting is called shall, after securing the approval of the Chairman, be delivered no fewer than two (2) days before the date of the meeting to each Director. Whenever any notice is required to be given to any Director under this Agreement or the Act, a written waiver of the notice signed at any time, whether before or after the time of the meeting, by the Director entitled to such notice shall be deemed equivalent to the giving of such notice.

5.6. Quorum. A majority of the number of Directors shall constitute a quorum for the transaction of Company business at any meeting of the Board of Directors.

5.7. Manner of Acting. Except as otherwise required by the Act or by this Agreement, the Board of Directors shall act by the affirmative vote of a majority of the Directors present or participating at a meeting of the Board of Directors at which a quorum is present.

5.8. Action Without a Meeting. Any action required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting if: (a) the action is evidenced by a written consent describing the action taken; (b) the written consent is signed by all members of the Board of Directors; and (c) the written consent is delivered to the Company for inclusion in the records of the Company.

5.9. Resignation. A Director may resign at any time by delivering written notice to the Company.

5.10. Removal. Any Director may be removed at any time, with or without cause, by majority vote of the Board of Directors.

5.11. Vacancies. Any vacancy occurring in the Board of Directors shall be filled by majority vote of the Board of Directors.

5.12. Good Faith. The Directors shall perform their duties in good faith, in a manner they reasonably believe to be in the best interests of the Company, and with such care as an ordinarily prudent person in a like position would use under similar circumstances.

5.13. No Exclusive Duty to Company. The Directors shall not be required to manage the Company as their sole and exclusive function and they may have other business interests and may engage in other activities in addition to those relating to the Company.

5.14. Delegation of Authority. The Board of Directors may, from time to time, delegate to one or more individuals such authority and duties as the Board of Directors may deem advisable to carry out the day-to-day business of the Company and may enter into contracts with such individuals for such purpose. In addition, the Board of Directors may, from time to time, assign titles (including chief executive officer, president, vice president, secretary, and treasurer) to any such individuals selected by the Board of Directors. Unless the Board of Directors specifies otherwise, if the title is one commonly used for officers of a business corporation, then the assignment of such title shall constitute the delegation of the authority and duties that are normally associated with that office, subject to any specific delegation of authority and duties made pursuant to this Section. Any number of titles may be held by the same individual. Any delegation pursuant to this Section may be revoked at any time by the Board of Directors. A delegation of authority pursuant to this Section, or the assignment of a title pursuant to this Section, shall not, of itself, create any contract or employment rights.

5.15. Execution of Documents. Any one or more of the authorized officers of the Company may execute documents or instruments on behalf of the Company, including but not limited to agreements, contracts, checks, drafts, mortgages, leases, deeds, and bills of sale. This Section 5.15 relates only to the execution of documents or instruments on behalf of the Company. Any approval required for such documents or instruments, or the transactions contemplated therein, shall be governed by other Sections of this Agreement.

5.16. Reliance. Any Person dealing with the Company may rely on the authority of any officer in taking any action that is in the name of the Company without inquiry into the provisions of this Agreement or compliance therewith.

5.17. Indemnification. The Company shall, to the maximum extent permitted or required by law, indemnify, defend, and hold harmless any Director, officer, or employee of the Company (each, an "Actor") to the extent of the Company's assets, for, from, and against any liability, damage, cost, expense (including, without limitation, attorneys' fees), loss, judgment, or amount paid in settlement incurred by the Actor arising out of any claim based upon acts performed or omitted to be performed by the Company, its Directors, officers, employees, or any of its or their agents in connection with the business of the Company. Notwithstanding the foregoing, no Actor shall be so indemnified, defended, or held harmless from claims related to or resulting from (i) any act or omission that constitutes fraud, gross negligence, or willful misconduct on the part of the Actor, (ii) any act wherein the Actor failed to act in good faith and in a manner that the Actor reasonably believed to be in or not opposed to the best interests of the Company, or (iii) any act or omission that constitutes a violation of a criminal law (unless the Actor had no reasonable cause to believe that its act or omission was unlawful); and provided, further, that indemnification under this Section 5.17 shall be recoverable only from the assets of the Company and not from any assets of the Sole Member. Unless the Board of Directors determines in good faith that an Actor is unlikely to be entitled to indemnification under this Section 5.17, the Company shall pay or reimburse attorneys' fees of the Actor as incurred, provided that the Actor executes an undertaking, with appropriate security if requested by the

Board of Directors, to repay the amount so paid or reimbursed in the event that there is a final determination by a court of competent jurisdiction that the Actor is not entitled to indemnification under this Section 5.17.

5.18. Exculpation. No Actor shall be liable, in damages or otherwise, to the Company or to the Sole Member for any loss that arises out of any act performed or omitted to be performed by such Actor pursuant to the authority granted by this Agreement if all the following conditions are met: (a) the Actor, at the time of such action or omission, determined in good faith that the Actor's course of conduct was in, or not opposed to, the best interests of the Company; (b) the conduct of the Actor did not constitute fraud, gross negligence, or willful misconduct; and (c) the conduct of the Actor did not constitute a violation of a criminal law (unless the Actor had no reasonable cause to believe that its action or omission was unlawful).

ARTICLE VI DISTRIBUTIONS

6.1. Distributions Other Than in Liquidation.

(a) In General. From time to time prior to the occurrence of a Dissolution Event, the Board of Directors may, in its sole discretion, cause the Company to make distributions of cash or other property that the Board of Directors determines is not needed for the operation of the Company.

(b) Restrictions. Notwithstanding any other provision in this Agreement, no distribution may be made under this Section 6.1 if, after giving effect to such distribution, any of the following would occur: (i) the Company would not be able to pay its debts as they become due in the usual course of business; (ii) the fair value of the Company's total assets would be less than the total amount of its liabilities; or (iii) such distribution would otherwise be in violation of the Act.

6.2. Distributions in Liquidation. During the winding up of the business of the Company following the occurrence of a Dissolution Event, the Company assets shall be applied and distributed in the following order of priority:

(a) First, to the payment of any debts and liabilities of the Company, including debts owed to the Sole Member.

(b) Second, to the setting-up of reserves to provide for any contingent liabilities or obligations of the Company, and any such reserves which are not applied to such liabilities or obligations shall be distributed in accordance with clause (c) below.

(c) Third, to the Sole Member.

All payments under this Section 6.2 shall be made as soon as reasonably practicable after the occurrence of the Dissolution Event, and in any event by the end of the fiscal year in which the

Dissolution Event occurs, or, if later, within ninety (90) days after the date that the Dissolution Event occurs.

ARTICLE VII ACCOUNTING AND CERTAIN TAX MATTERS

7.1. Fiscal Year. The Company's fiscal year shall end on December 31 of each year.

7.2. Books and Records. The Company shall establish such books, records, and accounts for the Company as are customary for businesses similarly situated or as are required by the Act, and as accurately reflect the financial condition and position of the Company in accordance with generally accepted accounting principles consistently applied. The books and records of the Company may be inspected and/or copied by the Sole Member during ordinary business hours and for proper purposes.

7.3. Reports. The Company shall prepare and provide the Sole Member with unaudited annual financial statements (balance sheet, income statement and statement of cash flow), together with all information required for the preparation of tax returns, within 90 days after the close of each fiscal year.

7.4. Tax Elections. The Board of Directors shall have the sole discretion and authority to make or revoke any elections on behalf of the Company for tax purposes.

ARTICLE VIII TRANSFER OF INTERESTS

8.1. Assignment and Transfer. The Sole Member may voluntarily Assign its Units or any portion of its rights with respect to, or interest in, the Company. As used in this Section 8.1, "Assign" means sell, transfer or assign and "Assignment" means a sale, transfer or assignment.

8.2. No Dissolution. The Sole Member's Assignment of its Units or any portion of its interest shall not result in the dissolution of the Company.

ARTICLE IX DISSOLUTION AND TERMINATION

9.1. Dissolution. The Company shall be dissolved upon the occurrence of any of the following events (each, a "Dissolution Event"):

- (a) A written agreement to dissolve is signed by the Sole Member;
- (b) The unanimous affirmative vote of the Board of Directors; or
- (c) The entry, pursuant to the Act, of a decree of judicial dissolution of the Company.

Notwithstanding any provision of the Act, the Company shall not dissolve prior to the occurrence of a Dissolution Event.

9.2. Effect of Dissolution. Upon a Dissolution Event, the Company shall cease to carry on its business, except insofar as may be necessary for the winding up of its business (including the sale or distribution of Company assets in an orderly manner), and such assets shall be applied in the manner and in the order of priority set forth in Section 6.2. As soon as possible following the occurrence of a Dissolution Event, the appropriate representative of the Company shall execute certificate of cancellation in such form, and shall file such certificate of cancellation in such manner, as is prescribed by the Act.

