
**Rider 28
Residential Payment Assistance Programs**

Applicable to Rate 1

Purpose

This Rider describes certain state-wide programs operated under the auspices of the Illinois Department of Commerce and Economic Opportunity (“DCEO”) and its Local Administrative Agencies (“LAAs”) that may reduce a Customer’s payments to the Company by providing funds as credits to the Customer’s bill. Customers must apply at their local LAA to participate in the following programs.

Applicability

These programs are applicable to Rate 1 – Residential Service Customers that use natural gas for space heating and are eligible for the Illinois Low Income Home Energy Assistance Program funding, as verified by the DCEO or LAA. The DCEO shall determine the eligibility of such Customers to participate in the programs and determine the availability of such programs based on available funding.

Programs:

Low Income Home Energy Assistance Program (“LIHEAP”)

The LIHEAP program offers a one-time payment to eligible residential Customers meeting specified low-income criteria as determined by DCEO and its LAAs. Such payment is made directly to the Company and appears as a credit on the Customer’s bill. The amount of such payment shall be determined by the DCEO or its LAAs.

Percentage of Income Payment Plan (“PIPP”)

In lieu of the LIHEAP program, low-income Customers may participate in the PIPP program. The PIPP program offers low-income residential Customers the opportunity to receive from the DCEO monthly credits for natural gas service based on the Customer’s annual income, as verified by the DCEO or LAAs. Participating in the PIPP requires the Customer to participate in the PIPP budget payment plan. Each monthly PIPP budget payment plan amount shall be based on the Company’s forecasted levelized bill payment amount that shall be in effect for the Program Year. Such levelized PIPP budget payment plan amount pertains only to this Rider and is not determined pursuant to or subject to the Company’s budget payment plan of this rate schedule.

The initial Program Year is from September 1, 2011 to June 30, 2012. Each subsequent Program Year shall be from July 1 to June 30.

The DCEO or LAAs shall determine for each eligible participant, a monthly PIPP grant. The monthly PIPP grant shall mean the amount determined by the DCEO or LAAs and submitted to the Company, not to exceed \$100 per month or \$1,200 per Program Year. The Company shall apply the monthly PIPP grant to the participant’s bill for amounts due and owing for utility service.

Each month, the participant is required to pay the difference between the PIPP budget payment plan amount and the monthly PIPP grant by the due date specified on the participant’s bill. The Company will post the monthly PIPP grant to the participant’s current bill. The participant is responsible for all amounts due and owing for utility service in excess of the sum of the required PIPP payment and the monthly PIPP grant, and any excess charges at the end of the Program Year shall be amortized over twelve (12) months and included in the following year’s PIPP budget payment plan amount. Likewise, any over-payment by the participant at the end of the Program Year shall serve as a credit to the next Program Year’s PIPP budget payment plan amount. The participant is responsible for any charges that are not related to gas delivery service assessed on the participant’s account.

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In addition to meeting the income criteria specified by the DCEO, any PIPP participant must:

- a) have an active account at the time the Customer applies for service under this Rider;
- b) not have any outstanding dollars owed for tampering;
- c) not be currently enrolled in bill payment services such as E-billing or bank draft; and
- d) if participating in Rider 15-Customer Select, be with a Customer Select supplier participating in PIPP and billing charges on the Company's bill.

Arrearage Reduction Program ("ARP")

The ARP offers PIPP participants the opportunity to reduce accumulated arrears by staying current on future bills. The arrearage balance shall mean all outstanding utility balances on the Customer's account at the time the Customer becomes eligible for the PIPP. The Company will credit an ARP amount up to \$83.33 per month, or \$1,000 per Program Year, to the participant's account for each month that the Company receives a PIPP participant's monthly payment in full on or before the payment due date.

Termination of Participation

In all cases of Termination of Participation in PIPP and ARP due to Default, Voluntary Withdrawal, Termination of Service or Transfer of Service at the premise at which the participant is receiving service, previously forgiven ARP amounts and monies paid for the participant's actual bill shall remain paid. The remaining portions of the pre-PIPP arrearage balance, as well as all other outstanding balances, are due immediately upon termination from service under this Rider.

Default

Upon notification from the Company that a customer is more than 45 days past due in making a required payment, the DCEO may terminate the participant from the program. The following will apply to all participants who default or whose status changes prohibit them from receiving service under the Rider: 1) all account balances owed the Company are due immediately, including a deposit, as applicable under 83 Illinois Administrative Code Part 280; 2) Late Payment Charges begin accruing; 3) written notice of the Company's intention to terminate service will be sent; and 4) collection activities and credit reporting will begin or resume.

Voluntary Withdrawal

A participant may withdraw from service under this Rider at any time. The following will apply to participants requesting to withdraw from the program: 1) all accounts balances owed the Company are due immediately; 2) if the participant has account balances in arrears, the participant may enter into a standard deferred payment agreement; and 3) the Company reserves the right to request a deposit in the future.

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Termination of Service

A participant who requests that service be terminated at the premise where the participant is receiving service under this Rider must withdraw from service under this Rider, unless the service termination is in conjunction with a Transfer of Service. The following will apply to participants requesting termination of service, unless termination is in conjunction with a Transfer of Service: 1) all account balances owed the Company are due immediately; and 2) the Company reserves the right to request a deposit in the future.

Transfer of Service

A participant who requests that service be terminated at the premise where the participant is currently receiving service, and concurrently requests service at a new premise, must notify the LAA to receive benefit under this Rider at the new premise.

Late Payment Charges

Late Payment Charges shall not be applicable to participants while the participant is receiving service under the PIPP.

Company Reporting

On or before 45 days after the end of each calendar quarter, the Company shall submit to the Commission, with copies to the Manager of Accounting, a report showing the costs associated with the PIPP program, revenues received for the Supplemental Low Income Energy Assistance Fund and any other information requested by the Commission or its Manager of Accounting. Such report shall show the total amount of funds netted from amounts otherwise required to be remitted to the Supplemental Low-Income Energy Assistance Fund or billed to DCEO.

On or before 45 days after the end of each calendar year, the Company shall submit annual reports to the Commission, its Manager of Accounting and the DCEO which accumulates the quarterly information and provides any other information requested by the Commission, its Manager of Accounting or DCEO pertaining to the success of the PIPP.

Other Terms and Conditions

Except as otherwise provided in this Rider, participation in the above programs are subject to the Company's Terms and Conditions and Riders incorporated in its Schedule of Rates for Gas Service, which are applicable to this Rider.