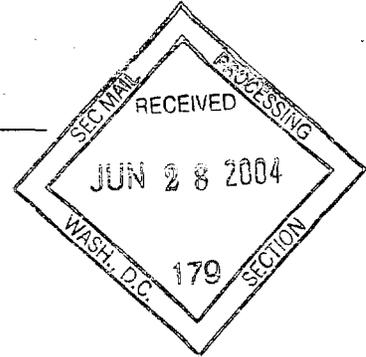


SECURITIES AND EXCHANGE COMMISSION

Washington, D. C. 20549



FORM 11-K



ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2003

OR

TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Commission file number 33-6369

Full title of the Plan:

**Peoples Energy Corporation
Employee Capital Accumulation Plan
and
Peoples Energy Corporation
Employee Thrift Plan**

PROCESSED
JUL 02 2004
HOBSON
FINANCIAL

Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

**Peoples Energy Corporation
130 East Randolph Drive
Chicago, Illinois 60601**

TOTAL SEQUENTIAL PAGES 31
EXHIBIT INDEX ON SEQUENTIAL PAGE 30

ODELL HICKS & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

PEOPLES ENERGY CORPORATION EMPLOYEE CAPITAL
ACCUMULATION AND THRIFT TRUST
AND PARTICIPATING PLANS
REPORT ON AUDITS OF
FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2003 AND 2002

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ODELL HICKS & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

Retirement and Benefit
Plans Committee
PEOPLES ENERGY CORPORATION
Chicago, Illinois

We have audited the accompanying statements of net assets held in trust of the Peoples Energy Corporation Employee Capital Accumulation and Thrift Trust and the statements of net assets available for plan benefits of the Peoples Energy Corporation Employee Capital Accumulation Plan and the Peoples Energy Corporation Employee Thrift Plan, as of December 31, 2003 and 2002, and the related statements of changes in net assets held in trust and changes in net assets available for plan benefits for the years then ended. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets held in trust of the Peoples Energy Corporation Employee Capital Accumulation and Thrift Trust and the statements of net assets available for plan benefits of the Peoples Energy Corporation Employee Capital Accumulation Plan and the Peoples Energy Corporation Employee Thrift Plan, as of December 31, 2003 and 2002, and the statements of changes in net assets held in trust and changes in net assets available for plan benefits for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedules of assets held for investments and reportable transactions for the years ended December 31, 2003 and 2002 are presented for the purpose of additional analysis and are not a required part of the basic financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The supplemental schedules have been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.


ODELL HICKS & COMPANY, LLC

March 12, 2004

PEOPLES ENERGY CORPORATION
EMPLOYEE CAPITAL ACCUMULATION AND THRIFT TRUST
STATEMENTS OF NET ASSETS AVAILABLE FOR PLAN BENEFITS
DECEMBER 31, 2003 AND 2002

	2003	2002
<u>ASSETS</u>		
Accounts Receivable:		
Accrued Interest and Dividends	\$ 302,537	\$ 358,780
Investments at Quoted Market Value	224,593,019	196,205,166
Total Assets	224,895,556	196,563,946
<u>LIABILITIES</u>		
Current Liability:		
Accrued Expenses	29,863	26,974
Total Liabilities	29,863	26,974
NET ASSETS	\$ 224,865,693	\$ 196,536,972
<u>NET ASSETS HELD FOR ACCOUNT OF:</u>		
Peoples Energy Corporation Employee Capital Accumulation Plan (Note 2)	\$ 145,994,984	\$ 124,326,418
Peoples Energy Corporation Employee Thrift Plan (Note 2)	78,870,709	72,210,554
	\$ 224,865,693	\$ 196,536,972

The accompanying notes are an integral part of these financial statements.

EMPLOYEE CAPITAL ACCUMULATION AND THRIFT TRUST
STATEMENT OF CHANGES OF NET ASSETS HELD IN TRUST
FOR THE PLAN YEAR ENDED DECEMBER 31, 2003

