

Rule No. 12
RENDERING AND PAYMENT OF BILLS

Sheet 1

A. Rendering of Bills

1. Regular Bills. Bills for gas service will be rendered monthly, or as may otherwise be provided under applicable tariff schedules, and will be based on the measured quantity of gas delivered to the customer, except as provided in Section C below and as noted in Rule No. 14, Meter Reading, Section C.

2. Electronic Bills. At the mutual option of the customer and the Utility, the customer may elect to receive, view and pay regular bills for service electronically and no longer receive the paper bills. All legal and mandated notices and all charges that would have appeared on the paper bill will be provided with the electronic bill transmittal. Even if the Utility allows bill payment using a bill aggregator or by credit/debit card, responsibility for handling complaints about the bill still resides with the Utility. All notices for termination of service for non-payment will be delivered by a Utility visit or by U.S. Mail. Either party may discontinue electronic billing upon 30 days' notice. The Utility will not release confidential information, including financial information, to a third party without the customer's consent. The customer's consent shall be provided to the Utility either in writing or electronically.

3. Summary Billing. Summary Billing presents bills for customers with multiple accounts in a summarized bill. A customer will receive one bill each month for such a group of accounts. This option is available to both Residential and Non-residential customers.

Customers requesting Summary Billing must have a minimum of ten accounts. In addition, customers must have demonstrated an acceptable payment record (no more than two late payments in the past 12 months on any account), their accounts must be current at the time they begin Summary Billing, and they must not have been involuntarily terminated from Summary Billing within the past 12 months.

Once a customer has been placed on Summary Billing, the customer must maintain the minimum number of accounts required and an acceptable payment record as described above in order to remain eligible for Summary Billing.

B. Payment of Bills

1. Bills Due On Presentation. Bills are due and payable upon presentation. Such bills are the first notice to the customer that the amount shown is due and payable and when not timely paid, will become past due as provided for in Rule No. 9, Discontinuance of Service. Payment must be received at the office of the Utility or, at the Utility's option, by duly authorized collectors of the Utility.

2. Closing Bills Payable on Presentation. Special bills, bills rendered on vacation of premises, or bills rendered to persons discontinuing the service shall be paid on presentation.

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3762
 DECISION NO.

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Jul 25, 2007
 EFFECTIVE Aug 24, 2007
 RESOLUTION NO. _____

T
 T
 T
 |
 |
 T
 T,L
 L
 |
 |
 |
 |
 |
 |
 |
 L
 N
 |
 N
 N
 |
 |
 |
 N
 N
 |
 N
 T
 T
 N
 N
 T
 T
 T

Rule No. 12
RENDERING AND PAYMENT OF BILLS

Sheet 2

(Continued)

B. Payment of Bills (Continued)

3. Bills for Connection or Reconnection of Service and Deposits. Bills for connection or reconnection of service and payments of deposits or for reinstatement of deposits as required under the rules of the Utility must be paid before service will be connected or reconnected.

4. Payment Options. Payments for gas service may be made using the following options: cash, check, money order, auto debit, debit card, credit card, pay-by-phone, or electronically, as defined in Rule No. 1.

The Utility is not responsible for any transfer or transaction fee by a third party vendor for their services over and above the Utility bill charged to the customer. Customers choosing to use an alternative payment method, such as a bill aggregator or financial institution, may be charged a fee by the third party.

5. Dishonored Payment. If all or any portion of the amount to be paid is not honored, the Utility may bill the unpaid amount to the applicant's subsequent service or to the customer's present service. Such applicant or customer shall be deemed to have consented to such billing. Nonpayment of the amount so billed shall constitute nonpayment of the service or billing and will be subject to the provision for discontinuance of service as set forth in Rule No. 9.

A bill paid with a check that is subsequently dishonored will be subject to a \$7.50 Returned Check Service Charge. This charge will be added to the customer's bill for each occurrence. However, if a customer's check covers payment for other utility services in addition to payment for gas service, only one Returned Check Service Charge will be added to the customer's bill for each occurrence.

The Returned Check Service Charge shall also apply to all other forms of payment that are subsequently dishonored. This charge will be added to the customer's bill for each occurrence.

6. Refunds. If all or any portion of an amount paid must be refunded by the Utility, such refund may be made at the Utility's option by check or draft, or as credit on the customer's monthly Utility bill. The Utility will not refund electronic check, debit card, or credit card, payments made through a third party.

C. Level Pay Plan

Individually metered residential customers, residential master-metered customers, and core commercial and industrial customers using less than 3,000 therms per year who wish to minimize seasonal variations in monthly bills may elect to participate in the Level Pay Plan (LPP) under the following conditions:

(Continued)

(TO BE INSERTED BY UTILITY)

ADVICE LETTER NO. 3762
 DECISION NO.

2C38

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)

DATE FILED Jul 25, 2007
 EFFECTIVE Aug 24, 2007
 RESOLUTION NO. _____

T

T

L,T
L
L

L,T
L,T
L

N
L
|
L

N
|
|
|
N

T
N
|
N

N
N

N
|
|
N

T

T
|
|
T

Rule No. 12
RENDERING AND PAYMENT OF BILLS

Sheet 3

(Continued)

C. Level Pay Plan (Continued)

1. Participation is subject to approval by the Utility. T
2. The LPP year begins when the first LPP billing is rendered and extends for 11 subsequent months. Eligible customers may join the LPP in any month. T
3. Participants must have maintained a satisfactory payment record or shall have otherwise qualified for credit to the satisfaction of the Utility. N
4. Participants must have no outstanding arrears on their account at the time their LPP starts, or agree to amortize their arrears amount. T
5. Participants may voluntarily withdraw from the LPP at any time upon notice to the Utility. However, any amounts due for usage over and above the LPP amounts already paid are then due and payable in accordance with the Utility's approved tariffs. Any credit for the LPP amounts paid in excess of actual charges will be applied to the customer's next regular monthly bill or will be refunded by check if so requested by the customer. T
6. Participants are expected to pay the LPP amount shown due each month. Participants may be removed from the LPP if a bill containing a prior unpaid amount becomes past due as defined in Rule No. 9, Discontinuance of Service. Re-entry into the LPP will be contingent upon all past due amounts being paid. N
7. The LPP amount will be one-twelfth of the annual bill, as estimated by the Utility, based on the customer's most recent 12 months billing history, or, if such billing information is not available, the available billing information for the premises will be used. T
8. Participants' accounts are periodically reviewed and adjusted in order to reduce the likelihood of a large imbalance between actual charges and LPP charges. T

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3762
 DECISION NO.

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Jul 25, 2007
 EFFECTIVE Aug 24, 2007
 RESOLUTION NO. _____

