



2012
**Customer Care Policy
Manual**
for Residential and General
Power Customers

Notice of Revision

This Customer Care Policy Manual supersedes and revokes all prior versions of MLGW Credit Policies, memos, bulletins, or procedures, on any subjects listed herein that have been issued prior to the date occurring below.

This *revised* Customer Care Policy is effective January 1, 2012.

Preface

This Customer Care Policy Manual contains credit, collection and billing policies that are now in effect.

The policies contained in this manual have been developed in a manner consistent with directives provided by the MLGW Board of Commissioners as contained in the Customer Bill of Rights dated January 1, 2012, as amended.

These policies are necessary to provide a structure that allows a complex process to be completed in a predictable and efficient manner. The established guidelines contain the conditions under which MLGW will provide service to a Residential, General Power or any group of customers. The policies are applied without regard to race, color, creed, gender, national origin or marital status.

With the exception of the President/CEO, or his designee, **no officer, agent or employee of MLGW has authority to waive the provisions of** this Customer Care Policy Manual unless specifically authority to do so by the Board of Commissioners of the Memphis Light, Gas and Water Division. Any deviations or exceptions made by the President/CEO shall be presented to the Board of Commissioners for review within 30 days. The Board may delegate this authority from time to time as necessary. The Board may revise this manual at any time and may modify or suspend any portion of it temporarily or permanently.

The policies contained in this document are subject to an annual review and may be amended from time to time as necessary.

This document supersedes all previous Customer Care Policies.

Customer Bill of Rights

January 1, 2012

WHEREAS, MLGW has the responsibility to efficiently and safely deliver reliable utility service to the residents, businesses and organizations within the MLGW service area, including: acquiring and distributing the electricity, gas and water used by the Customers, accurately metering the use of these services, issuing timely bills for these and other services, and collecting payment from Customers for these services.

WHEREAS, in providing service to our Customers, MLGW has responsibilities in the following areas:

- Customer Treatment: Treat all Customers with respect, fairness, and equity.
- Billing: Provide accurate and timely bills.
- Payment Options: Make numerous payment options available to Customers.
- Identity Theft: Protect Customers' identity, to the extent permitted by law.
- Safety: Endeavor to conduct our business in a safe and prudent manner.

WHEREAS, in receiving service from MLGW, Customers have responsibilities in the following areas:

- Identity: Provide proof of identity so that MLGW knows with whom we are doing business.
- Payment: Make timely payment for all services received.
- Access: Provide a means for MLGW to safely access and read its meters regularly.
- Notification: Review bills and report any irregularities, questionable charges or absence of charges in a timely manner.

WHEREAS, MLGW has in place policies and procedures that enable it to meet its responsibilities as outlined above, and to remedy situations where either MLGW or our Customers fall short of meeting their responsibilities. Of paramount importance is ensuring that Customers are offered enough payment options to assist them in meeting their utility bill obligations. The overriding intent of the Customer Bill of Rights is to serve, protect and safeguard the interest of all MLGW Customers.

WHEREAS, MLGW has the stewardship responsibility to discontinue service to Customers who have been unable to meet their financial obligations. MLGW will endeavor to prevent those situations from occurring. If and when these situations do occur, every attempt will be made to remedy the situation using alternatives short of service discontinuance, where possible.

NOW, THEREFORE, BE IT RESOLVED that in formulating and applying these policies and procedures, MLGW has adopted the following Customer Bill of Rights:

Customer Bill of Rights, continued:

Customer Bill of Rights

- 1) MLGW will be truthful and forthright in our dealings with Customers, and all similarly situated Customers will receive the same service options.
- 2) To the extent practicable, MLGW will design business practices that address customer needs while maintaining a balance that promotes standard business requirements.
- 3) The decision to extend credit to Customers will be risk based and consideration will be given to both the needs of the Customer and business requirements of the Company.
- 4) Disputes will be settled promptly and in a consistent manner. It is incumbent on MLGW to establish its claims by a preponderance of evidence.
- 5) MLGW will assist Customers in minimizing their use of utilities through various energy conservation efforts.
- 6) Fees or charges assessed by MLGW will be only enough to recover costs. Furthermore, where not prohibited by law or pre-existing contract and under the appropriate circumstances and with the proper approval a fee or charge may be waived.
- 7) After the appropriate procedural review and approval, any claim of loss by a Customer resulting from the actions or inactions of MLGW shall be given appropriate compensation.
- 8) Any qualified Customer will be provided the opportunity to reduce account arrearages in accordance with a payment plan.
- 9) MLGW will not disconnect service to a residential Customer for non-payment during a period of life-threatening temperature extremes unless there is a hazardous condition or illegal situation associated with that service.
- 10) MLGW will make the policies governed by these Rights available to all Customers.