	MASTER TOTAL TRUST	LOAN ACCOUNT	INVESTMENT ACCOUNT SUBTOTAL	MONEY MARKET	SHORT TERM BOND FUND	BOND FUND	BALANCED FUND	S & P 500 EQUITY FUND	S & P 500 GROWTH FUND	S & P 500 VALUE FUND	MIDCAP EQUITY FUND	SMALL CAP EQUITY FUND	FOREIGN EQUITY FUND
ADDITIONS													
Contributions:													
Employee Contributions	\$ 8,994,265	-	\$ 8,994,265	\$ 1,009,661	\$ 1,345,880	\$ 870,971	\$ 362,491	\$ 1,809,542	\$ 1,367,775	\$ 643,658	\$ 183,883	\$ 492,804	\$ 215,197
Employer Contributions	\$ 3,919,947	-	\$ 3,919,947	430,537	636,957	381,942	149,487	784,661	583,508	261,914	65,940	199,580	82,700
Rollover Contributions	\$ 47,250	-	\$ 47,250	2,365	28,280	352	176	594	651	2,095	3,751	3,751	4,659
Total	\$ 12,961,462	-	\$ 12,961,462	1,442,563	2,011,127	1,253,265	512,154	2,594,797	1,951,934	907,667	253,574	696,135	302,556
Income from Investments:													
Dividend Income	\$ 1,221,639	-	\$ 1,221,639	-	-	-	-	-	-	-	-	-	-
Interest Income	\$ 495,808	-	\$ 495,808	264,734	259,667	3	-	10	-	-	-	-	155,993
Total	\$ 1,717,447	-	\$ 1,717,447	264,734	259,667	3	-	10	-	-	-	-	155,993
Loan Payments:													
Principal	\$ 506,133	\$ (3,177,827)	\$ 3,177,827	297,602	678,563	393,097	104,452	557,696	380,939	150,817	31,932	109,827	40,480
Interest	\$ 506,133	(3,177,827)	\$ 3,683,960	43,976	108,947	62,303	10,990	98,087	63,443	27,316	5,058	18,307	5,373
Total	\$ 506,133	(3,177,827)	\$ 3,683,960	341,578	787,510	455,400	115,442	655,783	444,382	178,133	36,990	128,134	45,853
Net Gain (Loss):													
Net Unrealized Appreciation/ (Depreciation)	\$ 25,029,312	-	\$ 25,029,312	-	(2,268,193)	(1,418,905)	1,047,962	14,386,449	4,534,091	3,146,122	956,426	3,204,062	1,016,767
Net Realized Gains (Losses)	\$ 2,032,928	-	\$ 2,032,928	-	3,125,629	2,044,040	2,153,530	(4,215,078)	(300,596)	(296,221)	(20,311)	204,027	(78,971)
Total	\$ 27,062,240	-	\$ 27,062,240	-	857,436	625,135	1,263,492	10,171,371	4,233,495	2,849,901	936,115	3,408,089	937,796
TOTAL ADDITIONS	\$ 42,247,282	(3,177,827)	\$ 45,425,109	2,048,875	3,915,740	2,333,803	1,891,088	13,421,961	6,629,811	3,935,701	1,226,679	4,232,358	1,442,198
DEDUCTIONS													
Withdrawals	\$ 13,915,672	-	\$ 13,915,672	4,005,827	3,679,797	1,312,109	648,057	1,731,786	666,759	263,627	69,163	261,886	124,411
New Loans	\$ -	(3,646,349)	\$ 3,646,349	308,085	780,930	429,643	56,335	651,675	496,658	230,552	48,628	137,696	40,316
Accrued Expenses	\$ 2,889	-	\$ 2,889	240	(1,018)	(433)	316	1,172	672	577	563	750	209
TOTAL DEDUCTIONS	\$ 13,918,561	(3,646,349)	\$ 17,564,910	4,314,152	4,459,709	1,741,319	704,708	2,384,633	1,164,089	494,756	118,354	400,332	164,936
Net Increase (Decrease) in Assets	\$ 28,328,721	470,522	\$ 27,858,199	(2,265,277)	(543,969)	592,484	1,186,380	11,037,328	5,465,722	3,440,945	1,108,325	3,832,026	1,277,262
Net Assets Beginning of Year	\$ 196,536,972	7,268,182	\$ 189,268,790	24,885,878	47,112,289	19,193,924	6,170,532	34,952,830	15,962,944	8,335,668	1,424,435	6,463,890	2,575,652
Interfund Transfers	\$ -	-	\$ -	552,843	(4,401,280)	(5,747,905)	1,229,438	2,007,273	1,408,150	1,654,046	3,425,159	2,744,751	569,946
Net Assets End of Year	\$ 224,865,693	\$ 7,738,704	\$ 217,126,989	\$ 23,173,444	\$ 42,167,040	\$ 14,039,503	\$ 8,586,350	\$ 47,997,431	\$ 22,836,816	\$ 13,430,659	\$ 5,958,919	\$ 13,040,667	\$ 4,422,860

* includes short-term investments held in the Northern Trust Receipts and Disbursement Account

The accompanying notes are an integral part of these financial statements.

**UNITED STATES ENERGY CORPORATION
EMPLOYEE CAPITAL ACCUMULATION AND THRIFT TRUST
STATEMENT OF CHANGES OF NET ASSETS HELD IN TRUST
FOR THE PLAN YEAR ENDED DECEMBER 31, 2002**

	MASTER TRUST TOTAL	LOAN ACCOUNT	INVESTMENT ACCOUNT SUBTOTAL	MONEY MARKET	SHORT TERM BOND FUND	BOND FUND	BALANCED FUND	S & P 500 EQUITY FUND	S & P 500 GROWTH FUND	S & P 500 VALUE FUND	MIDCAP EQUITY FUND	SMALL CAP EQUITY FUND	FOREIGN EQUITY FUND
ADDITIONS													
Contributions:													
Employee Contributions	\$ 9,025,345	-	\$ 9,025,345	\$ 1,063,820	\$ 1,375,727	\$ 705,045	\$ 359,694	\$ 1,914,222	\$ 1,481,684	\$ 638,261	\$ 96,625	\$ 472,426	\$ 196,335
Employer Contributions	3,876,406	-	3,876,406	389,042	644,746	307,904	149,430	834,021	632,850	261,390	35,628	191,048	77,082
Rollover Contributions	897,454	-	897,454	625,049	13,414	35,877	37,108	24,847	34,486	52,563	752	21,423	6,567
Total	13,799,205	-	13,799,205	2,077,911	2,033,887	1,048,826	546,232	2,773,090	2,149,020	952,214	133,005	684,897	279,984
Income from Investments:													
Dividend Income	1,179,524	-	1,179,524	-	-	-	-	-	-	-	-	-	-
Interest Income	886,334	-	886,334	451,528	424,463	9	14	13	9	4	86	12	45,317
Total	2,065,858	-	2,065,858	451,528	424,463	9	14	13	9	4	86	12	45,317
Loan Payments:													
Principal	553,501	\$ (3,318,943)	3,318,943	328,155	622,558	326,699	75,358	642,220	521,026	199,600	17,100	105,265	35,813
Interest	553,501	(3,318,943)	553,501	37,010	116,342	54,336	14,129	121,130	83,320	29,925	1,937	19,062	5,576
Total	1,107,002	(3,318,943)	3,872,444	365,165	738,900	381,035	89,487	763,350	604,346	229,525	19,037	124,327	41,389
Net Gain (Loss):													
Net Unrealized Appreciation/ (Depreciation)	(16,289,456)	-	(16,289,456)	-	2,171,586	1,372,188	(651,341)	(9,474,051)	(4,953,112)	(1,830,942)	(165,610)	(1,662,885)	(457,361)
Net Realized Gains (Losses)	(1,187,567)	-	(1,187,567)	-	267,346	213,889	(125,147)	(1,180,494)	(593,103)	(710,159)	(108,473)	(241,841)	(122,101)
Total	(17,477,023)	-	(17,477,023)	-	2,438,932	1,586,077	(776,488)	(10,654,545)	(5,546,215)	(2,541,101)	(274,083)	(1,904,726)	(579,462)
TOTAL ADDITIONS	(1,058,459)	(3,318,943)	2,260,484	2,894,604	5,636,182	3,015,947	(140,755)	(7,118,092)	(2,792,840)	(1,359,358)	(121,955)	(1,095,490)	(212,771)
DEDUCTIONS													
Withdrawals	27,270,871	-	27,270,871	6,273,571	5,644,984	2,037,193	1,015,888	4,937,483	2,113,484	1,523,117	133,205	625,777	175,073
New Loans	-	(3,662,511)	3,662,511	334,937	727,919	394,474	81,610	654,149	431,337	203,936	23,615	121,554	39,903
Accrued Expenses	26,974	-	26,974	3,287	7,001	2,765	892	4,726	2,215	1,129	183	904	364
TOTAL DEDUCTIONS	27,297,845	(3,662,511)	30,960,356	6,611,795	6,379,904	2,434,432	1,098,390	5,596,358	2,547,036	1,728,182	157,003	748,235	215,340
Net Increase (Decrease) in Assets	(28,356,304)	343,568	(28,699,872)	(3,717,191)	(743,722)	581,515	(1,239,145)	(12,714,450)	(5,339,876)	(3,087,540)	(278,958)	(1,843,725)	(428,111)
Net Assets Beginning of Year	224,893,276	6,924,614	217,968,662	22,900,831	48,306,302	15,547,082	8,540,364	51,852,249	23,902,441	12,277,180	-	8,469,026	3,349,492
Interfund Transfers	-	-	-	5,702,238	(450,291)	3,065,327	(1,130,687)	(4,184,969)	(2,599,621)	(853,972)	1,703,393	(161,411)	(345,729)
Net Assets End of Year	\$ 196,536,972	\$ 7,268,182	\$ 189,268,790	\$ 24,885,878	\$ 47,112,289	\$ 19,193,924	\$ 6,170,532	\$ 34,952,830	\$ 15,962,944	\$ 8,336,668	\$ 1,424,435	\$ 6,463,890	\$ 2,575,652

