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**\* PIPP– PERCENT OF INCOME PAYMENT PLAN**

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**AVAILABILITY**

- \* The Percent of Income Payment Plan (“PIPP”) (“Program”) shall be available as follows:
  1. The program is only available to low-income Residential (Rate GDS-1) natural gas service Customers of the Company with an active account who are certified as eligible through the Local Administrative Agencies (LAAs) contracted by the Illinois Department of Commerce and Economic Opportunity (“Eligible Participants”).
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- \* 2. A Low-Income Customer is defined as a Residential Customer who has qualified under the income criteria of Section 6 of the Energy Assistance Act of 1989 [305 ILCS 20/6].
- \* 3. The permanent PIPP program was implemented with the September 2011 Billing Period as set forth in Public Act 96-33, specifically 305 ILCS 20/18.
- \* 4. Eligibility for re-enrollment at a new service address is determined by the Local Administrative Agencies (LAAs) and is subject to availability of funding.

**PROGRAM DESCRIPTION**

The Program will function as follows:

- \* 1. Eligible Participants will be placed on the Company’s “Rollover” Budget Billing program. The budget billing amounts of eligible participants are expected to remain constant without interim adjustments until participants annual true up.

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- \* 2. For new PIPP participants, the first Billing Period of the Program is expected to occur on the first Billing Period following the utility’s completion of the enrollment process.
- \* 3. PIPP participants will be expected to pay the portion of the monthly utility bill for which they are responsible by the due date. The participant’s portion of the bill includes the total charges on the bill less the monthly PIPP credit provided by the Illinois Department of Commerce and Economic Opportunity.
- \* 4. In the event PIPP participants fall at least 60 days in arrears, they may be terminated from the program upon notification to the Company from the Illinois Department of Commerce and Economic Opportunity and/or its Local Administrative Agency designees. Such Customers will no longer be eligible for monthly PIPP benefit credits effective with their next billing date and will become responsible for all current charges from that bill forward including any debt previously deferred in the Arrearage Reduction Program (ARP).
- 5. The Company will not assess late payment charges or require new or unpaid deposits for Eligible Participants remaining on the program.

**ARREARAGE REDUCTION PROGRAM (ARP)**

- \* For new PIPP participants entering the Program, any existing arrears owed prior to Program participation will be known as pre-program arrears and will be eligible for the Arrearage Reduction Program (ARP). This component of the Program will operate as follows:
  - \* 1. Up to \$1,000 of the Eligible Participant’s pre-program arrears is eligible to be reduced under the PIPP during the first 12 months of PIPP participation. Arrears amounts in excess of \$1,000 will be held in abeyance and such arrears will be eligible to be reduced in subsequent years provided that the Customer remains a PIPP participant.

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- \* 2. For every on-time payment a PIPP Program participant makes, 1/12 of the pre-program arrears not in abeyance will be credited towards their arrears up to a total of \$1,000 for the year.
- \* 3. On-time payment for purposes of the Arrearage Reduction Program is defined as payment in full received by the due date shown on the Customer’s bill.
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**PROGRAM FUNDING**

- \* Monthly PIPP credit program funding will be provided from the Illinois Department of Commerce and Economic Opportunity through the Supplemental Low-Income Energy Assistance Fund. Program funding for the Arrearage Reduction Program component will be provided from the incremental increase to the Energy Assistance Charge (pursuant to Public Act 96-33) for the Supplemental Low-Income Energy Assistance Fund.

**PROGRAM REPORTS**

- \* The Company will provide a report to the Commission on a quarterly basis accounting for monies reimbursed or netted through the Supplemental Low-Income Energy Assistance Fund. The report will also include any other detailed information as specified by the Commission’s Manager of Accounting. Such report shall be filed no later than 45 days after the end of each calendar quarter.

**TERMS AND CONDITIONS**

All applicable charges for the provision of natural gas service by Company, not otherwise waived herein, shall be assessed to the accounts of Eligible Participants in the Program.