ARTICLE X MISCELLANEOUS PROVISIONS

10.1. Notices. Any notice, consent, request, authorization, or approval permitted or required under this Agreement shall make specific reference to the fact that the notice is pursuant to this Agreement, shall be in writing, shall be delivered in person, by facsimile transmission (fax), by overnight air courier, or by registered or certified mail, and shall be directed to the parties at the addresses described below in this Section (or at such other address as shall be given in writing by a party hereto). Any such notice shall be deemed to have been duly given and to have become effective (i) in the case of personal delivery, when delivered, (ii) in the case of facsimile, when received by the recipient in legible form and the sender has received an electronic confirmation of receipt of the transmission (provided, however, that such transmission and confirmation are received by 5:00 p.m., local time, on a Business Day; otherwise, such transmission shall be deemed to have been received on the next Business Day), (iii) in the case of delivery by overnight courier, upon the date of delivery indicated in the records of such courier, and (iv) three (3) days after having been deposited in the mails as certified or registered matter, all fees prepaid. Any notice to the Company shall be sent to it at 1716 Lawrence Drive, De Pere, Wisconsin 54115. Any notice to the Sole Member or a Director shall be sent to the most recent address of the Sole Member or such Director as reflected in the records of the Company.

10.2. Choice of Law and Severability. This Agreement shall be construed, interpreted, and enforced in accordance with the internal laws and decisions of the State of Delaware. If any provision of this Agreement shall be contrary to the laws of Delaware or any other applicable law, at the present time or in the future, such provision shall be deemed null and void, but this shall not affect the legality of the remaining provisions of this Agreement. This Agreement shall be deemed to be modified and amended so as to be in compliance with applicable law, and this Agreement shall then be construed in such a way as will best serve the intention of the parties at the time of the execution of this Agreement.

10.3. Captions, Gender, References, and Number. The captions in this Agreement are inserted only as a matter of convenience and in no way affect the terms or intent of any provision of this Agreement. The words such as "herein", "hereinafter", "hereof", and "hereunder" refer to this Agreement as a whole and not merely to a subdivision in which such words appear unless the context otherwise requires. The singular shall include the plural, and the masculine gender shall include the feminine and neuter, and vice versa, unless the context

otherwise requires. All references to "Section" or "Article" shall be construed to mean the corresponding Section or Article in this Agreement, unless clearly indicated to the contrary. Any dollar amounts specified in this Agreement refer to United States dollars.

10.4. Binding Effect. Except as provided to the contrary, the terms and provisions of this Agreement shall be binding upon and shall inure to the exclusive benefit of the Sole Member, the Company and their permitted successors and assigns.

10.5. Third-Party Beneficiaries. Nothing in this Agreement shall be construed to give any Person other than the parties to this Agreement any legal or equitable right, remedy, or claim under or with respect to provisions of this Agreement, except for (i) claims made regarding the authority to act on behalf of the Company pursuant to the provisions of Section 5.16, and (ii) the indemnification rights granted pursuant to Section 5.17. In particular, but without limitation, the provisions of this Agreement are not for the benefit of, and may not be enforced by, any creditors of the Company.


10.6. Entire Agreement. This Agreement constitutes the entire agreement of the Sole Member regarding the terms and operations of the Company, except for any amendments to this Agreement adopted in accordance with the terms herein. This Agreement supersedes all prior and contemporaneous agreements, statements, understandings, and representations regarding the terms and operations of the Company, except as provided in the preceding sentence.

10.7. Amendment. The Agreement may be altered, amended or repealed and a new Agreement may be adopted only by the Sole Member; provided, however, that any action taken or authorized by the Sole Member or by the Board of Directors, which would be inconsistent with the Agreement then in effect but is taken or authorized by the Sole Member, shall be given the same effect as though the Agreement had been temporarily amended or suspended so far, but only so far, as is necessary to permit the specific action so taken or authorized.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the undersigned has caused this Agreement to be executed by a duly authorized officer as of the date first written above.

INTEGRYS ENERGY SERVICES, INC.

By: 
Name: Mark A. Radtke
Title: President and Chief Executive Officer

T:\DEPTSLG_CorpSec\Departmental\BoardOfDirectors\Integrys Energy Services - Natural Gas, LLC\2009.10.21 Limited Liability Company Agreement.DOC

EXHIBIT A

SOLE MEMBER AND CAPITAL CONTRIBUTION

<u>Name and Address of Member</u>	<u>Description of Capital Contribution</u>	<u>Agreed Value</u>	<u>Number of Units</u>
Integrus Energy Services, Inc., 1716 Lawrence Drive, De Pere, Wisconsin 54115	Cash	\$1,000	100

A-18 **Exhibit A-18 "Secretary of State,"** provide evidence that the applicant is still currently registered with the Ohio Secretary of the State.

TEGE LLC, a Delaware limited liability company, was formed as of October 21, 2009. Attached is a certificate of registration with the Ohio Secretary of State for TEGE LLC. (**Attachment C**)

ATTACHMENT C



DATE:	DOCUMENT ID	DESCRIPTION	FILING	EXPED	PENALTY	CERT	COPY
03/01/2010	201005700449	REG. OF FOR. PROFIT LIM. LIAB. CO. (LFP)	125.00	.00	.00	.00	.00

Receipt

This is not a bill. Please do not remit payment.

INTEGRYS ENERGY GROUP, INC
700 NORTH ADAMS STREET
PO BOX 19001
GREEN BAY, WI 54307

**STATE OF OHIO
CERTIFICATE**

Ohio Secretary of State, Jennifer Brunner

1917325

It is hereby certified that the Secretary of State of Ohio has custody of the business records for

INTEGRYS ENERGY SERVICES-NATURAL GAS, LLC

and, that said business records show the filing and recording of:

Document(s):
REG. OF FOR. PROFIT LIM. LIAB. CO.

Document No(s):
201005700449



United States of America
State of Ohio
Office of the Secretary of State

Witness my hand and the seal of the
Secretary of State at Columbus, Ohio
this 22nd day of February, A.D. 2010.

Ohio Secretary of State

B-1 Exhibit B-1 “Jurisdictions of Operation,” provide a current list of all jurisdictions in which the applicant or any affiliated interest of the applicant is, at the date of filing the application, certified, licensed, registered, or otherwise authorized to provide retail natural gas service, or retail or wholesale electric services.

TEGE LLC is registered as a natural gas supplier in the District of Columbia, Iowa (large customers), Illinois, Maryland, Michigan, Ohio, New Jersey and Virginia.

TEGE Inc is a FERC licensed power marketer with the authority to participate in wholesale electric power markets throughout the U.S. Additionally, TEGE Inc or, as noted, an affiliate, is registered to provide retail electric service in the States of Connecticut, District of Columbia, Delaware, Illinois, Massachusetts, Maryland, Maine, Michigan, New York (Integrays Energy Services of New York, Inc.), New Hampshire, New Jersey, Ohio, Pennsylvania and Rhode Island. In Ohio, TEGE Inc is a PUCO certified CRES and CRNGS supplier. TEGE Inc is also a registered natural gas supplier in Iowa (large customers), Michigan, New York (Integrays Energy Services of New York, Inc.), and Pennsylvania.

Among the other affiliates, WPS Power Development and Wisconsin Public Service Corporation (WPSC) hold power-marketing authority for wholesale markets, and WPSC, a public utility, is a retail gas and electric service provider in Wisconsin and the Upper Peninsula of Michigan. Upper Peninsula Power Company, a public utility, is also a retail electric service provider in Michigan’s Upper Peninsula. Michigan Gas Utilities Corporation, a public utility, is a retail gas service provider in southern and western Michigan. The Peoples Gas Light and Coke Company and North Shore Gas Company, each a public utility, are retail gas service providers in Illinois. Minnesota Energy Resources Corporation, a public utility, is a retail gas service provider in Minnesota.

B-2 Exhibit B-2 "Experience & Plans," provide a description of the applicant's experience and plan for contracting with customers, providing contracted services, providing billing statements, and responding to customer inquiries and complaints in accordance with Commission rules adopted pursuant to Section 4929.22 of the Revised Code and contained in Chapter 4901:1-29 of the Ohio Administrative Code.

TEGE LLC has a Service Agreement in place with TEGE Inc. (**Attachment D**) Therefore, TEGE LLC will utilize TEGE Inc's process, policy, systems and resources for contracting with customers, providing contracted services, providing billing statements, and responding to customer inquiries and complaints in accordance with Commission rules adopted pursuant to Section 4929.22 of the Revised Code and contained in Chapter 4901:1-29 of the Ohio Administrative Code.

TEGE Inc has a local office in Worthington, OH and has participated in Ohio Choice Programs since 1986. TEGE Inc's ability to successfully serve as a CRNGS Provider has been amply demonstrated through their past and current performance as both a retail electric and natural gas provider in Ohio and other states nationwide. TEGE LLC was assigned all of TEGE Inc's gas customers by the end of 2010. As of December 2011, TEGE LLC served over 104,000 Ohio customers and delivered approximately 56,000 dekatherms of gas a day for both Choice and non-Choice customers behind four different Ohio utilities. All efforts comply with the requirements of Commission rules adopted pursuant to the Ohio Revised Code. This includes such activities as telephone solicitation of customers, customer enrollment methods, customer service activities and response to customer concerns. Billing is accomplished with a combination of billing through the local distribution utility and using TEGE Inc's own proprietary billing system. Through TEGE Inc, TEGE LLC will provide a fully staffed and trained 24/7 call center to handle all customer questions and needs. Customer complaints are handled first through normal customer service channels but appropriately raised for management attention when circumstances dictate. (**Attachment E - Customer Complaint Process**) An established internet site provides customer education content, program information and customer service access. This site contains links to specific information regarding the various communities served. Secure internet and telephone based enrollment options will also be available. Additional internet-based services include online access to consumption data, energy consulting and accounting services, and energy efficiency product sales.