* includes short-term investments held in the Northern Trust Receipts and Disbursement Account

The accompanying notes are an integral part of these financial statements.

PEOPLES ENERGY CORPORATION
EMPLOYEE CAPITAL ACCUMULATION AND THRIFT TRUST
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2003 and 2002

NOTE 1 - PLAN INFORMATION

Description of Trust

The Trust is comprised on two plans. The Peoples Energy Corporation Employee Capital Accumulation Plan covers substantially all employees who are not covered by a collective bargaining agreement and the Peoples Energy Corporation Employee Thrift Plan covers employees who are covered by a collective bargaining agreement. The following description of the Peoples Energy Corporation (Company) Employee Capital Accumulation And Thrift Trust Plan (Plan) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions. The Peoples Energy Corporation Employee Capital Accumulation and Thrift Trust was formed to accumulate contributions and income thereon to be used to provide benefits under the Peoples Energy Corporation Employee Capital Accumulation Plan and the Peoples Energy Corporation Employee Thrift Plan (the Plans).

1. General. The Plan is a defined contribution plan covering all full-time employees of the Company. Participants in the Capital Accumulation Plan are immediately eligible while participants in the Employee Thrift Plan must complete one year of service. They are subject to the provisions of the Employee Retirement Income Security Act (ERISA).

2. Contributions. Each year, participants of the Plans may contribute up to 6 percent of their base compensation, as defined in the Plan, and the Company will contribute an additional 60 percent (100 percent for Peoples Energy Services Corporation participants) to their account. This matching Company contribution is invested in the same allocation as the participant's contribution. Participants may contribute additional amounts that are not matched as determine by management. Employees, age 50 years and older, are allowed to contribute an additional pre-tax catch-up contribution according to IRS guidelines and the Economic Growth and Tax Relief Reconciliation Act of 2001 provisions. Participants may also contribute amounts representing rollovers from other qualified defined benefit or defined contribution plans. Participants direct the investment of their contributions into various investment options offered by the Plan. The Plan currently offers eleven investment options from fixed income, equity investment and Company Stock funds.

3. Participant Accounts. Each participant's account is maintained in the Peoples Energy Corporation Employee Capital Accumulation Plan and the Peoples Energy Corporation Employee Thrift Plan and is credited with the participant's contribution and allocations of (a) the Company's contribution and (b) Plan earnings, and charged with an allocation of administrative expenses. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

PEOPLES ENERGY CORPORATION
EMPLOYEE CAPITAL ACCUMULATION AND THRIFT TRUST
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2003 and 2002

NOTE 1 - PLAN INFORMATION – (Cont'd)

4. Vesting. Participants are vested immediately in their contributions plus actual earnings thereon. Vesting in the Company's contribution portion of their accounts is based on years of continuous service. A participant is 100 percent vested after four years (104 biweekly participation periods) of credited service. Participants with less than 104 participation periods completed are deemed to be 25, 50 or 75 percent vested in the employer's contribution account based on the number of completed participation periods.

5. Participant Loans. Active participants are permitted to elect to take up to two loans from their accounts. Participants may borrow from their fund accounts from a minimum of \$500 to a maximum of the lesser of a) \$50,000 less the highest outstanding loan balance for one year preceding such loan or, b) one half of the value of the vested balance in their account as of the last day of the month preceding the loan application date. Loans may be for five years for non-residential loans or up to 15 years for residential loans. The loans are secured by balances in the participant's accounts and bear interest equal to the prime rate plus 1 percent on the first day of the month in which the loan was applied for. The loans are secured by the balance in the participant's account. Principal and interest is paid ratably through monthly payroll deductions.