The above Customer Bill of Rights will be subject to annual review.

Table of Contents

Topic	Section	Page
Purpose	100.10.....	1
Scope and Application	100.20.....	1
Privacy Statement	100.30.....	1
Definitions	100.40.....	2
Applicants for Service & Active Customers.....	100.50.....	4
All Applicants for Service	100.51.....	4
Residential Applicants for Service.....	100.52.....	5
Agents for Residential Customers.....	100.53.....	7
General Power Applicants for Service	100.54.....	7
Builder Applicants for Service.....	100.55.....	10
Agents for General Power and Builder’s Service Customers..	100.56.....	12
Security Deposits.....	100.60.....	12
Request for Deposit—Residential Customers	100.61.....	12
Amount of Deposit—Residential Customers.....	100.62.....	13
Refund of Deposit—Residential Customers.....	100.63.....	14
Request for Deposit—General Power Customers.....	100.64.....	15
Amount of Deposit—General Power Customers.....	100.65.....	16
Refund of Deposit—General Power Customers	100.66.....	17
Balance Refunds & Final Bills	100.67.....	17
Interest on Deposits—All Customers.....	100.68.....	18
Estimated Bills—All Customers.....	100.69.....	18
Past Due Bills & Late Payment Charges.....	100.70.....	19
Bankruptcy.....	101.00.....	19
Special Conditions.....	102.00.....	20
NSF Checks	102.11.....	20
Corrected Bills	102.12.....	20
Back-Billing.....	102.13.....	20
Utility Tampering.....	102.14.....	20
Water Leak & Sewer Adjustment	102.15.....	22
Monthly Utility Bill and Payment Due Dates	103.00.....	22
Delayed Payment Options	103.10.....	22
Guarantors	103.20.....	28
Disconnection Notice	103.30.....	28
Disconnection of Service.....	103.40.....	28
Customer Request to Terminate Utility Service.....	103.50.....	30
Reconnection of Service.....	103.60.....	30
Life Support.....	103.70.....	30
Refunds of Accounts Receivable	104.00.....	31
Identity Theft	105.00.....	32
Dispute Resolution Process	106.00.....	32
Deceased Customer.....	107.00.....	33

Topic	Section	Page
Special Billing Programs	108.00	33
Late Fees Allowance (formerly K-discount)	108.11	33
OnTrack Programs	108.12	33
Net Due Date Program—Residential Customers.....	108.13.....	34
Master Billing—General Power Customers	108.14.....	35
Budget Billing - Residential Customers	108.15.....	36
AutoPay(Bank Draft).....	108.16.....	37
Owner’s Reconnect	108.17.....	37
Leased Outdoor Lighting.....	108.18.....	38
Moratoriums	109.00	38
Winter Moratorium (Senior Citizens).....	109.10.1	38
Weather-Related Moratorium.....	109.10.2.....	39
Water Moratorium.....	109.10.3	39
Holiday Bill Break (Residential Customers).....	109.10.4.....	39
Final Bill.....	110.00.....	39
Special Assistance.....	111.00.....	40
Exhibits.....		41
Index.....		49

MLGW Customer Care Policies

Section 100.10 Purpose

The purpose of this document is to establish consistent and equitable policies governing the establishment of utility service, credit, billing, deposits and termination of service for all Memphis Light, Gas and Water Division (MLGW) customers. The responsibilities of the company, employees and customers are outlined herein. It is the expectation that all parties will demonstrate good faith in all transactions and disputes.

The policies are applied without regard to race, color, creed, gender, national origin or marital status. Tennessee law establishes the legal age of majority to be 18 years. Persons younger than 18 are considered minors. MLGW will not provide utility services to a minor unless emancipated by a court of competent jurisdiction.

Section 100.20 Scope and Application

This document shall apply to all MLGW customers for the purposes of establishing:

- Rules and procedures governing eligibility for service, deposits, payment requirements, and disconnection of utility services;
- Rules and procedures governing dispute resolution;
- Rules and procedures governing the laws relative to unauthorized utility usage;
- Rules and procedures governing special programs;
- Rules and procedures governing customer rights.

Issues regarding the construction of utility services are governed by MLGW Electric, Gas and Water Service Policy. These policies are administrated for the conditions under which MLGW will provide service to a customer or group of customers.