TEGE LLC will ensure that TEGE Inc's high performance in the natural gas market, including the Ohio customers, will continue to represent our dedication to reliable service, commitment to customer satisfaction, and overall quality of energy supply service.

SERVICE AGREEMENT

THIS SERVICE AGREEMENT (the "Service Agreement") is made and entered into as of the 1st day of February, 2010, by and between INTEGRYS ENERGY SERVICES – NATURAL GAS, LLC, a Delaware limited liability company (the "Client Company"), and INTEGRYS ENERGY SERVICES, INC., a Wisconsin corporation (the "Service Company").

RECITALS

A. The Service Company and the Client Company desire to enter into this Service Agreement whereby the Service Company agrees to provide, and the Client Company agrees to accept and pay for, various services in support of Client Company and Client Company's retail business in Wisconsin, Michigan, Illinois, Ohio, Minnesota, (and in any other market as agreed to by the parties) and as provided herein; and

B. Economies and efficiencies benefiting the Client Company will result from the performance by the Service Company of services as herein provided.

NOW, THEREFORE, in consideration of the premises and the mutual agreements herein contained, the parties to this Service Agreement covenant and agree as follows:

ARTICLE I SERVICES

1.1. Services Provided. The Service Company shall furnish to the Client Company, if requested by the Client Company, upon the terms and conditions hereinafter set forth, such of the services described in Appendix A attached hereto, at such times, for such periods and in such manner as the Client Company may from time to time request and which the Service Company concludes it is able to perform. The Service Company shall also provide the Client Company with such special services, in addition to those services described in Appendix A hereto, as may be requested by the Client Company from time to time and which the Service Company concludes it is able to perform. In supplying such services, the Service Company may, where it deems appropriate, arrange for or utilize the services of such internal or external experts, consultants, advisers, subcontractors, and other persons with necessary qualifications as are required for or pertinent to the performance of such services.

1.2. Acceptance of Services. The Client Company shall take from the Service Company such of the services described in Section 1.1, and such additional general or special services, whether or not now contemplated, as are requested from time to time by the Client Company and which the Service Company concludes it is able to perform.

1.3. Assignment of Service Costs. The services described herein shall be directly assigned by activity, project, program, work order, work group, particular personnel or other appropriate basis. The Client Company shall have the right from time to time to amend, alter or rescind any activity, project, program or work order provided that (i) any such amendment or alteration which results in a material change in the scope of the services to be performed is agreed to by the Service Company, (ii) the Costs (as that term is defined in Section 2.3 below) for the services covered by the activity, project, program or work order shall include

any expense incurred by the Service Company as a direct result of such amendment, alteration or rescission of the activity, project, program or work order, and (iii) no amendment, alteration or rescission of an activity, project, program or work order shall release the Client Company from liability for all Costs already incurred by or contracted for by the Service Company pursuant to the activity, project, program or work order, regardless of whether the services associated with such Costs have been completed.

1.4. Limited Warranty; Disclaimers. Subject to the terms and conditions of this Service Agreement, the Service Company warrants that the services described herein will be performed consistently within the range of standard and reasonable practices of the industry performing similar services (the "Limited Warranty"). Any claim for breach of the Limited Warranty must be provided to the Service Company in writing within ninety (90) days after the particular incident of service giving rise to such claim occurs (the "Warranty Period"). The Service Company's sole obligation and the Client Company's exclusive remedy in the event of a breach of the Limited Warranty of which the Service Company is notified in writing within the applicable Warranty Period shall be for the Service Company to reperform the non-conforming service, promptly and at no additional charge to the Client Company. THE LIMITED WARRANTY SET FORTH IN THIS SECTION IS EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES, WHETHER EXPRESS, IMPLIED OR STATUTORY. WITHOUT LIMITING THE FOREGOING, THE SERVICE COMPANY DISCLAIMS THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR PARTICULAR PURPOSE, AND ANY WARRANTIES ARISING FROM COURSE OF DEALING OR USAGE OF TRADE.

ARTICLE II COMPENSATION

2.1. Compensation for Services. As compensation for the services to be rendered hereunder, the Client Company shall pay to the Service Company all Costs which reasonably can be identified that are related to or arise from services performed by the Service Company for or on behalf of the Client Company.

2.2. Monthly Billing. The Service Company shall render a monthly bill to the Client Company which shall reflect the billing information necessary to identify the Costs charged for the preceding month. The bill for a given month shall be furnished to the Client Company by the 15th day of the following month, and shall be paid by the Client Company on or before the last day of that following month.

2.3. Service Costs. It is the intent of the parties that the payment for services rendered by the Service Company under this Service Agreement shall cover all of the Service Company's Costs. "Costs" shall mean all direct and indirect costs of the Service Company's performing and providing the services, including both directly assigned costs and allocated shares of general and indirect costs incurred by the Service Company in doing business. The Costs shall include, but not be limited to, salaries and wages, office supplies and expenses, employee expenses, material costs, information systems, technology, software, transportation charges, outside vendors and services employed, property insurance, injuries and damages, employee pensions and benefits, taxes, miscellaneous general expenses, administration costs,

rents, maintenance of structures and equipment, depreciation and amortization, other overhead, and compensation for use of capital at the Service Company's customary rates in effect from time to time. Certain directly assigned Costs will be calculated as described in Appendix A. Allocations of shares of general and indirect Costs shall be made in accordance with the Service Company's standard procedures in effect from time to time.

ARTICLE III TERM

3.1. Term. This Service Agreement shall become effective on the date hereof and shall continue in force unless and until it is terminated by either party by giving not less than 180 days' prior written notice to the other party. This Service Agreement may also be subject to termination or modification at any time, without notice, if and to the extent performance under this Service Agreement may conflict with any applicable law (statutory or otherwise), ordinance, rule, regulation, bylaw or code of any governmental or regulatory authority, whether federal, state or local.

ARTICLE IV MISCELLANEOUS

4.1 Amendment and Modification. This Service Agreement may be amended, modified, or supplemented only through a writing signed by all of the parties hereto.

4.2 Waiver of Compliance; Consents. Any failure of a party to comply with any obligation, covenant, agreement, or condition herein may be waived by the other party; provided, however, that any such waiver shall be effective only if made by a written instrument signed by the party granting such waiver, and any such written waiver shall not operate as a waiver of, or estoppel with respect to, any subsequent or other failure.

4.3 Assignment. This Service Agreement and all of the provisions hereof shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns. This Service Agreement may not be assigned by either party, in whole or in part, without the prior written consent of the other party, such consent not to be unreasonably withheld or delayed. Nothing in this Service Agreement, expressed or implied, is intended or shall be construed to confer upon any person or entity other than the parties and any of their respective successors and permitted assigns, any rights, remedy, or claim under or by reason of this Service Agreement or any provisions herein contained.

4.4 Notices. All notices and other communications hereunder shall be in writing and shall be deemed to have been duly given if delivered by hand, sent via confirmed facsimile transmission, or mailed by registered or certified mail (return receipt requested) to the party to be notified at its address or facsimile number as set forth below.

If to Client Company:

Integrus Energy Services – Natural Gas, LLC
1716 Lawrence Drive
De Pere, Wisconsin 54115
Attn: Daniel J. Verbanac, Vice-President

Fax: (920) 617-6253

If to Service Company:
Integrus Energy Services, Inc.
1716 Lawrence Drive
De Pere, Wisconsin 54115
Attn: Contract Administration
Fax: 920-627-6070

Notices shall be effective upon receipt. A party may change its address or facsimile number for notices by giving written notice of the change to the other party in accordance with this section.

4.5 Headings. The article and section headings contained in this Service Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Service Agreement.

4.6 Severability. If any one or more provisions contained in this Service Agreement shall, for any reason, be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision of this Service Agreement, and this Service Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

4.7 Disclaimer of Damages. Notwithstanding anything to the contrary herein, IN NO EVENT SHALL EITHER PARTY BE LIABLE FOR ANY LOST OR PROSPECTIVE PROFITS OR REVENUES OR FOR ANY OTHER INCIDENTAL, CONSEQUENTIAL, PUNITIVE, EXEMPLARY, SPECIAL, CONTINGENT OR INDIRECT LOSSES OR DAMAGES ARISING FROM THIS SERVICE AGREEMENT OR ITS PERFORMANCE OR BREACH, OR FROM ANY ACT OR OMISSION UNDER OR IN CONNECTION WITH THIS SERVICE AGREEMENT, REGARDLESS OF WHETHER SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH LOSSES OR DAMAGES.

4.8 Liability Cap. Notwithstanding anything to the contrary herein, in no event shall the Service Company's total liability under this Service Agreement, whether for breach of contract, breach of warranty, tort (including negligence and strict liability) or under any other theory of law or equity, exceed an amount equal to the aggregate amount of Costs actually paid to the Service Company hereunder by the Client Company.

4.9 Governing Law. This Service Agreement shall be governed by and construed in accordance with the domestic laws of the State of Wisconsin without giving effect to any choice or conflict of law provision or rule that would cause the application of the laws of any jurisdiction other than the State of Wisconsin.

