

RULES FOR ELECTRIC SERVICE
RULE 9 – BILLING AND PAYMENT FOR SERVICE

A. BILLING PERIOD

(1) Bills for service supplied during the preceding billing period, other than initial and final bills, are rendered monthly. Normal billing is for a period of 26-35 days and is based on meter readings taken by Company at the end of each period.

(2) When a billing period is more or less than a month, such as for initial or final bills, the monthly rate is prorated.

B. ESTIMATED BILLS

(1) Company may render an appropriately marked estimated bill when a meter reading is not obtained. Company may read meters for longer than monthly intervals and may under such circumstances render estimated interim bills for normal billing periods.

(2) Estimated bills shall be paid in accordance with the provisions of this rule and the applicable rate schedule. If unusual circumstances occur during a period for which an estimated bill has been issued and are brought to the Company's attention, an appropriate adjustment will be made by Company.

(3) Upon request, the Company will supply any customer with a billing schedule and a card form upon which he may record his meter readings at the end of each normal billing period which otherwise would be estimated. If such card is received by the Company by the date specified on the schedule, except where it is apparent to the Company that the information is erroneous, the bill for such period will be computed from the meter reading shown on the card.

(4) The Company will take reasonable measures to obtain meter readings, however, the Company may prepare an estimated bill for any customer if extreme weather conditions, emergencies, equipment failure, work stoppages, or other circumstances prevent actual meter readings or if Company personnel are unable to gain timely access to obtain an actual meter reading.

C. DUE DATE

The due date specified on the bill is not less than 15 days from the date bill is rendered except that for service under, or billed in conjunction with, residential rate schedules the due date is not less than 20 days from the date bill is sent and for service to federal, state or local governments or to any governmental department, institution or authority, the due date is not less than 30 days from the date bill is mailed via the U.S. Postal Service or sent electronically.

RULE 9 – BILLING AND PAYMENT FOR SERVICE (CONTINUED)**D. PAYMENT**

(1) Bills are considered as received by customer when delivered via the U.S. Postal Service or rendered electronically to the premises where the service is supplied or an address mutually agreed upon. Delay in the receipt of or failure to receive bill does not extend the due date.

(2) Bills may be paid during business hours at any commercial office or collection agency of the Company authorized to receive payments.

(3) Payment of bills will be accepted as paid on the date of the actual receipt of payment.

(4) Payment of bills after the due date specified on the bill is subject to a late payment charge, as provided for in the applicable rate schedule.

(5) The customer is responsible for payment for use up to discontinuance or termination of service.

(6) In the event of discontinuance or termination of service at a residence or dwelling, the Company may transfer any unpaid balance to any other residential account of the same customer, or in the event of termination, to a third-party guarantor's account.

(7) Payments which are insufficient to pay for both a balance due for prior use and billing for current use are first applied to the balance due for prior use, except when an unpaid bill is a disputed bill.

E. BUDGET BILLING

Budget billing is available upon request for service under residential and general service rate applications except for temporary, seasonal, and speculative service. Budget billing may start in any month, for new or existing customers, and may be discontinued upon request at which time any difference between budget billing and billing based on actual use becomes due and payable. In any month when the amount billed for the previous billing period is overdue, budget billing may be terminated; any difference owed the Company is immediately due, and bills thereafter are rendered based on metered use.

When a residential customer elects budget billing, the Company estimates the bills over a 10-month, 11-month or 12-month period to limit seasonal fluctuations in utility bills. The Company shall review accounts at least three times during the optional billing period. At the conclusion of the budget billing year, a resulting reconciliation amount exceeding \$100, but less than \$300, shall be, at the request of the customer, amortized over a 6-month period. Reconciliation amounts exceeding \$300 shall be amortized over at least a 12-month period, at the request of the customer. Shorter amortization periods are permissible at the request of the customer.

RULE 9 – BILLING AND PAYMENT FOR SERVICE (CONTINUED)

When a general service customer elects budget billing, the Company bills the customer each month an amount equal to one-twelfth of the estimated annual charges under the rate schedule. The monthly charge is adjusted, as required, so that total payments at the end of the budget billing cycle approximately equal actual charges. When billing based on actual use exceeds charges at the end of the twelfth month, the excess is added to regular billing in equal increments over the succeeding four months with no penalty.

Each month, interest at the rate of one-twelfth of the average of 1-year Treasury Bills for the months of September, October, and November of the previous year is applied to funds in the customer's account which are the result of payments for the billed amount in excess of actual charges for service to date. No interest is charged when there is a negative balance.

F. RETURNED CHECK CHARGE

If a check received in payment of a customer's account is returned to the Company unpaid by the customer's bank and cannot be redeposited by the Company for payment on the second attempt, the Company will charge the customer \$20.00 for processing the returned check, plus any charges assessed by the bank or other financial institution to the Company.

G. SMALL CREDIT BALANCES ON INACTIVE ACCOUNTS

The Company may, within a maximum period of six months, transfer any customer credit balance less than \$5 from a customer's inactive account to the Company's Operation HELP program instead of refunding the credit amount to the customer. This transfer will occur only after the Company has been unsuccessful in its efforts to transfer the credit balance to an active account of the customer, and only if the customer does not request a refund of the credit balance.

H. CREDIT AND APPLICATION PROCEDURES

The Company uses a commercially recognized scoring methodology that is within the range of generally accepted industry practice. The applicant's or customer's utility payment history determines the credit score. The Company uses this customer-specific credit score to either request or waive a security deposit. For low-income applicants, PPL Electric will waive the security deposit if an OnTrack agency verifies their household income.

I. SMALL BUSINESS PAYMENT ARRANGEMENTS

PPL Electric has the discretion to enter into a flexible payment arrangement of up to 6 months with Rate GS-1 and GS-3 customers under terms acceptable to the Company.