

General Service Provisions (Continued)

- b. The deposit will bear simple interest from the date that the deposit is made throughout the period that it is retained by the Company and service is rendered to the customer, or until a reasonable effort has been made to effect the refund. However, no interest shall be paid on deposits held less than 90 days. The interest rate, per annum, will be established by the commission in January of each year in accordance with the findings in Case No. PUE820073 issued on February 22, 1983. At the request of the customer, the Company shall pay annual interest directly to the customer; otherwise, annual interest shall be credited to the customer's account.
- c. Deposits plus accrued interest will be credited to a customer's account or refunded by check at a customer's request as follows:
 - (1) To a residential customer after twelve months and to a non-residential customer after twenty four months during which the customer (a) has not had service discontinued for nonpayment of bill, (b) has not had any bill which was unpaid within 80 days after date of rendition, and (c) is not then delinquent in the payment of his bills.
 - (2) Upon termination of service, after deducting all sums due the Company.
 - (3) At any other time, at the option of the Company.
- d. Deposit requirements shall be based on only those services provided to the customer by Company, e. g., a deposit for a customer, receiving service as a firm delivery service customer, will be predicated on billing under only those rate schedules. Further, if a deposit is currently being held by the Company and the customer changes service to or from a Delivery Service Program, the amount of their deposit shall be re-computed based on the customer's then billing rate schedule and any excess shall be promptly refunded and any shortfall shall be promptly billed to such customer. If such a shortfall exceeds \$40 for a residential customer, the Customer shall be permitted to pay the deposit in three consecutive equal monthly installments.

4. PAYMENTS

- a. The Company shall endeavor to have each customer's meter or meters read at approximately monthly intervals to determine the actual consumption of gas. 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. The customer's failure to comply with such a request within 48 hours after receipt thereof shall constitute authority for the Company to calculate the customer's gas consumption for the current billing period, such calculation, to be based on the known consumption for a prior period when available, and adjusted where gas for heating is supplied for variations in temperature on a degree-day basis. Any difference between the calculated consumption and the actual consumption will be adjusted automatically through subsequent meter readings.

General Service Provisions (Continued)

- b. For the rendering of an initial bill, the Company shall give customers the option of furnishing the meter reading themselves by calling the Company with the read by no later than 12:00 p.m. of the day that the customer requires initiation of service, having the bill calculated by the Company using the procedure described in paragraph a. above or having the Company obtain an actual meter reading. For the rendering of a final bill, the Company shall give customers the option of furnishing the meter readings themselves by calling the Company with the read by no later than 12:00 p.m. of the day that the customer requires termination of service, having the bill calculated by the Company using the procedure described in paragraph a. above, or having the Company obtain an actual meter reading, except that the Company will not calculate final bills where the Company does not have an actual meter reading for the customer's previously scheduled meter reading date. A calculation of initial or final bills will be performed without the customer's express permission only in those circumstances where a customer fails to provide access to the meter, or the customer has agreed to furnish a meter reading and then fails to do so.
- c. The customer is required to provide a minimum of three working days prior notice to the Company for service initiation or service termination.
- d. 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 calculate the Customer's consumption, the words, "Calculated Bill" shall be printed on the bill. In cases where arrearages are caused by understated calculations, the Company will allow at least the same length period during which a bill was calculated for making up such arrearages.
- e. For Washington Virginia customers, bills covering periods of 28 to 35 days inclusive shall be computed at monthly rates. The system 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 system 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 system charge shall be computed in the same manner as for regular bills. For Shenandoah Virginia customers, bills covering periods of more than 45 days shall be computed to the nearest multiple of one month, that is, two, three, or more months, as the case may be. Gas used during periods of less than 16 days will not be billed separately, but will be included with the next full month's billing, except that final bills covering less than 16 days shall be billed at monthly rates.
- f. When a payment does not fully pay the outstanding balance of a bill, the payment shall be applied, unless otherwise designated by the customer in accordance with applicable Rules of the Commission. Deferred payment balances related to an understatement of calculated bills shall not be considered arrears so long as the Customer complies with the terms of the deferred payment arrangement with the Company.

ISSUED: September 20, 2007

For service rendered on and after October 19, 2007

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

General Service Provisions (Continued)

4. PAYMENTS (continued)

The Company will endeavor to process payments in the following manner:

"Day of payment" is defined as the date on which a customer's payment is marked received by the utility to the customer's account.

Generally, payments are considered received on the business day they are received if: (1) the payment is received at the payment lock-box in time for same-day processing, and (2) accompanied by an account payment coupon. Payment posting timelines vary by payment method. For the purpose of electronic payments and walk-in payments, a "business day" is defined as the 24 hour period ending at 4:00 p.m. on each Tuesday through Friday. The period between 4:01p.m. Friday and 4:00 p.m. Monday is defined as the Monday business day.

MAILED IN PAYMENTS

For payments mailed to the utility's published lockbox mailing address, payment processing is batched into two groups: Standard mail payments and Non-Standard mail payments.

"Standard mail payments" are customer payments mailed to the utility's published lockbox address that include the utility bill payment remittance coupon and a check or money order payable to the utility. Standard mail payments received by 7:00 a.m. shall be posted to the customer's account on the day received. Those received after 7:00 a.m. will be credited as expeditiously as possible, and no later than the next business day after the payment is received.

"Non-standard mail payments" are customer payments mailed to the utility's published lockbox address and require special handling. Examples include: payments with multiple checks, multiple coupons, checks without a coupon, or a single check with multiple coupons that do not balance to the amount of the check. Non-standard mail payments shall be posted to the customer's account no later than the second business day after the day the payment is received. This includes payments a customer may initiate electronically through their bank or an independent payment processor, if the bank or processor then remits a check to the utility.

Payments delivered to other company offices, or payments without adequate information to identify the account to which the payment belongs, will be credited to the customer's account as expeditiously as possible.

ELECTRONIC PAYMENTS

Check payments received through electronic banking file transmissions, through the automatic payment program, or through the company's website or telephone or billing systems, will be credited on the same business day as the payment file is received, as long as the payment is made before 4:00 p.m. Payments made after 4:00 p.m. will be credited on the next business day. Credit card payments are credited on the day the payment file is received from the credit card processor, which is normally the next business day.

IN-PERSON PAYMENTS

Payments received by the utility at its walk-in offices before 4:00 p.m. on a business day will be credited no later than the next business day. Payments delivered to unattended drop boxes before 8:00 a.m. will be credited as expeditiously as possible, and no later than the second business day after drop-off.

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