4.10 Execution In Counterparts. To facilitate execution, this Service Agreement may be executed in as many counterparts as may be required; and it shall not be necessary that the signatures of, or on behalf of, each party appear on each counterpart; but it shall be sufficient that the signature of, or on behalf of, each party appear on one or more of the counterparts. All counterparts shall collectively constitute a single agreement. It shall not be

necessary in making proof of this Service Agreement to produce or account for more than the number of counterparts containing the respective signatures of, or on behalf of, the parties.

4.11 Force Majeure. "Force Majeure" shall mean in respect of a party (the "Excused Party") an event beyond the reasonable control of such Excused Party which prevents or delays such Excused Party from performing all or some of its obligations under this Service Agreement (except for the obligation to pay money when due), including, without limitation, war, hostilities, civil disturbances, any kind of local or national emergency, acts of terrorism, riot, fire, flood, hurricane, storm, earthquake, concealed or subterranean conditions, power failure or power surge, epidemic, explosion, sabotage, act of God, acts or failures to act by governmental authorities (including failure to issue, delay in issuing, or revocation of, permits, licenses, approvals and consents, except to the extent such failure, delay or revocation is due solely to the gross negligence or willful misconduct of the party claiming an excuse), acts or failures to act of a third party, strike, slowdown or other labor unrest or dispute, delay of carriers, failure of the usual modes of transportation, embargo, or change in applicable law from that in effect on the date hereof. Neither party shall be liable to the other for any failure of or delay in performance of any of its obligations under this Service Agreement (other than failure to make any payment at the time due and owing) to the extent due to the occurrence of a Force Majeure affecting such party. Each party shall notify the other party promptly of the occurrence of any Force Majeure and its expected duration, and shall resume full performance under this Service Agreement as promptly as practicable after such Force Majeure has terminated.

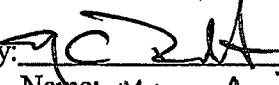
4.12 Independent Contractor. The Service Company is an independent contractor, and nothing in this Service Agreement shall constitute or create a joint venture, partnership, agency or other similar arrangement between the parties. Neither party is authorized to act as agent for the other party, except as otherwise expressly agreed to in writing by the parties.

4.13 Entire Agreement. This Service Agreement, together with Appendix A attached hereto, represents the entire undertaking and agreement of the parties with respect to the subject matter hereof, superseding all prior and contemporaneous agreements, representations, warranties, undertakings, and understandings by and between the parties with respect to said subject matter, whether oral or written.

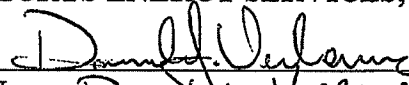
[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have caused this Service Agreement to be executed as of the date and year first above written.

**INTEGRYS ENERGY SERVICES –
NATURAL GAS, LLC**

By: 
Name: MARK A. RADER
Title: President

INTEGRYS ENERGY SERVICES, INC.

By: 
Name: Daniel J. Verbrugghe
Title: President

APPENDIX A
DESCRIPTION OF SERVICES AND
DETERMINATION OF CERTAIN CHARGES FOR SERVICES

- I. Certain directly assigned Costs will be determined as follows: the Service Company will maintain an accounting system for accumulating Costs on an activity, project, program, work order, work group, particular personnel or other appropriate basis. To the extent practicable, time records of hours worked by Service Company employees will be kept by activity, project, program or work order. Charges for salaries and wages will be determined from such time records and will be computed on the basis of employees' effective hourly rates, including the cost of fringe benefits and payroll taxes. Records of employee-related expenses and other Costs will be maintained for each service provided by the Service Company hereunder (hereinafter referred to as the "Services"). Where identifiable to a particular activity, project, program or work order, such Costs will be directly assigned to such activity, project, program or work order.
- II. The Service Company's Costs accumulated in an activity, project, program, or work order for Services performed for the Client Company will be directly assigned and charged to the Client Company. In addition, allocations of shares of general and indirect Costs shall be made in accordance with the Service Company's standard procedures in effect from time to time and charged to the Client Company, as described in the Service Agreement.
- III. A description of the Services, which may be modified from time to time upon mutual agreement of the parties, is set forth below. The Service Company shall perform such of these Services, at such times, for such periods and in such manner as the Client Company may from time to time request and which the Service Company concludes it is able to perform, all subject to the terms and conditions of the Service Agreement.
 - 1) Human Resource Services
 - 2) Administrative Services
 - 3) Competitive Excellence & Project Management Services
 - 4) Accounting & Finance / Treasury Services
 - 5) Credit Services
 - 6) Sales & Marketing Services
 - 7) Account Management Services
 - 8) Risk Administration Services
 - 9) Supply / Load Forecasting / Nominating / Pricing Services

ATTACHMENT D

10) Legal, Regulatory & Audit Services

11) Information Technology Services

12) Facilities Services

Attachment E

Integrus Energy Services - Natural Gas, LLC, via Integrus Energy Services, Inc., handles all customer inquiries and complaints according to the following internal procedure:

Integrus Energy Services Customer Complaint Procedure

Scope of Procedure: This procedure documents the process that will be followed for any Integrus Energy Services – Natural Gas, LLC (“TEGE LLC”) customer complaint including, but not limited to pricing, billing, usage, and other disputes. This procedure includes all small commercial and residential accounts whether active or inactive.

When TEGE LLC receives a complaint from a customer, complete the following steps within 24 hours:

Step	Action		Owner
1	Notate the complaint in the appropriate system		Value Support
2	Call customer to acknowledge and confirm receipt of the complaint.		Value Support
3	Notate customer conversation into appropriate system with specific notation as to whether the issue is resolved or requires additional follow up.		Value Support
4	If the customer is Satisfied with the explanation of the issue...	Notate the resolution in the appropriate system as being closed.	Value Support
5	If the customer is NOT satisfied with the resolution/explanation and further research is required...	Notate the conversation in the appropriate system. Note the account with possible next steps, if known, and a follow up date to provide the customer with status.	Value Support

B-3 Exhibit B-3 "Summary of Experience," provide a concise and current summary of the applicant's experience in providing the service(s) for which it is seeking renewed certification (e.g. number and types of customers served, utility service areas, volume of gas supplied, etc.).

TEGE LLC will be serving the Ohio market utilizing a Service Agreement with TEGE Inc. TEGE Inc. through its office in Worthington, OH has participated in Ohio Choice Programs since 1986 as Fuel Services Group, since 1994 as WPS Energy Services, since 2007 as TEGE Inc, and since 2011 as TEGE LLC. TEGE LLC currently participates in the Columbia Gas of Ohio, Dominion East Ohio, and Duke Energy Choice Programs. In Ohio's Choice Programs, as of December 2011, TEGE LLC delivered approximately 229 Dekatherm/per customer to over 20,000 customers on Columbia Gas of Ohio; approximately 207 Dekatherm/per customer to over 43,000 customers on Dominion East Ohio; and approximately 167 Dekatherm/per customer to over 40,000 customers on Duke Energy.

TEGE Inc also serves non-choice customers throughout Ohio, which when included with our Choice customers, in 2011, we served over 22,709,000 dekatherms and 104,000 customers.

B-4 Exhibit B-4 "Disclosure of Liabilities and Investigations," provide a description of all existing, pending or past rulings, judgments, contingent liabilities, revocations of authority, regulatory investigations, or any other matter that could adversely impact the applicant's financial or operational status or ability to provide the services for which it is seeking renewed certification.

TEGE LLC does not have any liabilities or investigations to disclose which could adversely impact its financial or operational ability to serve as a retail natural gas supplier in the State of Ohio.

In Docket No. IN09-2-000, the Federal Energy Regulatory Commission (FERC) issued an order on October 24, 2008 approving a Stipulation and Consent Agreement between the Office of Enforcement and TEGE Inc. The Order resolved an investigation into certain self-reported violations by TEGE Inc of the FERC's capacity release policies, including circumvention of the posting and bidding requirements for released capacity and violations of the shipper-must-have-title requirement. TEGE Inc agreed to pay a civil penalty of \$800,000 and to disgorge \$194,505.78, plus interest, in unjust profits. TEGE Inc has completed the reporting requirements required by the FERC Order.

B-5 Exhibit B-5 "Disclosure of Consumer Protection Violations" disclose whether the applicant, affiliate, predecessor of the applicant, or any principal officer of the applicant has been convicted or held liable for fraud or for violation of any consumer protection or antitrust laws since applicant last filed for certification.

☒ **No** **Yes**

If yes, provide a separate attachment labeled as Exhibit B-5 "Disclosure of Consumer Protection Violations" detailing such violation(s) and providing all relevant documents.

B-6 Exhibit B-6 "Disclosure of Certification Denial, Curtailment, Suspension, or Revocation"disclose whether the applicant or a predecessor of the applicant has had any certification, license, or application to provide retail natural gas or retail/wholesale electric service denied, curtailed, suspended, or revoked, or whether the applicant or predecessor has been terminated from any of Ohio's Natural Gas Choice programs, or been in default for failure to deliver natural gas since last filed for certification.

☒ No Yes

If yes, provide a separate attachment labeled as Exhibit B-6 "Disclosure of Certification Denial, Curtailment, Suspension, or Revocation" detailing such action(s) and providing all relevant documents.