6. Payment of Benefits. On termination of service due to death, disability, or retirement, a participant may elect to receive either a lump-sum amount equal to the value of the participant's vested interest in his or her account, or annual installments over a 15-year period. For termination of service for other reasons, a participant may receive the value of the vested interest in his or her account as a lump-sum distribution.

7. Distributions. Each participant whose employment with all employers is terminated is entitled to a distribution of the entire balance in his account and the vested portion of the employer contribution account within 90 days after termination unless the employee elects to defer the distribution under the terms of the Plan. Active participants are permitted to elect in-service and retirement planning withdrawals under the Plan provisions.

8. Forfeited Accounts. In 2003 forfeited non-vested accounts totaled \$0. These accounts would have been used to reduce employer contributions.

9. Administrative Expenses and Fees. The Plan participants, through reduced earnings pay Recordkeeping, Trustee, and Investment Management fees. The Company provides certain accounting and management services to the Plan at no cost. These services include audit fees, legal fees, and time provided by Company employees. Accrued expenses at December 31, 2003 of \$29,863 relate to the normal monthly invoices charged by The Northern Trust Company and Hewitt Associates, LLC.

10. Recordkeeping, Trustee, and Investment Management. The Northern Trust Company is the Plan Trustee and Investment Manager. Hewitt Associates, LLC is the Recordkeeper.

PEOPLES ENERGY CORPORATION
EMPLOYEE CAPITAL ACCUMULATION AND THRIFT TRUST
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2003 and 2002

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of the Trustee's significant accounting policies consistently applied in the preparation of the accompanying financial statements is as follows:

Basis of Accounting

The accompanying statements were prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Investment Valuation and Income Recognition

The Plan's investments are stated at fair market value. Securities traded on security exchanges are valued at the last sales price on the day of valuation or, in the absence of any sales, at the average of the bid and ask prices on the day of valuation, except for such securities included in the Northern Trust Global Investments Collective Fund Investment Trust for Employee Benefit Plans which are valued at the bid price on the day of valuation. Short-term credit investments (corporate notes) are valued at cost, which approximates market.

Purchases and sales of securities are accounted for on a trade-date basis. Dividends are recorded on the ex-dividend date. At the time the investments are sold, the difference between the original cost (computed on an average cost basis) and the proceeds received are recorded as a realized gain or loss in the financial statements. The unrealized appreciation or depreciation of investments held at end of year represents the change in the market value of the investments from the beginning of the Plan year (or date the investments were purchased, if later) to the end of the Plan year.

Payment of Benefits

Benefits are recorded when paid.

PEOPLES ENERGY CORPORATION
EMPLOYEE CAPITAL ACCUMULATION AND THRIFT TRUST
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2003 AND 2002

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Cont'd)

INVESTMENTS:

Investments in securities and the net appreciation (depreciation), which includes realized as well as unrealized gains or losses at December 31, consisted of the following:

	<u>2003</u>		<u>2002</u>	
	<u>MARKET VALUE</u>	<u>NET CHANGE IN APPRECIATION (DEPRECIATION)</u>	<u>MARKET VALUE</u>	<u>NET CHANGE IN APPRECIATION (DEPRECIATION)</u>
NORTHERN TRUST GLOBAL INVESTMENTS				
NTGI-QM Coltv Daily Russell 3000 Equity Index Fund-SL	\$ 5,379,163	\$ 1,174,741	\$ 3,798,306	\$ (1,054,543)
NTGI-QM Coltv Daily S&P 500 Equity Index Fund-SL	48,003,330	10,243,914	34,957,557	(10,592,140)
NTGI Coltv Daily S&P 500/Barra Growth Eqty Indx Fd-SL	22,839,702	4,268,022	15,965,160	(5,517,628)
NTGI Coltv Daily S&P 500/Barra Value Equity Indx Fd-SL	13,432,364	2,868,804	8,336,797	(2,524,825)
NTGI-QM Coltv Daily Russell 2000 Equity Index Fund-SL	13,042,321	3,423,834	6,464,794	(1,892,956)
NTGI Coltv Daily S&P MidCap 400 Equity Indx Fd-SL	5,959,665	941,008	1,424,617	(272,471)
Northern Instl Fds Intl Equity Index Portfolio Class A	4,423,432	943,872	2,576,016	(575,017)
NTGI-QM Coltv Daily Aggregate Bond Index Fund - SL	40,429,274	1,713,739	47,590,605	4,402,834
Collective Short-Term Investment Fund	42,601,897	-	46,392,016	-
PEOPLES ENERGY CORPORATION COMMON STOCK *	20,743,167	1,742,892	21,431,116	578,937
PARTICIPANT NOTES	<u>7,738,704</u>	<u>-</u>	<u>7,268,182</u>	<u>-</u>
TOTAL INVESTMENTS	<u>\$ 224,593,019</u>	<u>\$ 27,320,826</u>	<u>\$ 196,205,166</u>	<u>\$ (17,447,809)</u>

Notes: * Party-in-Interest Transactions.

PEOPLES ENERGY CORPORATION
EMPLOYEE CAPITAL ACCUMULATION AND THRIFT TRUST
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2003 and 2002

NOTE 3 - TAX STATUS

The Plan received a favorable determination letter from the Internal Revenue Service dated June 27, 2002 qualifying the Plan for exemption from income taxes under the Internal Revenue Code, as the Plan was then designed. The Company believes that the Plan is designed and is currently being operated in compliance with applicable regulations of the Internal Revenue Code.

NOTE 4 - CURRENT YEAR CHANGES TO THE PLANS

On June 15, 2003 Hewitt Associates, LLC acquired the assets of Northern Trust Retirement Consulting, LLC and assumed its recordkeeping duties.

Effective October 1, 2003, Peoples Energy Services Corporation participants began receiving a 100 percent Company match to their regular contributions in the Peoples Energy Corporation Employee Capital Accumulation Plan.

