

RULE NO. 9

RENDERING AND PAYMENT OF BILLS

A. PAYMENT OF BILLS

1. Bills for gas service will be rendered according to registration of the meter at regular intervals, and are due and payable upon presentation. Payment shall be made at the office of the Company, or at the Company's option, to the duly authorized collectors of the Company.
2. Payments are required to be made in cash, by check, money order, certified check, electronic transfer, credit card acceptable to the Company, or any other means mutually agreeable to the Company and the customer. A fee may be assessed by a third-party vendor or financial institution for utilization of third-party bill payment/aggregation vendor or debit/credit card company services.

B. SPECIAL BILLS

Removal bills, special bills, bills rendered on vacation of premises, or bills rendered to persons discontinuing service shall be paid on presentation. Bills for connection or reconnection of service, and payments for deposits or to reinstate deposits as required under the Rules of the Company must be paid before service will be connected or reconnected.

C. SUMMARY BILLING

Summary Billing is an optional billing service for sales customers whereby customers with several individual accounts may receive a summary bill with summarized billing data for these accounts. A summary bill may be generated in lieu of the individual bills under the following conditions:

1. Customers electing this service shall execute a service agreement in order to participate in Summary Billing.
2. Eligibility for this service is limited to customers with a minimum of 10 individual accounts.
3. The customer name on all of the individual accounts summarized under any one Summary Billing account must be the same.

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C. SUMMARY BILLING (Continued)

4. Each month's payment of a summary bill for the "Amount Due" must be one payment in the form of a check, cashier's check or money order drawn on a bank or other financial institution and payable to the Company in U.S. currency, unless other arrangements acceptable to the Company have been previously established.
5. Payment of a summary bill is past due and subject to a late charge if the payment is not received within 15 days after its issuance.
6. The Company shall not be required to offer or to continue to offer Summary Billing to any customer whose account(s) is(are) past due or in arrears.
7. Except as otherwise provided in this section, all other provisions of the Company's Rules and Regulations as contained in this California Gas Tariff are applicable to Summary Billing and are made a part hereof.

D. OPENING AND CLOSING BILLS

Opening and closing bills will be computed in accordance with the rate schedule applicable to that service.

E. SEASONAL CHANGES

When the period of service covered by a customer's bill is partly in the summer period and partly in the winter period, the billing will be computed by prorating the total therm usage, the rate blocks, and baseline allowances applicable thereto, between the two seasonal periods according to the ratio of the number of days in each seasonal period to the total number of days in the billing period.

F. SAME DAY SERVICE CHARGE

Where the Company scheduling will not permit service on an appliance(s) on the same day requested by the customer, the customer can elect to pay a service charge in an amount equivalent to an overtime charge for service that day. There may be instances where Company scheduling will not permit same day service; however, in no case will expedited service take longer than 24 hours from the time requested, excluding Saturdays, Sundays, and Company-scheduled holidays. The appliance service is available to the customer at no charge if the customer agrees to accept the service on a day when scheduling will next permit.

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G. RETURNED ITEM CHARGE

Should an item from a customer used to pay a bill for service be returned to the Company as uncollectible for any reason, including a lack of sufficient funds, the Company shall be allowed to recover a charge as set forth in the currently effective Statement of Rates, Other Service Charges, of this California Gas Tariff. The Company will require the customer to make full payment in cash or by money order or cashier's check.

The customer whose item is returned to the Company as uncollectible shall in no way be relieved of the obligation to render payment to the Company under the original terms of the bill or defer the Company's provision for termination of service for nonpayment of bills.

H. LATE CHARGE

All bills for Company services are due and payable upon presentation. Any payment not received within 19 days shall be considered delinquent. The Company shall be allowed to assess a late charge on all delinquent bills as set forth in the currently effective Statement of Rates, Other Service Charges, of this California Gas Tariff, which will be imposed if payment is not received by the next month's billing.

I. READINGS OF SEPARATE METERS NOT COMBINED

For the purpose of making charges, all meters upon the customer's premises will be considered separately, and the readings thereof will not be combined except that where the Company shall, for operating necessity, install two or more meters upon the customer's premises in place of one meter, then the readings of such two or more meters will be combined for the purposes of making charges.

J. ESTIMATED BILLS

If, for reasons beyond its control, the Company is unable to read the customer's meters on the scheduled reading date, the Company may bill the customer for estimated consumption during the billing period, subject to adjustment following the time the meter is next read.