C-1 Exhibit C-1 “Annual Reports,” provide the two most recent Annual Reports to Shareholders. If applicant does not have annual reports, the applicant should provide similar information, labeled as Exhibit C-1, or indicate that Exhibit C-1 is not applicable and why.

TEGE LLC is a wholly owned subsidiary of TEGE Inc, which is a wholly owned subsidiary of Integrys Energy Group, Inc (“TEG”). To view the 2009 and 2010 Annual Reports for TEG, please refer to the following website:

<http://ir.integrysgroup.com/GenPage.aspx?IID=4057067&GKP=1073745249>

Note that all investor information for TEG can be found at

<http://www.integrysgroup.com/investor/default.aspx>

C-2 Exhibit C-2 “SEC Filings,” provide the most recent 10-K/8-K Filings with the SEC. If applicant does not have such filings, it may submit those of its parent company. If the applicant does not have such filings, then the applicant may indicate in Exhibit C-2 whether the applicant is not required to file with the SEC and why.

TEGE LLC is not a registered entity and does not have such filings. To view TEG’s, 10-K for the year ended December 31, 2011 and latest 10-Q for TEG, please refer to the following website: <http://ir.integrysgroup.com/docs.aspx?iid=4057067>. Note that all investor information for TEG can be found at <http://www.integrysgroup.com/investor/default.aspx>

C-3 Exhibit C-3 “Financial Statements,” provide copies of the applicant’s two most recent years of audited financial statements (balance sheet, income statement, and cash flow statement). If audited financial statements are not available, provide officer certified financial statements. If the applicant has not been in business long enough to satisfy this requirement, it shall file audited or officer certified financial statements covering the life of the business.

This Exhibit contains confidential and propriety information. This information has been submitted under seal and request for confidential treatment.

C-4 Exhibit C-4 “Financial Arrangements,” provide copies of the applicant's current financial arrangements to conduct competitive retail natural gas service (CRNGS) as a business activity (e.g., guarantees, bank commitments, contractual arrangements, credit agreements, etc.).

This Exhibit contains confidential and propriety information. This information has been submitted under seal and request for confidential treatment.

C-5 Exhibit C-5 “Forecasted Financial Statements,” provide two years of forecasted financial statements (balance sheet, income statement, and cash flow statement) for the applicant’s CRNGS operation, along with a list of assumptions, and the name, address, email address, and telephone number of the preparer.

This Exhibit contains confidential and propriety information. This information has been submitted under seal and request for confidential treatment.

C-6 Exhibit C-6 “Credit Rating,” provide a statement disclosing the applicant’s credit rating as reported by two of the following organizations: Duff & Phelps, Dun and Bradstreet Information Services, Fitch IBCA, Moody’s Investors Service, Standard & Poor’s, or a similar organization. In instances where an applicant does not have its own credit ratings, it may substitute the credit ratings of a parent or affiliate organization, provided the applicant submits a statement signed by a principal officer of the applicant’s parent or affiliate organization that guarantees the obligations of the applicant.

TEGE LLC does not have a credit rating. Credit ratings for TEG, parent of TEGE LLC and TEGE Inc, from Moody’s and S&P are attached. **(Attachment J)** TEG will guarantee TEGE Inc and TEGE LLC’s financial commitments as necessitated by specific business activities. TEG will increase this amount or make additional guarantees to other parties as necessary during the course of our Ohio business operations.

Moody's

INVESTORS SERVICE

Credit Opinion: Integrys Energy Group, Inc.

Global Credit Research - 23 Jun 2011

Chicago, Illinois, United States

Ratings

Category	Moody's Rating
Outlook	Stable
Sr Unsec Bank Credit Facility	Baa1
Senior Unsecured	Baa1
Jr Subordinate	Baa2
Commercial Paper	P-2
Wisconsin Public Service Corporation	
Outlook	Stable
Issuer Rating	A2
First Mortgage Bonds	Aa3
Senior Secured	Aa3
Sr Unsec Bank Credit Facility	A2
Preferred Stock	Baa1
Commercial Paper	P-1
Peoples Gas Light and Coke Company	
Outlook	Stable
Issuer Rating	A3
First Mortgage Bonds	A1
Senior Secured MTN	(P)A1
Commercial Paper	P-2

Contacts

Analyst	Phone
Scott Solomon/New York	212.553.4358
William L. Hess/New York	212.553.3837

Key Indicators

[1] Integrys Energy Group, Inc.

	2010	2009	2008	2007
(CFO Pre-W/C + Interest) / Interest Expense	6.1x	5.5x	5.3x	3.5x
(CFO Pre-W/C) / Debt	28%	27%	18%	15%
(CFO Pre-W/C - Dividends) / Debt	22%	20%	13%	8%
Debt / Book Capitalization	42%	45%	52%	42%

[1] All ratios calculated in accordance with the Global Regulated Electric Utilities Rating Methodology using Moody's standard adjustments.

Note: For definitions of Moody's most common ratio terms please see the accompanying *User's Guide*.

Opinion

Rating Drivers

Repositioning of non-regulated businesses improved company's risk profile

Utility subsidiaries operate in diverse and relatively supportive regulatory environments

Significant equity ownership in American Transmission Company

Consolidated financial performance that is commensurate with a Baa1 rating

ATTACHMENT J

Significant holding company debt and high dividend payout

Corporate Profile

Integrus Energy Group, Inc. (Integrus: Baa1 senior unsecured, stable outlook) is a diversified energy holding company headquartered in Chicago, Illinois that was created through the February 2007 merger between WPS Resources and Peoples Energy, LLC (PEC). Integrus owns six regulated utilities, Wisconsin Public Service Corporation (WPSC: A2 Issuer Rating), The Peoples Gas, Light and Coke Company (PGL: A3 Issuer Rating), North Shore Gas Company (NSG: A3 Issuer Rating), Minnesota Energy Resources Corporation (MERC: not rated), Michigan Gas Utilities Corporation (MGUC: not rated) and Upper Peninsula Power Corporation (UPPCO: not rated), that in the aggregate serve approximately 1.7 million gas and 500,000 electric customers in Wisconsin, Illinois, Michigan, and Minnesota.

Integrus also has an approximate 34% ownership interest in the American Transmission Company (ATC: A1 senior unsecured).

Integrus has completed the restructuring of its non-regulated energy marketing business and, as a result, has significantly reduced the size and collateral support requirements of this business. This has been largely accomplished through a series of asset sales and today the business is focused on marketing natural gas and electricity to commercial, industrial and residential customers primarily in the northeastern quadrant of the United States.

Rating Rationale

Moody's evaluates Integrus' consolidated financial performance relative to the Regulated Electric and Gas Utilities rating methodology (the methodology) published in August 2009. As depicted in the grid below, Integrus' indicated rating under this methodology is Baa1 compared to its current Baa1 senior unsecured rating. The indicated rating under the methodology considers Integrus' consolidated financial performance based on a three-year historical average.

Integrus' Baa1 senior unsecured rating is supported by the underlying cash flow stability provided by its six utility subsidiaries, a diverse, multi-state service territory, an improved business risk profile resulting from the restructuring of its non-regulated energy marketing business and an expectation that near-term financial metrics will remain appropriate for its rating. The rating, however, is tempered by the degree of holding company debt and a significant dividend payout.

DETAILED RATING CONSIDERATIONS

The primary drivers for the rating and outlook are as follows:

Improved risk profile resulting from the restructuring of non-regulated energy marketing business

Integrus substantially reduced the scale and scope of its non-regulated energy marketing business throughout 2009 and 2010 resulting in improved corporate risk and liquidity profiles.

Integrus had historically provided collateral support on behalf of its non-regulated energy marketing business. As this business grew in scale, so did the collateral requirements, thereby pressuring Integrus' liquidity profile. The downsizing of this business, however, has resulted in significantly reduced collateral requirements. Guarantees and other forms of corporate support provided by Integrus on behalf of its non-regulated operations to support its commodity transactions declined to approximately \$500 million as of March 31, 2011 from \$2.5 billion at December 31, 2008. Cash collateral provided to third parties declined to \$38 million from \$256 million during the same timeframe. Furthermore, the collateral requirement associated with a hypothetical downgrade of Integrus' rating to below investment grade has declined to a more manageable \$220 million at March 31, 2011 from approximately \$700 million at December 31, 2008.

Integrus' remaining non-regulated business is focused on marketing electricity and natural gas in the retail market serving commercial, industrial, direct and aggregated small commercial and residential customers primarily in the northeastern quadrant of the United States. Integrus manages the supply risk of its natural gas marketing business through a multi-year natural gas supply agreement with a creditworthy counterparty. Specifically, this agreement provides Integrus with sufficient capacity to meet the natural gas requirements of its energy marketing business and includes a contractually set limitation on collateral support requirements.

The restructuring of the business negatively impacted the financial performance of Integrus' non-regulated business. Specifically, revenues derived from this business declined in 2010 by more than 50% to approximately \$1.8 billion while operating margins declined by 30% to \$209 million.

Diverse and reasonably supportive regulatory environments

Integrus has undergone significant growth through the acquisitions of two regulated gas utilities, MGUC in April 2006 and MERC in June 2006, followed by the merger with PEC in February 2007. Going forward, Integrus' regulated utilities (including its investment in ATC) which operate in four states, are expected to account for approximately 90% of its consolidated cash flow.