SUPPLEMENTAL SCHEDULES

PEOPLES ENERGY CORPORATION
EMPLOYEE CAPITAL ACCUMULATION AND THRIFT TRUST
SCHEDULE OF ASSETS HELD FOR INVESTMENT
DECEMBER 31, 2003

<u>Quantity/ Face Value</u>		<u>COST/ CARRYING VALUE</u>	<u>CURRENT VALUE</u>
<u>COLLECTIVE INVESTMENT FUNDS</u>			
NORTHERN TRUST GLOBAL INVESTMENTS			
9,650	NTGI-QM Coltv Daily Russell 3000 Equity Index Fund-SL	\$ 4,788,734	\$ 5,379,163
16,853	NTGI-QM Coltv Daily S&P 500 Equity Index Fund-SL	42,095,606	48,003,330
2,914,714	NTGI Coltv Daily S&P 500/Barra Growth Eqty Indx Fd-SL	21,441,130	22,839,702
705,555	NTGI Coltv Daily S&P 500/Barra Value Equity Indx Fd-SL	12,359,770	13,432,364
20,698	NTGI-QM Coltv Daily Russell 2000 Equity Index Fund-SL	11,110,949	13,042,321
310,367	NTGI Coltv Daily S&P MidCap 400 Equity Indx Fd-SL	5,162,344	5,959,665
448,624	Northern Instl Fds Intl Equity Index Portfolio Class A	4,016,857	4,423,432
132,803	NTGI-QM Coltv Daily Aggregate Bond Index Fund - SL	39,894,958	40,429,274
42,601,897	Collective Short-Term Investment Fund	42,601,897	42,601,897
<u>PARTY IN INTEREST</u>			
493,415	PEOPLES ENERGY CORPORATION COMMON STOCK	14,491,210	20,743,167
PARTICIPANT NOTES		<u>7,738,704</u>	<u>7,738,704</u>
TOTAL ASSETS HELD FOR INVESTMENT		<u>\$ 205,702,159</u>	<u>\$ 224,593,019</u>

PEOPLES ENERGY CORPORATION
EMPLOYEE CAPITAL ACCUMULATION AND THRIFT TRUST
SCHEDULE OF ASSETS HELD FOR INVESTMENT
DECEMBER 31, 2002

<u>Quantity/ Face Value</u>		<u>COST/ CARRYING VALUE</u>	<u>CURRENT VALUE</u>
<u>COLLECTIVE INVESTMENT FUNDS</u>			
NORTHERN TRUST GLOBAL INVESTMENTS			
572,897	NTGI Coltv Daily Russell 3000 Equity Index Fund-SL	\$ 4,451,120	\$ 3,798,306
1,526,531	NTGI Coltv Daily S&P 500 Equity Index Fund-SL	43,508,825	34,957,557
2,558,519	NTGI Coltv Daily S&P 500/Barra Growth Eqty Indx Fd-SL	19,135,206	15,965,160
576,542	NTGI Coltv Daily S&P 500/Barra Value Equity Indx Fd-SL	10,429,228	8,336,797
380,887	NTGI Coltv Daily Russell 2000 Equity Index Fund-SL	7,753,230	6,464,794
100,751	NTGI Coltv Daily S&P MidCap 400 Equity Indx Fd-SL	1,588,615	1,424,617
349,527	Northern Instl Fds Intl Equity Index Portfolio Class A	3,192,283	2,576,016
2,473,524	NTGI Coltv Daily Aggregate Bond Index Fund - SL	43,316,327	47,590,605
46,392,016	Collective Short-Term Investment Fund	46,392,016	46,392,016
<u>PARTY IN INTEREST</u>			
554,492	PEOPLES ENERGY CORPORATION COMMON STOCK	15,567,172	21,431,116
<u>PARTICIPANT NOTES</u>			
		<u>7,268,182</u>	<u>7,268,182</u>
	TOTAL ASSETS HELD FOR INVESTMENT	<u>\$ 202,602,204</u>	<u>\$ 196,205,166</u>

PEOPLES ENERGY CORPORATION
EMPLOYEE CAPITAL ACCUMULATION AND THRIFT TRUST
SCHEDULE OF REPORTABLE TRANSACTIONS
FOR THE PLAN YEAR ENDED DECEMBER 31, 2003

IDENTITY OF PARTY INVOLVED/ Description of Security	Number of Purchases	Dollar Value of Purchases	Number of Sales	Dollar Value of Sales	Net Gain/(Loss) Recognized
SINGLE TRANSACTIONS					
Northern Trust Global Investments					
NTGI Coltv Daily Aggregate Bond Index Fund - SL	1	\$ 21,208,758	1	\$ 23,808,532	\$ 2,599,774
NTGI Coltv Daily Aggregate Bond Index Fund - SL	1	\$ 14,863,720	1	\$ 16,256,150	\$ 1,392,430
NTGI Coltv Daily S&P 500 Equity Indx Fd-SL	1	\$ 44,816,770	1	\$ 41,216,034	\$ (3,600,736)
NTGI-QM Coltv Daily Aggregate Bond Index Fund - SL	1	\$ 23,808,532	1	\$ 23,808,532	\$ -
NTGI-QM Coltv Daily Aggregate Bond Index Fund - SL	1	\$ 16,256,150	1	\$ 16,256,150	\$ -
NTGI-QM Coltv Daily S&P 500 Equity Indx Fd-SL	1	\$ 41,216,034	1	\$ 41,216,034	\$ -
SERIES OF SECURITIES OF THE SAME ISSUE					
Northern Trust Global Investments					
Colective Short-Term Investment Fund (ANB)	443	\$ 39,237,621	470	\$ 43,027,726	\$ -
NTGI Coltv Daily Aggregate Bond Index Fd-SL	275	\$ 7,582,001	282	\$ 56,340,100	\$ -
NTGI Coltv Daily S&P 500 Equity Indx Fd-SL	86	\$ 5,584,035	61	\$ 44,730,071	\$ -
NTGI Coltv Daily Russell 2000 Equity Indx Fd-SL	74	\$ 1,427,674	53	\$ 9,318,619	\$ -
NTGI-QM Coltv Daily Aggregate Bond Index Fd-SL	62	\$ 44,165,682	102	\$ 4,282,653	\$ -
NTGI-QM Coltv Daily Russell 2000 Equity Indx Fd-SL	101	\$ 11,731,954	29	\$ 687,319	\$ -
NTGI-QM Coltv Daily S&P 500 Equity Indx Fd-SL	56	\$ 44,507,455	41	\$ 2,559,561	\$ -

