

UNION ELECTRIC COMPANY GAS SERVICE

Applying to MISSOURI SERVICE AREA

**MISSOURI ENERGY EFFICIENT NATURAL GAS
EQUIPMENT AND BUILDING SHELL MEASURE REBATE PROGRAM**

APPLICATION

The Missouri Energy Efficient Natural Gas Equipment and Building Shell Measure Rebate Program (Program) is designed to encourage more effective utilization of natural gas by encouraging energy efficiency improvements through the replacement of less efficient natural gas equipment with high efficient ENERGY STAR® Qualified natural gas equipment and other high efficiency equipment and building shell measures.

* Rebates are being offered for a portion of the cost of ENERGY STAR® Qualified or programmable thermostats, residential ENERGY STAR Qualified natural gas furnaces, residential high efficiency measures, commercial ENERGY STAR Qualified natural gas utilization equipment, as well as other high efficiency equipment and building shell measures purchased by Participants.

DEFINITIONS

Administrator - Company will administer the Program.

AFUE - Annual Fuel Utilization Efficiency: Energy efficiency rating measure determined, under specific testing conditions, by dividing the energy output by the energy input. It is a measure of the heat actually delivered by a furnace to the structure compared to the heat potential in amount of fuel supplied to the furnace. For example, a furnace that has a 92% AFUE rating converts 92% of the fuel supplied as heat to the structure - the other 8% is lost as exhaust. This information is available on every furnace sold in the United States.

ENERGY STAR® - A voluntary labeling program designed to identify and promote energy efficient products to reduce energy expenses and greenhouse gas emissions. ENERGY STAR® is a joint program of the U.S. Environmental Protection Agency and the U.S. Department of Energy.

Participant - A customer who is being served under either the Company's Residential or General Service natural gas rate class, is located in Missouri, and elects to purchase energy efficient gas saving equipment as described in the Measures. For purposes of receiving rebates under this Program, a Participant is defined as a person, firm, organization, association, corporation, or other entity that implements Measure(s), submits Rebate Form and documentation.

Retailer - Any retailer which has agreed to sell ENERGY STAR® Qualifying or other high efficient natural gas equipment, or provider of energy efficiency services, associated with the Measures.

*Indicates Change.

DATE OF ISSUE December 9, 2010 DATE EFFECTIVE January 8, 2011

ISSUED BY Warner L. Baxter President & CEO St. Louis, Missouri
Name of Officer Title Address

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**MISSOURI ENERGY EFFICIENT NATURAL GAS
EQUIPMENT AND BUILDING SHELL MEASURE REBATE PROGRAM (cont'd)**

General Service Measures (cont'd)

15) Equipment: Natural Gas Tankless Water Heater - purchase and installation of up to two (2) units.
Rated: ENERGY STAR® Qualified high efficiency.
Rebate: Two hundred dollars (\$200) per unit, four hundred dollars (\$400) total or 50% of the equipment cost, whichever is lower.

16) Equipment and Building Shell Measures:
Commercial Energy Audit Improvement - purchase and installation of cost effective natural gas energy saving equipment and building shell measures as recommended from a customer paid energy audit by a Qualified Auditor, which are not included in other commercial measure listed in this program.
Rated: Measures considered efficiency improvement.
Rebate: One thousand dollars (\$1,000), or 50% of the equipment and building shell measures cost, whichever is lower.

***PROGRAM FUNDS**

Program funds will be used for the rebate costs and external administration and processing costs associated with Residential and General Service Measures. Up to \$16,250 of program funds may be used to cover marketing expenses incurred during 2010. The RCECC has allotted the remaining \$100,000 of funds in the Company's natural gas energy efficiency account (Account) to the Program. When the Account has been depleted, the Company will provide additional funding to the Account and defer that additional amount for future ratemaking treatment in the manner set forth in paragraph 19 in the Stipulation and Agreement approved by the Commission in Case No. GR-2007-0003.

PROGRAM TERM

*The Program will conclude December 31, 2010.

Any Program Funds in excess of actual program expenses that remain at the end of the Program will be available to other RCEEC programs.

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