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J. ESTIMATED BILLS (Continued)

1. Gas bills may be estimated only when one of the following conditions exist:
 - a. Severe weather accompanied by heavy snow.
 - b. A vicious and dangerous animal.
 - c. Some unusual circumstance which makes it impractical to read the meters.
2. If an estimated bill is warranted, usage will be estimated by taking into account any of the following factors when applicable:
 - a. The customer's gas usage during the same month the previous year.
 - b. The amount of gas consumed during the preceding month.
 - c. Any change in temperature from the preceding month.
 - d. Seasonal load factors and weather patterns.
3. Each bill that is based on estimated usage will carry notice to the customer that it is an "Estimated Bill." If consecutive estimated bills result, the Company will, in addition, notify the customer of the reason why the latest bill was estimated.

K. ADJUSTMENT FOR OVERBILLING AND UNDERBILLING

Except as provided in Rule No. 17, Section B of this California Gas Tariff, whenever a bill presented to a customer for service is determined to be incorrect, the Company, with reasonable promptness, will make appropriate adjustment as follows:

1. Overbilling (including over-estimates)

A refund to the customer or a credit to the customer's account will be made for the total amount of the overcharge-estimate for the period or periods during which overbillings occurred.
2. Underbilling (including under-estimates)

A debit to the customer's account will be made for the amount undercharged due to understating of usage when estimating (refer to Section J above), or other legitimate cause.

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L. ITEMS FOR CONSERVATION TO BE INCLUDED ON BILLS

The Company may include on its regular monthly gas bill, amounts, including principal and interest, for debt incurred by its customers for purchase of items from the Company. These items may include insulation, thermostats, water flow controls, electronic ignition devices, and other energy conserving appliances.

M. EQUAL PAYMENT PLAN

1. The Equal Payment Plan (EPP) is available to all residential customers receiving (or applicants qualifying and applying to receive) natural gas service provided that the customer (applicant) has established credit to the satisfaction of the Company.
2. Participation in the EPP is subject to approval by the Company.
3. Customers may sign up for the EPP at any time of year. The EPP amount will be based on the annual estimated bill divided into 12 equal monthly payments.
4. The Company will render its regular monthly billing statement showing both the amount for actual usage for the period and the designated EPP amount. The customer will pay the designated EPP amount, plus any additional amount shown on the bill for materials, parts, labor or other charges.
5. The settlement month will be the customers' anniversary date, 12 months from the time the customer entered the EPP. The settlement amount is the difference between the EPP payments made and the amount actually owing based on actual usage during the period the customer was billed under the EPP. Debit amounts are due and payable in the settlement month. However, debit amounts of \$50 or less may be carried forward and added to the total annual estimated bill for the next EPP year. Credit amounts of \$50 or less will be carried forward and applied against the first billing or billings due in the next EPP year. Credit amounts over \$50 will be refunded by check.
6. The EPP amount may be adjusted quarterly to reduce the likelihood of an excessive debit or credit balance in the settlement month for changes in rates due to Commission-approved rate increases or decreases greater than 5 percent, or when estimates indicate that an overpayment or undercollection of \$50 or more may occur by the end of the plan year.

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M. EQUAL PAYMENT PLAN (Continued)

7. The Company may remove from the EPP and place on regular billing any customer who fails to make timely payments according to their EPP obligation. Such a customer will then be subject to termination of service in accordance with Rule No. 11, Section A of this California Gas Tariff for nonpayment of a bill.
8. Readmission to the EPP will be subject to approval by the Company and payment in full of all past due amounts.
9. A customer may voluntarily withdraw from the EPP at any time. Any amounts then owing for usage in excess of usage already paid for under the EPP will become due and payable at the customer's next regular billing, in accordance with the Company's filed tariff schedules. Any EPP payments in excess of amounts based upon actual usage at the time of withdrawal will be applied to the customer's next regular monthly bill, or will be refunded by check if so requested by the customer.

N. ELECTRONIC BILLING

Electronic Billing is an optional billing service whereby eligible customers may elect to receive, view, and pay their gas bills electronically. An electronic bill may be generated in lieu of a paper bill under the following conditions:

1. Customers requesting this service may be required to complete additional forms and agreements with the Company and/or the Electronic Billing service provider.
2. Customers must use a third-party Electronic Billing service provider. The Company will not release confidential information, including financial information, to a third-party without the customer's consent.
3. Electronic Billing may be discontinued at any time by the Company, the customer or the Electronic Billing service provider.
4. Except as otherwise provided in this section, all other provisions of the Company's Rules and Regulations as contained in this California Gas Tariff are applicable to Electronic Billing and made a part hereof.