

RULES AND REGULATIONS

Temporary Low-Income Energy Affordability Program

This temporary low-income energy affordability program (this "Program") is established because the unusually cold winter of 2013-14 has created a hardship for the Company's low-income customers. The Company shall permit customers to enroll in the Program from May 1, 2014 through August 31, 2014 pursuant to the terms set forth below.

1. All households with incomes equal to or less than 185% of the Federal Poverty Level and who are active or disconnected MGE Customers shall be eligible to participate in the Program. The Program will be jointly administered by the Company and selected Community Action Agencies (CAA) in the MGE service territory. All customers who received federal or state energy assistance within the last 12 months shall be deemed eligible and to have qualified for the Program. All eligible customers shall apply for any other energy assistance funds for which they might be entitled, and shall be deemed to have agreed to allow their account information to be used in any program evaluation. The CAA may use household registration from other assistance programs for the sole purpose of determining eligibility for the Program.
2. Qualified customers may apply for enrollment in the Program between May 1 and August 31, 2014. Upon acceptance to the Program, MGE will reactivate service or suspend disconnection and a Customer's account with MGE shall be credited with the lesser of (i) one-half of the customer's then outstanding balance; (ii) the amount required to bring the customer current on any Cold Weather Rule (CWR) payment plan; or (iii) \$600. For Customers on a CWR payment plan, the customer will be expected to comply with the terms of such plan after receiving the credit. For other eligible Customers, the Company will establish a payment arrangement ("PA") under which the Customer will pay at a minimum, the amount of the current usage plus one-fifth of the remaining balance on the account by the end of the program period. A Customer who is current on the PA will not incur late payment charges on the outstanding arrearage balance amounts covered under the Program. Credits funded through the Program shall not be used to pay for a disconnected customer's reconnection charge.
3. It is intended that the Customer eliminate the balance owed by the end of the CWR payment plan or the five monthly installment PA period. The Company may terminate a Customer's participation in the Program if the customer fails to make timely payments. Until service is discontinued, a Customer who has defaulted on a PA shall be permitted to maintain or reinstate the PA by paying all amounts due to bring the PA current.
4. Compensation to the CAA for its duties will be negotiated between the Company and the CAA subject to an overall limitation of no more than 5% of the total funding of the Program. The CAA shall use Utilicare funding to the extent it is available before using Company funds in the Program. The Company's customers shall not receive less Utilicare funding than they would otherwise receive absent the Program. The Program shall be funded with up to \$400,000 in Company funds, exclusive of administrative costs. Any Company funds used in the Program, plus administrative funds, shall be deferred into a low-income asset account for recovery over a five-year period in the Company's next rate case. The Company shall not charge or recover fees for its own work administering the program.

DATE OF ISSUE August 1, 2014 DATE EFFECTIVE August 31, 2014
month day year month day year

ISSUED BY: L. Craig Dowdy, Sr. VP, Ext. Affairs, Corp. Communications & Marketing
Laclede Gas Company, St. Louis, MO. 63101