

SCHEDULE NO. PR-1

RESIDENTIAL GAS SERVICE
(Continued)

LOW INCOME RATEPAYER ASSISTANCE DISCOUNT PILOT PROGRAM

1. Applicable to customers served under this schedule who meet the criterion which establishes that a qualifying customer's household income does not exceed 150 percent of the Federal Poverty Level, as referenced in the poverty guidelines updated periodically in the Federal Register by the U.S. Department of Health and Human Services under the authority of 42 U.S.C. 9902(2).
2. Eligibility requirements for Low Income Ratepayer Residential Gas Service Discount are set forth on the Utility's Application and Declaration of Eligibility for Low Income Ratepayer Assistance form. Customers must have an approved application form on file with the Utility. Recertification will be required prior to November 1 every two years and whenever a customer moves to a new residence within the Utility's service area.
3. Eligible customers will receive a discount on their bill from November through April of each year. This discount is set forth in the currently effective Statement of Rates Footnote 3 of Sheet No. 5 of this Arizona Propane Tariff, and is incorporated herein by reference. The discount will commence with the next regularly scheduled billing period after the Utility has received the customer's properly completed application form or recertification.
4. Eligibility information provided by the customer on the application form may be subject to verification by the Utility. Refusal or failure of a customer to provide current documentation of eligibility acceptable to the Utility, upon request of the Utility, shall result in removal from or ineligibility for this discount.
5. Customers who wrongfully declare eligibility or fail to notify the Utility when they no longer meet the eligibility requirements may be rebilled for the period of ineligibility appropriately. It is the responsibility of the customer to notify the Utility within 30 days of any changes in the customer's eligibility status.
6. Customers with connected service to pools, spas or hot tubs are eligible for this discount only if usage is prescribed in writing by a licensed physician.
7. All monetary discounts will be recorded in a deferral account established by the Utility.
8. The initial annual program cap shall be \$12,500. The Pilot Program shall sunset on October 18, 2007, unless extended by the Commission or if a permanent program is implemented by the utility as a result of a rate case decision.