

Missouri Gas Energy,
a Division of Southern Union Company

For: All Missouri Service Areas

PROMOTIONAL PRACTICES

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Rebuild Joplin: Energy Star® New Homes Experimental Pilot Program

A. Purpose

The Rebuild Joplin Energy Star® New Homes Program is designed to assist tornado victims, encourage rebuilding efforts, and promote energy efficiency in the tornado-impacted areas in and around Joplin, Missouri by encouraging the construction of homes that meet the Energy Star® Homes guidelines

B. Definitions:

Administrator: MGE may administer the Energy Star® New Homes Program in-house and/or in partnership with contracted vendors (as necessary) in compliance with the terms established by Energy Star®.

Participant: Residential builders, subcontractors or individuals in the business of constructing new, residential homes and retailers/detailers of modular and manufactured homes along with individuals trained and certified as Home Energy Raters. The new home must include the installation of an Energy Star® qualifying natural gas water heater and space heating system (including heat pumps with natural gas backup).

Eligible Areas: The Missouri Counties of Jasper and Newton in the Company's service territory.

C. Terms and Conditions:

Residential builders, subcontractors, and retailer/dealers who wish to participate in the program must meet all guidelines of the federal Energy Star® Home program.

Additional program details may be found at www.energystar.gov and clicking on New Homes or by going to the New Homes section at http://www.energystar.gov/index.cfm?c=new_homes.hm_index

For MGE customers in the Eligible Areas served by Empire District Electric Company, MGE will provide incentives of up to \$800 to the builder in order to reduce the additional cost of building to Energy Star® guidelines. The builder incentive will be paid after the home is declared to be an Energy Star® Qualified Home.

For MGE customers in the Eligible Areas not served by Empire District Electric Company, MGE will provide incentives of up to \$800 to the builder in order to reduce the additional cost of building to Energy Star® guidelines, but \$400 of that amount may be applied by the customer to the energy audit process payable to the Home Energy Rater. The total incentive amount shall not exceed \$800. The builder incentive will be paid after the home is declared to be an Energy Star® Qualified Home.

D. Availability:

Incentives are available for structures that install a qualifying natural gas space heating appliances (including heat pumps with natural gas backup) and also natural gas water heaters. This program will be available through December 31, 2013 or until authorized spending levels are reached, whichever occurs first.

DATE OF ISSUE March 22 2013 DATE EFFECTIVE May 1 2013
month day year month day year

ISSUED BY: Michael R. Noack Director, Pricing and Regulatory Affairs
Missouri Gas Energy, Kansas City, MO. 64111

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E. Program Funding:

Rebuild Joplin Energy Star® New Homes Program, along with MGE's other energy efficiency initiatives, will be funded in accordance with the Commission's Report and Order issued in GR-2009-0355 and will be subject to adjustment as provided therein. A maximum of \$1,000,000 of such funding may be applied to the Rebuild Joplin Program in the aggregate (as detailed in that tariff) and the Rebuild Joplin Energy Star® New Homes Program (including incentives, administrative expenses, promotions/advertising, and such other Program costs) through December 31, 2013 or as long as authorized funds are available, whichever occurs first. The Energy Efficiency Collaborative will monitor expenditures made for the Rebuild Joplin program, pursuant to reports to be provided by MGE, and may recommend increasing the \$1,000,000 cap on program funding for consideration by the Commission. Expenditures for the Rebuild Joplin program may be deferred and treated as a regulatory asset and ratemaking treatment of such deferred amounts will be considered in MGE's next general rate proceeding.

F. Energy Efficiency Collaborative

The Energy Efficiency Collaborative (EEC), which was formed in Case No. GT-2008-0005 and continued in Case No. GR-2009-0355, will provide oversight for the implementation of this Rebuild Joplin Energy Star® New Homes Program.

G. Other Conditions

MGE will submit reports on a quarterly basis (due within 45 days from the end of the quarter) to the EEC. These reports will detail the cost and participation in the Program. The following information will be included in the quarterly reports:

- a. The total number of program requests and the number of requests approved;
- b. The dollars spent on the program, evaluation, administrative expenses and promotion/advertising;
- c. Number and type of any complaints received and the resolution of the complaints

A detailed post-implementation evaluation the program shall be completed within six (6) months of the end of the program's termination date unless the EEC determines that completion should occur at a later date so that adequate program participant billing data would be available to use in the impact evaluation. This evaluation will be funded by energy efficiency program funds. Where feasible, this review will include both process evaluations and cost effectiveness (impact) evaluations.

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