Much of management's attention since the merger with PEC has been focused on integrating the regulated businesses and increasing their returns through cost control measures and rate case filings. Generally speaking, Integrus' regulated utilities operate in relatively supportive regulatory environments that provide the means to recover their respective costs and to earn adequate returns and cash flows.

Integrus' regulated subsidiaries completed 5 rate cases in 2010/2011, the largest of which was a \$69.8 million rate increase granted to

ATTACHMENT J

PGL effective January 2010. Rate cases filed in 2011 include PGL (requested a \$125.4 million increase to be effective 1/2012), NSG (\$8.7 million), WPSC (\$34.8 million) and MERC (\$15.2 million).

PGL, NSG, MGU and MERC are local natural gas distribution companies (LDCs) that have rate mechanisms in place to pass gas costs directly to their customers and to recover bad debt. Furthermore, PGL, NSG and MGU have been granted decoupling mechanisms to offset the financial impact of declining usage (MERC requested a decoupling mechanism in its recent rate case filing).

The supportive regulatory environments in which the LDCs operate combined with the strong regulatory environment in Wisconsin (WPSC, Integrys' largest utility subsidiary, operates primarily in Wisconsin) could support a high-Baa rating factor for Factor 1: Regulatory Framework within Moody's methodology. That being said, we have notched this rating factor downward to reflect the higher risk profile of Integrys' remaining non-regulated business; however, a high-Baa rating factor has been assigned for Factor 2: Ability to Recover Costs and Earn Returns.

Consolidated financial metrics are expected to remain consistent with a Baa1 rating

Integrys achieved CFO-pre WC to debt of approximately 28% and cash flow coverage of interest expense of 6.1 times for 2010 compared to 27% and 5.5 times, respectively, in 2009. Integrys' strong financial metrics during 2010 were driven in large part by the impact of bonus depreciation, which reduced the company's consolidated cash tax payments. Specifically, deferred taxes accounted for approximately 28% of Integrys' CFO-pre WC in 2010 (compared to 7% in 2009). Our rating and outlook assumes a normalization of bonus depreciation and an expectation that Integrys maintains consolidated CFO-pre WC to debt in the 20-25% range and interest coverage of approximately 5.0 times over the next several years.

Integrys consolidated capital expenditure program for the three-year period 2011 through 2013 is significant at an estimated \$1.7 billion (compared to \$1.2 billion for the three year period ended 2010). Drivers for the increase in expected near-term capital spending includes PGL's accelerated cast iron replacement program, environmental controls on WPS's coal facilities and an increase in solar investments.

Integrys' subsidiaries are expected to fund their respective capital expenditure programs with internally generated funds, incremental debt and parent equity contributions. Integrys issued \$19.2 million of common equity during the 1Q2011 but does not anticipate additional equity issuances for the remainder of the year. Integrys does not anticipate incremental holding company debt offerings over the near-term.

Significant holding company debt and dividend payout

Integrys' rating reflects in part the significant amount of holding company debt and high dividend payout ratio, which are among the primary drivers for the two notch rating difference between it and the senior unsecured rating assigned to WPSC, its largest regulated subsidiary. Long-term holding company debt is \$730 million (adjusted for a \$300M hybrid security that currently receives 25% equity and 75% debt treatment for financial leverage purposes by Moody's) or approximately 30% of consolidated long-term balance sheet debt.

Integrys' annual dividend is \$209 million or approximately 80% of consolidated net income over the near-term, slightly above the industry average.

Liquidity Profile

Integrys' external sources of liquidity include \$1,210 million of unsecured revolving credit facilities commitments (\$735 million due 2013, \$275 million due in 2014 and \$200 million due in 2016) to support the issuance of letters of credit, to meet short-term funding requirements and to provide alternate liquidity for its commercial paper program. Terms of the syndicated revolving credit facilities include a representation that no material adverse change has occurred on the facility effective date (but not at any other times throughout the facility's term). The sole financial covenant is a 65% limitation on the debt component of Integrys' capital structure. The company has substantial flexibility under the capital structure covenant; we estimate that Integrys' debt-to-capitalization for the purpose of this covenant is currently at approximately 50%.

In May 2011, Integrys replaced a total \$900 million of parent company and subsidiary facilities with \$610 million of facilities at the parent (\$475 million) and WPSC (\$135 million). The reduced collateral requirements of the non-regulated energy marketing business is the primary driver for replacing maturing credit facilities with reduced commitments and is not a concern.

Integrys had approximately \$34 million of commercial paper outstanding and \$44 million of letters of credit issued under its credit facilities at March 31, 2011. The company's most near-term debt maturity is \$100 million in December 2012.

Rating Outlook

The stable rating outlook reflects a reduced business risk profile associated with the restructuring of the company's non-regulated business and an expectation that Integrys' consolidated ratio of CFO pre-W/C to debt will exceed 20% for at least the near-term.

What Could Change the Rating - Up

Upward rating movement is not expected in the medium-term. Longer term, we would likely need to see Integrys' consolidated ratio of CFO pre-W/C to debt exceed 25% on a sustainable basis to consider an upgrade.

What Could Change the Rating - Down

Changes in regulatory supportiveness or an unexpected increase in leverage or decline in cash flow such that its ratio of CFO pre-W/C

ATTACHMENT J

to debt falls below 17% on a sustainable basis.

Rating Factors

Integrus Energy Group, Inc.

Regulated Electric and Gas Utilities Industry [1][2]		Current 12/31/2010		Moody's 12- 18 month Forward View* As of May 2011	
Factor 1: Regulatory Framework (25%)		Measure	Score	Measure	Score
a) Regulatory Framework			Baa		Baa
Factor 2: Ability To Recover Costs And Earn Returns (25%)			Baa		Baa
a) Ability To Recover Costs And Earn Returns			Baa		Baa
Factor 3: Diversification (10%)			A		A
a) Market Position (5%)			A		A
b) Generation and Fuel Diversity (5%)			Baa		Baa
Factor 4: Financial Strength, Liquidity And Key Financial Metrics (40%)			Baa		Baa
a) Liquidity (10%)			Baa		Baa
b) CFO pre-WC + Interest/ Interest (3 Year Avg) (7.5%)		5.6x	A	4.5 -5.5x	A
c) CFO pre-WC / Debt (3 Year Avg) (7.5%)		23.8%	A	20 - 25%	A
d) CFO pre-WC - Dividends / Debt (3 Year Avg) (7.5%)		17.5%	A	10 - 15%	Baa
e) Debt/Capitalization (3 Year Avg) (7.5%)		46.7%	Baa	40 -45%	A
Rating:					
a) Indicated Rating from Grid			Baa1		Baa1
b) Actual Rating Assigned			Baa1		Baa1

* THIS REPRESENTS MOODY'S FORWARD VIEW; NOT THE VIEW OF THE ISSUER; AND UNLESS NOTED IN THE TEXT DOES NOT INCORPORATE SIGNIFICANT ACQUISITIONS OR DIVESTITURES

[1] All ratios are calculated using Moody's Standard Adjustments. [2] As of 12/31/2010; Source: Moody's Financial Metrics

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Research Update:

**Integrys Energy Group Inc. Ratings
Raised To 'A-' From 'BBB+';
Outlook Stable**

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Research Update:

Integrys Energy Group Inc. Ratings Raised To 'A-' From 'BBB+'; Outlook Stable

Overview

- Chicago-based Integrys Energy Group Inc. has improved its business risk profile by restructuring and reducing the size of its nonutility businesses and by continuing to effectively manage regulatory risk.
- We are raising our corporate credit ratings on Integrys Energy Group Inc. and subsidiaries Peoples Energy Corp., Peoples Gas Light & Coke Co., and North Shore Gas Co. to 'A-' from 'BBB+'. We also raised Integrys Energy Group's senior unsecured debt to 'BBB+' from 'BBB' and unsecured hybrid junior subordinated notes to 'BBB' from 'BBB-'.
- The stable outlook for Integrys Energy Group and all of its subsidiaries reflects its excellent business risk profile and significant financial risk profile.

Rating Action

On Jan. 24, 2012, Standard & Poor's Ratings Services raised its corporate credit ratings on Chicago-based holding company Integrys Energy Group Inc. and subsidiaries Peoples Energy Corp., Peoples Gas Light & Coke Co., and North Shore Gas Co. to 'A-' from 'BBB+'. In addition, we raised the ratings on Integrys Energy Group's senior unsecured debt to 'BBB+' from 'BBB' and on its unsecured hybrid junior subordinated notes to 'BBB' from 'BBB-'. The outlook is stable.

Rationale

The rating actions are based on the tangible improvements that Integrys has made to its business risk profile and our expectations that the company will be able to maintain financial measures that are consistent with a "significant" (as our criteria define the term) financial risk profile over the intermediate term.

We revised our assessment of Integrys Energy Group's business risk profile to "excellent" from "strong" (as our criteria define the terms) to reflect management's successful implementation of its strategic initiative to reduce its exposure to the nonutility businesses and the company's effective management of regulatory risk. Fundamentally, we anticipate that these improvements will be maintained over the intermediate term. Furthermore, we expect that the nonutility businesses will account for 10% of consolidated funds from operations (FFO) and the remaining 90% will represent the more stable cash flows of the regulated utilities businesses. In addition, the company has continued to effectively manage its regulatory risk--including its

recent rate case orders for Peoples Gas Light & Coke Co. and North Shore Gas Co. that will collectively raise rates by almost \$60 million--which we view as credit supportive. We expect that the company will continue to effectively manage its regulatory risk with the goal of further reducing its regulatory lag.