PEOPLES ENERGY CORPORATION
EMPLOYEE CAPITAL ACCUMULATION AND THRIFT TRUST
SCHEDULE OF REPORTABLE TRANSACTIONS
FOR THE PLAN YEAR ENDED DECEMBER 31, 2002

IDENTITY OF PARTY INVOLVED/ Description of Security	Number of Purchases	Dollar Value of Purchases	Number of Sales	Dollar Value of Sales	Net Gain/(Loss) Recognized
SINGLE TRANSACTIONS					
NONE					
SERIES OF SECURITIES OF THE SAME ISSUE					
Northern Trust Global Investments					
Coltv Short-Term Investment Fund (ANB)	490	\$ 58,656,913	442	\$ 57,543,539	\$ -
NTGI Coltv Daily Aggregate Bond Indx Fd-SL	356	\$ 11,689,161	342	\$ 13,725,355	\$ -
NTGI Coltv Daily S&P 500 Equity Indx Fd-SL	103	\$ 4,873,100	139	\$ 11,175,642	\$ -

SUPPLEMENTAL FINANCIAL STATEMENTS

PEOPLES ENERGY CORPORATION
EMPLOYEE CAPITAL ACCUMULATION PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR PLAN BENEFITS
FOR THE YEARS ENDED DECEMBER 31, 2003 AND 2002

<u>ASSETS</u>	<u>2003</u>	<u>2002</u>
NET ASSETS HELD IN THE PEOPLES ENERGY CORPORATION EMPLOYEE CAPITAL ACCUMULATION AND THRIFT TRUST, AT MARKET VALUE	<u>\$ 145,994,984</u>	<u>\$ 124,326,418</u>
 NET ASSETS AVAILABLE FOR PLAN BENEFITS	 <u>\$ 145,994,984</u>	 <u>\$ 124,326,418</u>

The accompanying notes are an integral part of these financial statements.

EMPLOYEE CAPITAL ACCUMULATION PLAN**STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR PLAN BENEFITS****FOR THE YEARS ENDED DECEMBER 31, 2003 AND 2002**

	<u>2003</u>	<u>2002</u>
ADDITIONS		
Contributions:		
Employee Contributions	\$ 6,116,768	\$ 6,065,553
Employer Contributions	2,505,082	2,452,939
Rollover Contributions	47,250	897,454
	<u>8,669,100</u>	<u>9,415,946</u>
Income from Investments:		
Dividend Income	714,590	543,183
Interest Income	385,552	683,437
	<u>1,100,142</u>	<u>1,226,620</u>
Miscellaneous Income	-	-
Loan Payments:		
Interest	236,827	240,754
Net Gain (Loss):		
Net Unrealized Appreciation (Depreciation)	17,987,077	(10,973,148)
Net Realized Gains (Losses)	983,006	(1,001,882)
	<u>18,970,083</u>	<u>(11,975,030)</u>
TOTAL ADDITIONS	<u>28,976,152</u>	<u>(1,091,710)</u>
DEDUCTIONS		
Withdrawals	7,305,328	21,388,315
Accrued Expenses	2,258	18,722
	<u>7,307,586</u>	<u>21,407,037</u>
TOTAL DEDUCTIONS	<u>7,307,586</u>	<u>21,407,037</u>
Net Increase (Decrease) in Assets	21,668,566	(22,498,747)
Net Assets - Beginning of Year	124,326,418	146,825,165
NET ASSETS - END OF YEAR	<u>\$ 145,994,984</u>	<u>\$ 124,326,418</u>

The accompanying notes are an integral part of these financial statements.

PEOPLES ENERGY CORPORATION EMPLOYEE CAPITAL ACCUMULATION PLAN

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2003 and 2002

NOTE 1 - DESCRIPTION OF PLAN

The Peoples Energy Corporation Employee Capital Accumulation Plan (the Plan) is a defined contribution plan and covers those employees of Peoples Energy Corporation and of the subsidiaries of Peoples Energy Corporation who are not covered by a collective bargaining agreement. Subsidiary companies include The Peoples Gas Light and Coke Company, North Shore Gas Company, Peoples Energy Resources, Peoples Energy Services and Peoples Energy Production. The effective date of the Plan is January 1, 1977. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). The Plan was most recently amended effective January 1, 2002 to incorporate certain benefit enhancements.

Employees are eligible to participate in this plan immediately upon employment. Participants may elect to make regular contributions of up to 6% of their regular rate of pay and may designate such amounts as tax deferred contributions, after tax contributions or a combination of both. Contributions may be invested in any of eleven funds, namely; a Money Market Fund, a Short Term Bond Fund, a Bond Fund, a Balanced Fund, an S&P 500 Equity Fund, an S&P 500 Growth Fund, an S&P 500 Value Fund, a MidCap Equity Fund, a Small Cap Equity Fund, a Foreign Equity Fund and a Company Stock Fund. The employer contributes an amount equal to 60% (100% for Peoples Energy Services Corporation participants) of the employee's regular contributions. The employer matching contributions are invested in the same manner as the employee contributions are invested. Participants may also elect to make additional contributions (supplemental contributions) of up to 10% of their regular rate of pay; these contributions are not matched by the employer.

