

Section B: Topics Relating Solely to Sales Customers

20. Budget Payment Plan

The Budget Payment Plan (BPP) option is available to eligible customers to help avoid and budget against high energy bills in the winter months by spreading those costs throughout the year. It is the intent of this BPP is to make a customer's monthly payments as level as practical, subject to reconciliation at the end of the twelve month budget period when monthly bills will be compared to actual amounts due, and a charge or credit will be applied to the customer representing the "customer's balance amount". However, during this twelve month budget period it may be determined by the Company to be necessary to change (increase or decrease) the amount billed monthly to the customer on the Plan in an effort to avoid the buildup of a large over- or under- collection in the customer's balance amount, that would otherwise be required to be paid or reimbursed at the end of the billing year.

The BPP normally commences with the September bill and ends with the following August bill, and is subject to the following conditions:

A. Eligible Customers:

1. Eligible customers include

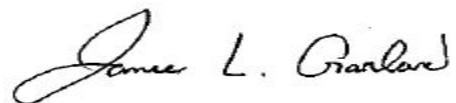
Individually metered residential and commercial customers where sufficient information, such as 12 months of gas usage history or previous non-gas fuel usage, is available to allow the Company to reasonably estimate annual gas usage.

2. Eligibility requirements include:

- a. Customer has no outstanding arrears on their account at the time their plan starts, or agrees to amortize the arrears amount.
- b. In the event that a customer has been involuntarily removed from BPP for non-payment, customer has made payment of all past due billed BPP amounts.

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Jamie L. Garland



Director Gas Operations

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3. Participation is subject to approval by the Company.
4. Eligible customers may join in any month.

B. Billing

1. For customers participating in this Budget Payment Plan:

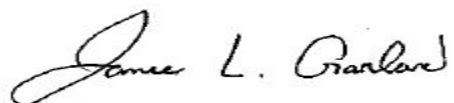
- a. The BPP will be calculated using a variable index commodity charge based on projected gas market futures pricing for the budget period. Subject to adjustment of monthly amounts (as further described below), anticipated bills for the budget period will be equally apportioned among the lesser of twelve (12) months, or the remaining months of the budget period including the settlement month, regardless of the actual consumption during the month;
- b. The following August will be the settlement month, at which time bills for actual use will be balanced against the actual BPP amounts paid and the difference will be due payable with the due date of the August bill;
- c. If a customer elects to only pay their billed BPP amount, the balances will be resolved by equally dividing the over- or under- collection over the following BPP period;
- d. If a customer elects to withdraw from the BPP the customer would then be subject to section D.1 Withdrawing from the Plan.

C. Adjustments to the BPP Monthly Amounts

1. The Company will monitor the difference between actual cost incurred and the BPP monthly amounts paid, and may make positive or negative adjustments to the estimated BPP monthly amounts with the April bill if necessary, to help avoid large over- or under-collection in the settlement month. Notification of the change to the monthly BPP amount will be reflected on the customers April bill.

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2. Customers who elected the Fixed Price Option (FPO) pricing September 1, 2019 through August 31, 2020 may choose to not participate in the April BPP adjustment by notifying MNG by April 1st. The customers will be contacted by the Company during the month of March via phone or email to determine if they will not participate in the April BPP adjustment.

3. In unusual circumstances positive or negative adjustments to the BPP monthly amounts may be made at any time as necessary to help avoid large over- or under-collection in the settlement month. The Company will attempt to contact customers via phone, email or mail of the proposed change, prior to changes taking effect.

**D. Withdrawing from the Plan**

1. Participating customers may voluntarily withdraw from the Plan at any time. Any over- or under- payment balance will be credited or charged respectively at the time of customer withdrawal. The total outstanding balance becomes due and payable within 30 days.

2. Participating customers will automatically be withdrawn from the Plan if two consecutive BPP billed payments are missed. The total outstanding balance becomes due and payable within 30 days.

