Form **8871**
(July 2000)
Department of the Treasury
Internal Revenue Service

Political Organization Notice of Section 527 Status

OMB No. 1545-1693

Part I General Information

1 Name of organization: Peoples Energy - PAC

Employer identification number: 36 4272929

2 Mailing address (P.O. Box or number, street, and room or suite number): 130 E. Randolph Drive, 23rd Floor

City or town, state, and ZIP code: Chicago, IL 60601

3 E-mail address of organization: None

4a Name of custodian of records: Matthew A. Greene

4b Custodian's address: 130 E. Randolph Drive, 23rd Floor Chicago, IL 60601

5a Name of contact person: Matthew A. Greene

5b Contact person's address: 130 E. Randolph Drive, 23rd Floor Chicago, IL 60601

6 Business address of organization (if different from mailing address shown above). Number, street, and room or suite number

City or town, state, and ZIP code

Part II Purpose

7 Describe the purpose of the organization

Collect funds for the purpose of making contributions to the campaign funds of candidates running for city, county, or state offices in Illinois

Part III List of All Related Entities (see instructions)

8a Name of related entity	8b Relationship	8c Address
Peoples Energy Corporation Federal PAC	Connected	130 E. Ranolph Drive, 23rd Floor Chicago, IL 60601

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Part IV **List of All Officers, Directors, and Highly Compensated Employees** (see instructions)

9a Name	9b Title	9c Address
James T. Hinchliff	Member of the Board; Chairman	130 E. Randolph Drive, 23rd Floor Chicago, IL 60601
Desiree Rogers	Member of the Board; Vice Chairman	130 E. Randolph Drive, 23rd Floor Chicago, IL 60601
Matthew A. Greene	Member of the Board; Treasurer	130 E. Randolph Drive, 23rd Floor Chicago, IL 60601
Janice A. Cartharn-Robinson	Member of the Board	130 E. Randolph Drive, 23rd Floor Chicago, IL 60601
Joseph S. Gurga	Member of the Board	130 E. Randolph Drive, 23rd Floor Chicago, IL 60601
Saul Juskaitis	Member of the Board	130 E. Randolph Drive, 23rd Floor Chicago, IL 60601

Sign Here

Under penalties of perjury, I declare that the organization named in Part I is to be treated as an organization described in section 527 of the Internal Revenue Code, and that I have examined this notice, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete.

Matthew A. Greene — Signature of authorized official

7/31/2000 — Date

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Purpose of Form

Political organizations must use Form 8871 to notify the IRS that the organization is to be treated as a section 527 organization. The IRS is required to make publicly available on the Internet and at its offices, a list of the organizations that file Form 8871 (including the organization's mailing address, e-mail address, custodian of records, and contact person as shown on Form 8871).

Definitions

Political organization means a party, committee, association, fund, or other organization (whether or not incorporated) organized and operated primarily for the purpose of directly or indirectly accepting contributions or making expenditures, or both, for an exempt function.

Exempt function means the function of influencing or attempting to influence the selection, nomination, election, or appointment of any individual to any Federal, state, or local public office or office in a political organization, or the election of the Presidential or Vice Presidential electors, whether or not such individual or electors are selected, nominated, elected, or appointed. It also includes expenditures made relating to one of these offices, which if incurred by the individual, would be allowable as a business deduction under section 162(a).

Who Must File

Every political organization that is to be treated as a political organization under the rules of section 527 must file Form 8871, **except** for:

- An organization that reasonably expects its annual gross receipts to always be less than $25,000,
- A political committee required to report under the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), or
- A tax-exempt organization described in section 501(c) that is treated as having political organization taxable income under section 527(f)(1).

When To File

For an organization already in existence on June 30, 2000, Form 8871 must be filed by **July 31, 2000.** For an organization formed after June 30, 2000, Form 8871 must be filed **within 24 hours** of the date on which the organization was established. If the due date falls on a Saturday, Sunday, or legal holiday, the organization may file on the next business day.

Where and How To File

Section 527(i)(1)(A) requires that the organization file Form 8871 **both** electronically **and** in writing. File Form 8871:

- **Electronically** via the IRS Internet Web Site at: **www.irs.gov/bus_info/eo/pol-file.html** and
- **On paper** by sending a signed copy of the form to the Internal Revenue Service Center, Ogden, UT 84201. You can fill in and print out Form 8871 from the IRS Internet Web Site.