Active participants are permitted to elect to take up to two loans from their accounts. Participants may borrow from their fund accounts from a minimum of \$500 to a maximum of the lesser of a) \$50,000 less the highest outstanding loan balance for one year preceding such loan or, b) one half of the value of the vested balance in their account as of the last day of the month preceding the loan application date. Loans may be for five years for non-residential loans or up to 15 years for residential loans. The loans are secured by balances in the participant's accounts and bear interest equal to the prime rate on the first day of the month in which the loan was applied for, plus 1 percentage point.

Rollover of other employer sponsored qualified plan distributions are also permitted.

Participants are fully vested in their own contribution account and their rollover account at all times and become fully vested in the employer's contribution account at the earlier of (a) completion of at least 104 participation periods, as defined in the Plan, or (b) termination of service after attaining age 55 or by reason of death, retirement or total disability.

PEOPLES ENERGY CORPORATION EMPLOYEE CAPITAL ACCUMULATION PLAN

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2003 and 2002

NOTE 1 - DESCRIPTION OF PLAN (Cont'd)

Participants with less than 104 participation periods completed are deemed to be 25, 50 or 75 percent vested in the employer's contribution account based on the number of completed participation periods.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of the Plan's significant accounting policies consistently applied in the preparation of the accompanying financial statements is as follows:

Basis of Accounting

The accounts of the Plan and the related Peoples Energy Corporation Employee Capital Accumulation and Thrift Trust (the Trust) are maintained on the accrual basis of accounting. Reference is made to the separate Statements of Net Assets Held in Trust and accompanying notes for further information on the accounting for Trust investments and Trust income.

Peoples Energy Corporation provides certain administrative and accounting services to the Plan at no cost and also pays the cost of services provided to the Plan by the independent auditors. The Plan participants through reduced earnings pay Recordkeeping, Trustee, and Investment Management fees.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Contributions

Employee contributions become payable to the Plan on the pay date on which the contribution is deducted from the employee's pay.

The employer contribution is required to be paid to the Trust during or as soon as possible after the end of each month as is reasonably practicable.

PEOPLES ENERGY CORPORATION EMPLOYEE CAPITAL ACCUMULATION PLAN

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2003 and 2002

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Investment Policy and Allocation of Earnings on Investments

Contributions received by the Plan are invested the same day by the Trust maintained by The Northern Trust Company, into each participant's account. Earnings are posted daily to each such account.

Distributions

Each participant whose employment with all employers is terminated is entitled to a distribution of the entire balance in his account and the vested portion of the employer contribution account within 90 days after termination unless the employee elects to defer the distribution under the terms of the Plan. Active participants are permitted to elect in-service and retirement planning withdrawals under the Plan provisions.

NOTE 3 - TERMINATION OF PLAN

The Plan may be terminated at any time by the Company. In event of such termination, the interest of all participants becomes fully vested and no part of any such participant's accounts shall be thereafter forfeited for any reason whatsoever. Presently, there is no intention on the part of the Company to terminate the Plan or to discontinue contributions to the Plan.

NOTE 4 - TAX STATUS

The Plan received a favorable determination letter from the Internal Revenue Service dated June 27, 2002 qualifying the Plan for exemption from income taxes under the Internal Revenue Code, as the Plan was then designed. The Company believes that the Plan is designed and is currently being operated in compliance with applicable regulations of the Internal Revenue Code.

PEOPLES ENERGY CORPORATION
EMPLOYEE THRIFT PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR PLAN BENEFITS
FOR THE YEARS ENDED DECEMBER 31, 2003 AND 2002

<u>ASSETS</u>	<u>2003</u>	<u>2002</u>
NET ASSETS HELD IN THE PEOPLES ENERGY CORPORATION EMPLOYEE CAPITAL ACCUMULATION AND THRIFT TRUST, AT MARKET VALUE	<u>\$ 78,870,709</u>	<u>\$ 72,210,554</u>
 NET ASSETS AVAILABLE FOR PLAN BENEFITS	 <u><u>\$ 78,870,709</u></u>	 <u><u>\$ 72,210,554</u></u>

The accompanying notes are an integral part of these financial statements.

PEOPLES ENERGY CORPORATION

EMPLOYEE THRIFT PLAN

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR PLAN BENEFITS

FOR THE YEARS ENDED DECEMBER 31, 2003 AND 2002

	<u>2003</u>	<u>2002</u>
ADDITIONS		
Contributions:		
Employee Contributions	\$ 2,877,497	\$ 2,959,792
Employer Contributions	1,414,865	1,423,467
Rollover Contributions	-	-
	<u>4,292,362</u>	<u>4,383,259</u>
Income from Investments:		
Dividend Income	507,049	636,341
Interest Income	110,256	202,897
	<u>617,305</u>	<u>839,238</u>
Loan Payments:		
Interest	269,306	312,747
Net Gain (Loss):		
Net Unrealized Appreciation (Depreciation)	7,042,235	(5,316,308)
Net Realized Gains (Losses)	1,049,922	(185,685)
	<u>8,092,157</u>	<u>(5,501,993)</u>
TOTAL ADDITIONS	<u>13,271,130</u>	<u>33,251</u>
DEDUCTIONS		
Withdrawals	6,610,344	5,882,556
Accrued Expenses	631	8,252
	<u>6,610,975</u>	<u>5,890,808</u>
TOTAL DEDUCTIONS	<u>6,610,975</u>	<u>5,890,808</u>
Net Increase (Decrease) in Assets	6,660,155	(5,857,557)
Net Assets - Beginning of Year	<u>72,210,554</u>	<u>78,068,111</u>
NET ASSETS - END OF YEAR	<u>\$ 78,870,709</u>	<u>\$ 72,210,554</u>

The accompanying notes are an integral part of these financial statements.