Over the past three years, Integrys has significantly improved its financial measures primarily by increasing the cash flow from its regulated subsidiaries, implementing effective cost management initiatives, and utilizing bonus depreciation. Although under our base-case scenario we forecast some weakening of the financial measures over the intermediate term because of the continued weak economy and the phaseout of bonus depreciation, we nevertheless expect that Integrys will maintain financial measures that are consistent with the significant financial risk profile, albeit with less cushion.

For the 12 months ended Sept. 30, 2011, adjusted consolidated FFO to total debt improved to 29.3% from 25.2% at the end of 2010, adjusted debt to EBITDA improved to 3.5x from 3.8x, and adjusted debt to total capital strengthened to 47.8% from 50.7%. Under our base-case scenario we expect the company's financial measures to weaken over the intermediate term, so that FFO to debt approximates 21%, adjusted debt to EBITDA is about 4.0x, and adjusted debt to total capital approximates 51%.

Integrys had positive discretionary cash flow in 2010 partially because of increased deferred taxes and reduced capital spending. However, over the intermediate term, we expect that discretionary cash flow will revert to negative primarily because of increased capital spending for environmental capital expenditures and the company's natural gas main replacement program. We expect that Integrys will meet these cash shortfalls in a manner that is at least credit neutral.

Liquidity

Our short-term rating on Integrys is 'A-2'. The company has adequate liquidity and can more than cover its needs for the next year, even if FFO declines. (For more on liquidity, see "Standard & Poor's Standardizes Liquidity Descriptors For Global Corporate Issuers," published on July 2, 2010.)

We base our liquidity assessment on the following factors and assumptions:

- We expect the company's liquidity sources (including cash, FFO, and credit facility availability) over the next 12 months to exceed its uses by about 1.7x.
- Debt maturities are manageable over the intermediate term, with approximately \$250 million, \$315 million, and \$100 million maturing during 2012-2014.
- Even if both the availability under the existing credit facilities and FFO declined by 25%, we believe net sources would total more than 1.2x cash requirements.

Research Update: Integrys Energy Group Inc. Ratings Raised To 'A-' From 'BBB+'; Outlook Stable

- The company has good relationships with its banks, in our assessment, and has a good standing in the credit markets, having successfully issued debt during the 2009 credit crisis.

In our analysis, we assumed liquidity of about \$1.9 billion over the next 12 months, primarily consisting of cash, FFO, and availability under the credit facilities. We estimate the company will use about \$1.1 billion over the same period for capital spending, debt maturities, working capital needs, and shareholder dividends.

Integrys' credit agreements include a financial covenant requiring that the consolidated ratio of total debt to total capital be no more than 65%. As of Sept. 30, 2011, the company had adequate cushion against this covenant and could increase total debt by more than 75% without violating it.

Outlook

The stable rating outlook on Integrys and its subsidiaries reflects Standard & Poor's baseline forecast that that consolidated adjusted FFO to debt and debt to total capital will approximate 21% and 51%, respectively, over the intermediate term. Significant risks to the forecast include higher-than-anticipated capital costs, a weaker-than-expected economy, or materially lower rate case increases than predicted. We could lower the rating if the nonutility business disproportionally grows to greater than 15% of the consolidated company or FFO to debt weakens to below 18% on a consistent basis. We consider a further ratings upgrade to be highly unlikely but could occur if the company's FFO to debt is consistently greater than 30% and its debt to total capital is lower than 45%, and it maintains an excellent business risk profile.

Related Criteria And Research

- Liquidity Descriptors For Global Corporate Issuers, Sept. 28, 2011
- Business Risk/Financial Risk Matrix Expanded, May 27, 2009
- 2008 Corporate Criteria: Analytical Methodology, April 15, 2008

Ratings List

Upgraded; Outlook Action; Ratings Affirmed

	To	From
Integrys Energy Group Inc.		
Corporate Credit Rating	A-/Stable/A-2	BBB+/Positive/A-2
Senior Unsecured	BBB+	BBB
Junior Subordinated	BBB	BBB-
Commercial Paper	A-2	A-2

North Shore Gas Co.

Research Update: Integrys Energy Group Inc. Ratings Raised To 'A-' From 'BBB+'; Outlook Stable

Corporate Credit Rating	A-/Stable/--	BBB+/Positive/--
Peoples Energy Corp.		
Corporate Credit Rating	A-/Stable/--	BBB+/Positive/--
The Peoples Gas Light & Coke Co.		
Corporate Credit Rating	A-/Stable/A-2	BBB+/Positive/A-2
Ratings Affirmed; Recovery Ratings Unchanged		
North Shore Gas Co.		
Senior Secured	A	
Recovery Rating	1+	
The Peoples Gas Light & Coke Co.		
Senior Secured	A-	
Recovery Rating	1	
Wisconsin Public Service Corp.		
Corporate Credit Rating	A-/Stable/A-2	
Senior Secured	A	
Recovery Rating	1+	
Preferred Stock	BBB	
Commercial Paper	A-2	

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C-7 Exhibit C-7 “Credit Report,” provide a copy of the applicant’s credit report from Experion, Dun and Bradstreet, or a similar organization.

TEGE LLC’s DUNS Number is 83-248-1902. TEGE LLC, parent, TEGE Inc’s DUNS Number is 84-173-9824. For copyright reasons we cannot provide this report for TEGE Inc: a full credit report is available from Dun and Bradstreet on its website.

For more information contact our Regulatory Compliance Analyst, Amy Klaviter.

C-8 Exhibit C-8 “Bankruptcy Information,” provide a list and description of any reorganizations, protection from creditors, or any other form of bankruptcy filings made by the applicant, a parent or affiliate organization that guarantees the obligations of the applicant or any officer of the applicant in the current year or since applicant last filed for certification.

TEG, TEGE Inc, TEGE LLC nor any of its subsidiaries have filed for any form of bankruptcy protection, including reorganization or protection from creditors, in the current year or two most recent previous years.

C-9 Exhibit C-9 “Merger Information,” provides a statement describing any dissolution or merger or acquisition of the applicant since within the five most recent years preceding the application, or any times as a participant in the Ohio Natural Gas Choice Programs.

The applicant has not been involved with any dissolution or merger or acquisition of the applicant since within the five most recent years preceding the application. However, below is some affiliate information.

- WPS Niagara Generation, LLC was sold to USRG Niagara Biomass, LLC on January 31, 2007.
- Nova Scotia Company was dissolved on January 23, 2007.
- Wedge Acquisition Corporation was merged into Peoples Energy Corporation on February 21, 2007.
- Integrys Energy Group, Inc. acquired Peoples Energy Corporation on February 21, 2007.
- WPS Resources Capital Corporation was dissolved on March 31, 2007.
- Integrys Business Support, LLC was formed on June 6, 2007.
- Peoples Energy Business Services, LLC was dissolved on December 31, 2007
- PERC Canada, Inc. was merged into Peoples Energy Resources Company, LLC on December 31, 2007.
- Mid-American Power, LLC was sold to DTE Energy Services on May 19, 2008
- Sun Devil Solar LLC was formed on June 4, 2008.
- Solar Man, LLC was formed on June 10, 2008
- Peoples Energy Services Corporation’s assets were transferred to Integrys Energy Services, Inc. effective December 31, 2008.
- Integrys Energy Services Inc sold its energy management consulting business to Minneapolis-based U.S. Energy Services, Inc. in July 2009
- Integrys Energy Services – Electric, LLC was formed September 8, 2009
- Integrys Energy Services of Canada Corp. sold nearly all of it's Canadian natural gas and electric power contract portfolio to Shell Energy North America Inc. effective October 1, 2009
- Integrys Energy Services – Natural Gas, LLC was formed October 21, 2009
- Integrys Energy Services, Inc sold its wholesale natural gas marketing business to Sequent Energy Management L.P on December 7, 2009.
- Integrys Energy Services, Inc. has sold two power generation companies that own generation assets in northern Maine and New Brunswick, Canada to Algonquin Power & Utilities Corp on February 1, 2010.
- Integrys Energy Services, Inc has signed an agreement with Macquarie Cook Power, Inc. to sell its wholesale electric marketing and trading business in second quarter 2010.
- Integrys Energy Services, Inc. has agreed to sell its Environmental Markets business to EDF Trading North America, LLC ("EDF Trading"). Integrys expects to close the sale in March 2010
- Integrys Energy Services, Inc. sold all of its Texas retail electric marketing business in June 2010.
- Peoples Natural Gas Liquids, LLC was cancelled on March 31, 2011.

D-1 Exhibit D-1 “Operations” provide a current written description of the operational nature of the applicant’s business. Please include whether the applicant’s operations will include the contracting of natural gas purchases for retail sales, the nomination and scheduling of retail natural gas for delivery, and the provision of retail ancillary services, as well as other services used to supply natural gas to the natural gas company city gate for retail customers.