Who Must Sign

Form 8871 must be signed by an official authorized by the organization to sign this notice.

Effect of Failure To File Form 8871

An organization that is required to file Form 8871, but fails to do so on a timely basis, will not be treated as a section 527 organization for any period before the date Form 8871 is filed. In addition, the taxable income of the organization for that period will be computed by including its exempt function income (minus any deductions directly connected with the production of that income).

Other Required Reports and Returns

An organization that files Form 8871 may also be required to file the following forms:

- **Form 8872,** Political Organization Report of Contributions and Expenditures (periodic reports are required during the calendar year).
- **Form 990,** Return of Organization Exempt From Income Tax, or **Form 990-EZ,** Short Form Return of Organization Exempt From Income Tax (or other designated annual return).
- **Form 1120-POL,** U.S. Income Tax Return for Certain Political Organizations (annual return).

Public Inspection of Form 8871 and Related Materials

Form 8871 (including any supporting papers), and any letter or other document the IRS issues with regard to Form 8871, will be open to public inspection at the IRS in Washington, DC. In addition, the organization must make available for public inspection a copy of these materials during regular business hours at the organization's principal office and at each of its regional or district offices having at least 3 paid employees. A penalty of $20 per day will be imposed on any person under a duty to comply with the public inspection requirement for each day a failure to comply continues.

Telephone Assistance

If you have questions or need help completing Form 8871, please call **1-877-829-5500.** This toll-free telephone service is available Monday through Friday from 8:00 a.m. to 9:30 p.m. Eastern time.

Specific Instructions

Part I

Employer Identification Number (EIN)

Enter the correct EIN in the space provided. If the organization does not have an EIN, it must apply for one on **Form SS-4,** Application for Employer Identification Number. Form SS-4 can be obtained by downloading it from the IRS Internet Web Site at **www.irs.gov** or by calling 1-800-TAX-FORM.

Lines 4a and 4b

Enter the name and address of the person in possession of the organization's books and records.

Lines 5a and 5b

Enter the name and address of the person whom the public may contact for more information about the organization.

Part III

Lines 8a through 8c

List the name, relationship, and address of all related entities. An entity is a **related entity** if either **1** or **2** below applies:

1. The organization and that entity have **(a)** significant common purposes and substantial common membership or **(b)** substantial common direction or control (either directly or indirectly).

2. Either the organization or that entity owns (directly or through one or more entities) at least a 50% capital or profits interest in the other. For this purpose, all entities that are defined as related entities under **1** above must be treated as a single entity.

If **1** applies, enter "connected" under relationship. If **2** applies, enter "affiliated" under relationship.

If there are more than five related entities, use either:

- Additional copies of page 1 of the form with only the organization's name, EIN, and Part III completed or
- Additional sheets the same size as the form with all the information requested in Part III and in the same format as Part III.

Part IV

Lines 9a through 9c

Enter the name, title, and address of all of the organization's officers, members of the board of directors, and highly compensated employees. **Highly compensated employees** are the five employees (other than officers and directors) who are expected to have the highest annual compensation over $50,000. Compensation includes both cash and noncash amounts, whether paid currently or deferred, for the accounting period that includes the date the organization was formed (if the organization was formed after June 30, 2000). If the organization was already in existence on June 30, 2000, use the accounting period that includes July 1, 2000.

If there are more than 12 individuals required to be listed in Part IV, use either:

- Additional unsigned copies of page 2 of the form or
- Additional sheets the same size as the form with all the information requested in Part IV and in the same format as Part IV.

Paperwork Reduction Act Notice. We ask for the information on this form to carry out the Internal Revenue laws of the United States. If the organization is to be treated as a section 527 organization, you are required to give us the information. We need it to ensure that you are complying with these laws.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. The rules governing the confidentiality of Form 8871 are covered in section 6104.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is:

Recordkeeping	3 hr., 7 min.
Learning about the law or the form	35 min.
Preparing, copying, assembling, and sending the form to the IRS	41 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. You can write to the Tax Forms Committee, Western Area Distribution Center, Rancho Cordova, CA 95743-0001. **Do not** send Form 8871 to this address. Instead, see **Where and How To File** on page 3.