PEOPLES ENERGY CORPORATION EMPLOYEE THRIFT PLAN

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2003 and 2002

NOTE 1 - DESCRIPTION OF PLAN

The Peoples Energy Corporation Employee Thrift Plan (the Plan) is a defined contribution plan and includes those employees of the subsidiaries of Peoples Energy Corporation who are covered by a collective bargaining agreement which makes the Plan applicable to such employees. Subsidiary companies include The Peoples Gas Light and Coke Company and North Shore Gas Company. The effective date of the Plan is January 1, 1977. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). The Plan was most recently amended effective January 1, 2002 to incorporate certain benefit enhancements.

All employees who have completed one year of service with an employer, as defined in the Plan and who have worked at least 1,000 hours during the year, are eligible to participate in the Plan. Participants may elect to make regular contributions of up to 6% of their regular rate of pay and may designate such amounts as tax deferred contributions, after tax contributions or a combination of both. Contributions may be invested in any of eleven funds, namely; a Money Market Fund, a Short Term Bond Fund, a Bond Fund, a Balanced Fund, an S&P 500 Equity Fund, an S&P 500 Growth Fund, an S&P 500 Value Fund, a MidCap Equity Fund, a Small Cap Equity Fund, a Foreign Equity Fund and a Company Stock Fund. The employer contributes an amount equal to 60% of the employee's regular contributions. The employer matching contributions are invested in the same manner as the employee contributions are invested. Participants may also elect to make additional contributions (supplemental contributions) of up to 10% of their regular rate of pay; these contributions are not matched by the employer.

Active participants are permitted to elect to take up to two loans from their accounts. Participants may borrow from their fund accounts from a minimum of \$500 to a maximum of the lesser of a) \$50,000 less the highest outstanding loan balance for one year preceding such loan or, b) one half of the value of the vested balance in their account as of the last day of the month preceding the loan application date. Loans may be for five years for non-residential loans or up to 15 years for residential loans. The loans are secured by balances in the participant's accounts and bear interest equal to the prime rate on the first day of the month in which the loan was applied for, plus 1 percentage point.

Rollover of other employer sponsored qualified plan distributions are also permitted.

PEOPLES ENERGY CORPORATION EMPLOYEE THRIFT PLAN

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2003 and 2002

NOTE 1 - DESCRIPTION OF PLAN (Cont'd)

Participants are fully vested in their own contribution account at all times and generally become vested in the employer's contribution account at the earlier of (a) completion of at least 104 participation periods, as defined in the Plan, or (b) termination of service after attaining age 55 or by reason of death, retirement or total disability. Participants with less than 104 participation periods completed are deemed to be 25, 50 or 75 percent vested in the employer's contribution account based on the number of completed participation periods.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of the Plan's significant accounting policies consistently applied in the preparation of the accompanying financial statements is as follows:

Basis of Accounting

The accounts of the Plan and the related Peoples Energy Corporation Employee Capital Accumulation and Thrift Trust (the Trust) are maintained on the accrual basis of accounting. Reference is made to the separate Statements of Net Assets Held in Trust and accompanying notes for further information on the accounting for Trust investments and Trust income.

Peoples Energy Corporation provides certain administrative and accounting services to the Plan at no cost and also pays the cost of services provided to the Plan by the independent auditors. The Plan participants through reduced earnings pay Recordkeeping, Trustee, and Investment Management fees.

Contributions

Employee contributions become payable to the Plan on the pay date on which the contribution is deducted from the employee's pay.

The employer contribution is required to be paid to the Trust during or as soon as possible after the end of each month as is reasonably practicable.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

PEOPLES ENERGY CORPORATION EMPLOYEE THRIFT PLAN

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2003 and 2002

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Investment Policy and Allocation of Earnings on Investments

Contributions received by the Plan are invested the same day by the Trust maintained by The Northern Trust Company, into each participant's account. Earnings are posted daily to each such account.

Distributions

Each participant whose employment with all employers is terminated is entitled to a distribution of the entire balance in his account and the vested portion of the employer contribution account within 90 days after termination unless the employee elects to defer the distribution under the terms of the Plan. Active participants are permitted to elect in-service and retirement planning withdrawals under the Plan provisions.

NOTE 3 - TERMINATION OF PLAN

The Plan may be terminated at any time by the Company. In event of such termination, the interest of all participants becomes fully vested and no part of any such participant's accounts shall be thereafter forfeited for any reason whatsoever. Presently, there is no intention on the part of the Company to terminate the Plan or to discontinue contributions to the Plan.

NOTE 4 - TAX STATUS

The Plan received a favorable determination letter from the Internal Revenue Service dated June 27, 2002 qualifying the Plan for exemption from income taxes under the Internal Revenue Code, as the Plan was then designed. The Company believes that the Plan is designed and is currently being operated in compliance with applicable regulations of the Internal Revenue Code.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Retirement and Benefit Plans Committee of Peoples Energy Corporation, as administrator of the plans designated below, has duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

Peoples Energy Corporation
Employee Capital Accumulation Plan
and Peoples Energy Corporation
Employee Thrift Plan
(Name of Plan)

Date: June 25, 2004

By 
Douglas M. Ruschau
Vice President and Treasurer
Peoples Energy Corporation

EXHIBIT INDEX

The exhibit listed below is filed herewith and made a part hereof.

<u>Exhibit Number</u>		<u>Page</u>
23	Consent of Odell Hicks & Company	31

EXHIBIT 23

CONSENT OF INDEPENDENT PUBLIC ACCOUNTANTS

As independent public accountants, we hereby consent to the incorporation by reference of our report, dated March 12, 2004, which appears in the Peoples Energy Corporation Employee Capital Accumulation Plan and Peoples Energy Corporation Employee Thrift Plan Annual Report on Form 11-K for the plan year ended December 31, 2003, into the Company's previously filed Registration Statement File No. 33-6369.


ODELL HICKS & COMPANY, LLC

Chicago, Illinois
March 12, 2004