TEGE LLC was formed on October 21, 2009 as a wholly owned subsidiary of TEGE Inc. TEGE Inc is a diversified unregulated natural gas and electricity retail company with principal operations in the States of Illinois, Michigan, New York, Ohio and Wisconsin. In addition, TEGE Inc is certified to serve retail electricity and/or retail natural gas in the States of Connecticut, Delaware, District of Columbia, Illinois, Michigan, Ohio, Maine, Rhode Island, Massachusetts, Pennsylvania, New Hampshire, Maryland, Iowa, New York and New Jersey. Subsidiaries of TEGE Inc own and/or operate energy assets in New York, Oregon, Kentucky, Pennsylvania and Wisconsin. TEGE LLC is registered as a natural gas supplier in the District of Columbia, Iowa, Illinois, Maryland, Michigan, Ohio, New Jersey and Virginia.

Primary product and service offerings of TEGE LLC will be retail gas services with various product and pricing options. TEGE LLC will serve primarily residential and small commercial customers individually or in aggregation. TEGE LLC, through a Service Agreement with TEGE Inc, will nominate, forecast and schedule retail natural gas for delivery through utility’s pipelines. TEGE LLC will continue to use a combination of utility billing services as well as our own customized billing.

TEGE Inc operations’ staff includes incumbents with proven technical skills. As a participant in many class categories on the distribution systems across Ohio, the company’s record is easily verified. The technical operations staff performs the nominations across the many interstate pipelines that run through Ohio. TEGE Inc’s staff will continue to perform their own nominations on the various LDC EBB systems. Procurement and retail supply is handled out of the Worthington office using consolidated strategy with the corporate offices of TEGE Inc to maximize opportunity to the Ohio consumer. Staff in the Worthington office balances many interstate pipeline pools as well as LDC aggregate pools in their effort to minimize balancing challenges of the retail consumer. In addition TEGE Inc will maintain a technical staff on duty or on call twenty-four (24) hours each day to operate and maintain its facilities as needed.

D-2 Exhibit D-2 “Operations Expertise,” given the operational nature of the applicant’s business, provide evidence of the applicant’s experience and technical expertise in performing such operations.

As demonstrated through the past and current solid performance as a retail natural gas provider on Ohio’s Choice Programs and as a natural gas aggregation provider, TEGE Inc has established itself as a successful CRNGS in Ohio. TEGE LLC, through its service agreement with TEGE Inc, intends to follow similar operating methods and continue a strong performance as a participant in the Ohio natural gas market.

TEGE Inc has participated in Ohio Choice Programs since 1986 as Fuel Services Group, since 1994 as WPS Energy Services, since 2007 as TEGE Inc, and since 2011 as TEGE LLC. TEGE LLC currently participates in the Columbia Gas of Ohio, Dominion East Ohio, and Duke Energy Choice Programs. In Ohio’s Choice Programs, as of December 2011, TEGE LLC delivered approximately 229 Dekatherm/per customer to over 20,000 customers on Columbia Gas of Ohio; approximately 207 Dekatherm/per customer to over 43,000 customers on Dominion East Ohio; and approximately 167 Dekatherm/per customer to over 40,000 customers on Duke Energy.

TEGE Inc has successfully brought the retail Choice customer in Ohio consistent value for their energy dollar by combining every procurement advantage available. TEGE LLC delivers the same or even improved quality of service and value to Ohio customers. Describing this strategy would include the contracting of local Appalachian producers to directly deliver their local well production to our pools. TEGE Inc through our preferred supplier agreement with Sequent Energy will be able to provide instant execution via the brokers on the NYMEX exchange including the derivative option products available to arbitrage the purchasing dollars. TEGE LLC will utilize TEGE Inc’s contracts with the interstate pipelines for capacity and storage services at discounted rates to pass this savings on to the consumer.

TEGE LLC, through our Service Agreement with TEGE Inc, will have access to all of their experienced and fully trained employees who will continue to work with rules and practices established by the North American Energy Standards Board. As you can see from personnel backgrounds under D-3 of this application, TEGE LLC personnel have many years in the energy industry and most have utility background in their portfolio.

D-3 Exhibit D-3 “Key Technical Personnel,” provide the names, titles, email addresses, telephone numbers, and background of key personnel involved in the operational aspects of the applicant’s current business.

Perry, Scot, Retail Gas Trader
SJPerry@integrysenergy.com / 614-844-4322

Mr. Perry has worked in the energy industry since 1995 with experience in natural gas transportation, gas supply, and natural gas sales. In regards to natural gas supply, Mr. Perry has over 8 years of experience in this area. He has developed and executed strategies for natural gas supplies, pipeline transportation, storage services, and utility services in the U.S. on several interstate pipelines and local distribution companies. In his current role, Mr. Perry is responsible for maintaining a supply portfolio with an annual load of approximately 30 BCF

Mr. Perry holds a Bachelors of Science Degree in Business Administration from Miami University in Oxford, Ohio and a Masters Degree in Business Administration from the George Washington University.

George, David L., Manager, Indirect Channel
DLGeorge@integrysenergy.com / 614-844-4328

Mr. George joined Integrys Energy Services in May 2006 and brings with him over 20 years of experience in the energy management and performance contracting market. He has extensive experience working with third parties vendors and agents to develop and implement their energy and sustainability programs. Mr. George has been instrumental in developing consultative-based services programs for healthcare, public education, industrial and regulated utilities. Furthermore, he has been involved all aspects of the strategic business process, from hands-on client program management to training and education workshops.

In his current role, Mr. George is responsible for managing the agent and vendor sales channels that Integrys Energy Services – Natural Gas, LLC will utilize to support the small commercial and residential markets nationwide. He is also responsible for fully training and ensuring regulatory compliance from the sales aspect.

Mr. George has written several articles published in Trade Magazines with respect to energy and has been a keynote speaker at trade shows and energy industry roundtable groups. David holds a Bachelor's degree in Advertising and Journalism with a concentration in business marketing from The Ohio State University.

Glosny, Ann, Director, Account Management
AFGlosny@integrysenergy.com / 920-617-6057

Ms. Glosny joined Integrys Energy Services in December 2007. In her previous career in the food manufacturing industry, she held positions within Marketing, Customer Service, Finance, and Information Technology. In these roles, she learned the importance of each functional group

within an organization and was involved in implementing new systems and addressing customers' issues and concerns.

In her current role, her primary responsibility is overseeing the Account Management Team which provides support to our Commercial and Industrial customers (natural gas and electric) in all of our markets. Ms. Glosny creates and maintains processes related to overall customer satisfaction and retention. These processes include retail contract procedures, which we have standardized to increase efficiency. She also ensures new processes and systems implemented have a focus on our customer's overall experience with the company. Her goal is to ensure customers have a positive experience with the company and that we continue to improve.

Ms. Glosny received her Bachelor's degree in Business Administration from St. Norbert College in DePere, WI.

Bazaj, Rajiv, Director of Regional Sales
RKBazaj@integrysenergy.com / 734-761-3252

Raj Bazaj is currently the Director of Sales for the Great Lakes Region at Integrys Energy Services. There he leads a sales organization that has responsibility to develop power and natural gas sales with large industrial customers in the region. At its peak in 2008 as the Managing Director of Sales Mr. Bazaj managed a sales organization that had revenue in excess of \$1.5 billion per year. During his tenure the company was selected as one of the best energy companies by Fortune and Forbes magazine and had one of the fastest growth rates in the industry.

Mr. Bazaj has also spent over twelve years in the chemical industry with world-class companies like Bayer, Lanxess, Cytec Industries and American Cyanamid. In his last role he was the Director of Marketing for North America and led the Export and Resale sales channels. The position responsibilities included full P&L accountability as well as planning and forecasting production of chemicals made in the U.S, which were then shipped around the world.

Mr. Bazaj has a B.S. in Chemical Engineering from the University of Arizona and an Executive MBA from the University of Connecticut. He was inducted into the Beta Gamma Sigma National Honor Society.

Klaviter, Amy, Regulatory Compliance Analyst
AKlaviter@integrysenergy.com / 312-681-1855

Ms. Klaviter began her career at Peoples Energy Services in July 1999 as an Account Analyst with Gas Nominations learning the tariffs and balancing pools. After a short time as an Account Analyst, Ms. Klaviter moved to the Gas Billing team working on reconciling account balances, daily billing activities, implementing a new system, addressing customers' issues and streamlining processes. In late 2001, Ms. Klaviter accepted the role of Electric Billing Specialist. Her primary responsibilities included daily billing activities, reconciling account balances and publishing monthly unbilled lists. She also assisted in training new employees on the electric

market. Ms. Klaviter accepted the role of Market Analyst in 2004. Her focus was on completing all compliance filings in IL, MI, OH and NY, researching any requirements for new market entry and completing new market registrations. During that time, she became very familiar with the intricacies of each of the markets, specifically their rules and requirements. Since the merger with WPS Energy Services to create Integrys Energy Services in 2007, Ms. Klaviter has been in the role of Regulatory Compliance Analyst that expanded the area of filings and requirements to the entire Integrys footprint. Not only is she responsible for managing over 400 annual filings, but Ms Klaviter also completes any registration for new markets.

Ms. Klaviter received her Bachelors degree in Finance from Butler University.

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Summary: Application Renewal Certificate Application Competitive Retail Natural Gas
Suppliers electronically filed by Mr. Stephen M Howard on behalf of Integrys Energy Services -
Natural Gas, LLC