

- b. The Company reserves the right to require the applicant, before any gas is delivered, to execute an application. The application does not constitute a commitment by the Company to serve the applicant. Whether or not a written application or agreement is executed, the applicant, by accepting gas service, is bound by the applicable Rate Schedule and these General Service Provisions as they may be amended from time to time. Failure to make application will make a new customer liable for all services supplied since the last meter reading by which the previous customer on the same premises was billed.
- c. If, at the time, more than one schedule is applicable to the customer's service the Company shall, at the customer's request, assist in determining the rate believed to be most favorable to him. Another rate, if applicable, to the service, may at any time be substituted, at the customer's option, for the rate under which service is rendered, provided that not more than one substitution of a rate may be made within a twelve-month period and that such substitution shall not be retroactive.

3. DEPOSITS TO GUARANTEE PAYMENT OF BILLS AND TERMS OF CREDIT

Residential Service

A customer applying for gas service from the Company for the first time (initial gas service) is not required to place a deposit as a condition of service. Any customer who allows his account to become delinquent on more than two occasions within a period of 12 months, or becomes two months delinquent in the payment of his gas bills, may be required to deposit with the Company a cash sum equivalent to the actual or estimated bills for gas service for 60 consecutive days of maximum usage in a 12-month period, except that the deposit sum shall in no case be less than \$5.00.

Pursuant to Order No. 15134 issued December 9, 2008, for the months of January, February and March 2009, security deposits will be assessed on delinquent accounts, but may be paid over a three month period. By Commission Order No. 15134, the Company's interim measures apply only during the 2008-2009 winter heating season and shall expire on March 31, 2009. In addition, Order No. 15134 provides that as of April 1, 2009, the Company's approved tariff in effect prior to the Order shall apply to all customers without further notice.

A former customer of the Company not now receiving gas, applying for gas service shall discharge, either by payment or agreement, any prior indebtedness to the Company for gas service. Any former customer who, within the last 12 months of that prior service, allowed his account to become delinquent on more than two occasions, or became two months delinquent in the payment of his gas bills, may be required to deposit with the Company a cash sum equivalent to the actual or estimated bills for gas service for 60 consecutive days of maximum usage in a 12-month period, for the premises where gas is to be used, except that the deposit sum shall in no case be less than \$5.00.

When a customer has paid bills for service for a consecutive 12 month period of service following payment of his deposit without having had any bill which was unpaid within 80 days after date of rendition, and the customer is not then delinquent in the payment of his bills, the Company shall promptly refund or credit the deposit plus accrued interest.

If a customer has not paid any bill within 80 days of the bill rendition date, the Company may elect to assess a security deposit, or to increase an existing deposit up to the highest two bills in the preceding 12 months.

Other than Residential Service

Before receiving gas service, a customer shall establish his credit to the satisfaction of the Company and shall discharge, either by payment or agreement, any prior indebtedness to the Company for gas service. When credit is not otherwise established or maintained, the customer shall deposit with the Company a cash sum equivalent to the actual or estimated bill for gas service for a 60-day period of maximum usage in a 12 month period, except that the deposit shall in no case be less than \$5.00.

ISSUED: December 16, 2008

Effective for service rendered on and after January 15, 2009

Adrian P. Chapman - Vice President, Operations, Regulatory Affairs & Energy Acquisition

All Classes of Service

In case experience demonstrates that the outstanding deposit is larger or smaller than the maximum bill for a 60-day period, either the customer or the Company may require an adjustment of the deposit.

The deposit will bear simple interest at rates prescribed by the Commission as applicable throughout the period that it is retained by the Company and service is rendered to the customer providing such period exceeds 30 days.

When service is terminated, any balance of the amount deposited, plus accrued interest thereon remaining after deduction of all sums due the Company, will be returned to the customer.

For purposes of this Section, an account is delinquent whenever it has an unpaid prior month charge for gas carried forward to the next month's bill.

4. PAYMENTS

- a. The Company shall endeavor to have each customer's meter or meters read no less frequently than every other month (bimonthly) to determine the actual consumption of gas. Where meters are read bimonthly, gas consumption for the interim month, i.e. the month not scheduled for reading, will be estimated based on the prior consumption pattern when available and adjusted when gas is used for heating for variations in temperatures on a degree day basis. In the event the Company, due to circumstances beyond its control, is unable to obtain a reading on the scheduled meter reading date, the Company may, by appropriate means, request the customer to furnish the meter reading by calling the Company with the read by no later than 12:00pm of the day that the customer requires termination of service. If the Company does not receive such a reading furnished by the customer within 48 hours (excluding nonworking days) after the scheduled reading date, the Company will estimate the customer's gas consumption for that billing period in the same manner described above for the interim month estimations. Any difference between the estimated consumption and the actual consumption will be adjusted automatically through subsequent meter readings.
- b. The customer is required to provide a minimum of three working days prior notice to the Company for service initiation or service termination. The Company may waive the three working day notice requirement if sufficient staff is available to perform the work.
- c. The Company shall render a bill to each customer within a reasonable time after the monthly consumption has been determined in a manner outlined in the preceding paragraph. Where it has been necessary to estimate the customer's consumption, the words "Estimated Bill" shall be printed on the bill. In cases where arrearages are caused by underestimations, the Company will allow at least the same length period during which a bill was estimated for making up such arrearages.
- d. Bills covering periods of 28 to 35 days inclusive shall be computed at monthly rates. The customer charge when applicable to billings for periods covering other than 28 through 35 days shall be computed as follows: for 56 through 70 days, 84 through 105 days and 112 through 140 days, the customer charge shall be multiplied by 2, 3 or 4 respectively; for all other periods, the multiplier shall be the number of days in the period divided by 30. For initial and final bills, the customer charge shall be computed in the same manner as for regular bills.
- e. Customer payments shall be applied to any outstanding balance in the following order: (i) first to the arrears for utility regulated charges, oldest item first; (ii) then to the arrears for non-regulated charges such as energy supplier charges; (iii) then to the current utility regulated charges; and (iv) finally to the current non-regulated charges. Deferred payment balances related to the underestimation of bills shall not be considered arrears so long as the customer complies with the terms of the deferred payment arrangement with the Company.

ISSUED: December 1, 2008

Effective for meter readings on and after September 25, 2009

Adrian Chapman - Vice President, Operations, Regulatory Affairs & Energy Acquisition