Section 100.30 Privacy Statement

MLGW strives to safeguard the security and integrity of its customers' information through policy, procedures and technology designed for this purpose. Methods used to protect customer data include the following:

- 1) Only share information with non-affiliated third parties when they are acting on our behalf or acting jointly with MLGW. Information may be shared with governmental or municipal entities.
- 2) Report information about customers' accounts to credit bureau(s) and/or consumer reporting agencies. Defaults on the utility account may be reflected in the customer's credit report and/or consumer report.

- 3) Adhere to applicable legal requirements that subject MLGW customer billing records to the Public Records Act.

Additional measures to safeguard customer information are specifically listed in MLGW Red Flag Identity Theft Prevention Policy.

Section 100.40 Definitions

The following terms are used throughout the Customer Care Policy and are presented here as universal definitions:

- 1) **“A-Rated (Good Pay) Customer”** – either: a new customer with sufficient credit score to waive the deposit; or a customer who has established a credit history with:
 - a) no delinquent service orders for non-payment completed and/or reconnected during the previous 24-month period;
 - b) no more than one returned check, stopped payment, or credit card payment reversals within the last 12 months;
 - c) not having received the benefit of any tampering with wires, pipes, meters, or other service equipment or identity theft in the previous 84 months;
 - d) having no bad debt (debt subject to collection agency assignment) with MLGW within the last 72 months where no payments were made.
- 2) **“Applicant”** – a person of legal age or emancipated who applies for Residential or General Power utility service.
- 3) **“B-Rated Customer”** – a customer who has less than 24 months of service and who is required to pay a deposit or if any of the following circumstances exist:
 - a) any service orders completed for non-payment cutoff and/or reconnected during the preceding 24 months;
 - b) no more than one returned check, stopped payment, or credit card payment reversals within the last 12 months;
 - c) received the benefit of any tampering with wires, pipes, meters, or other service equipment or identity theft in the previous 84 months;
 - d) bad debt (debt subject to collection agency assignment) within the last 72 months where no payments were made.
- 4) **“Back billing”** - a collection procedure for the recovery of unbilled or under-billed services.
- 5) **“Builder”** – a person or entity retaining legal ownership, legal control and financial obligation of a property under construction prior to occupancy and use.
- 6) **“Co-Applicants”** – two or more parties who apply for service jointly at the same location and share the benefits of utility service.
- 7) **“Customer”** or **“Customer of Record”** – a person who contracts with the Utility and receives utility services.

- 8) **“Deposit”** – funds and/or other security instruments obtained to secure residential and non-residential utility accounts as well as fees collected by MLGW for other municipalities under applicable Tennessee law.
- 9) **“Diversion charges”** – service charges and/or fees incurred pursuant to TCA Sec. 65-35-101. *et seq.* as a result of theft of utility services or meter tampering. Refer to section 102.14.
- 10) **“Estimated Annual Revenue (EAR)”** – an estimated dollar value of annual utility usage for a new construction or additional load.
- 11) **“General Power Service”** – electric, gas, water or other utility services that are not designated residential.
- 12) **“Hardship”** – a temporary financial condition that affects the customer of record’s ability to pay their utility bill in a timely manner.
- 13) **“Minimum Balance Threshold”** – is the designated minimum dollar amount that initiates the collection process (i.e. cutoff notice, delinquent cutoff order) and is subject to change based on the business needs of the Division.
- 14) **“Minimum Payment Arrangement Threshold”** – the minimum dollar amount that avoids service interruption.
- 15) **“New Customer”** – a new customer shall be defined as a:
 - a) Customer who has not been identified in the CIS System with a customer code.
 - b) Returning customer whose service has been inactive for 12 months.
- 16) **“Partial Payments”**- a partial payment is any amount paid that is less than the total amount owed by the due date on the bill.
- 17) **“Residential Service”** – electric, gas or water utility service for household purposes furnished to a dwelling of two units or less which is billed under a Residential rate or all structures supplied through the single residential meter.
- 18) **“Utility”** – Memphis Light, Gas and Water Division (MLGW).
- 19) **“Utility Service”** – electric, gas or water service.

Section 100.50 Applicants for Service and Active Customers

100.51 All Applicants for Service

The following policies are necessary to provide a structure that allows a complex process to be completed in a predictable and efficient manner.

By accepting utility service from MLGW, customers are agreeing to comply with all Rates, Rules, Regulations, and Policies of MLGW which exist at the time service is initiated. These Rates, Rules, Regulations, and Policies are subject to change. This includes, but is not limited to, the obligation to pay for any utility service provided to the customer by MLGW or for any obligations collected by MLGW for services provided by other municipalities. Failure to abide by MLGW's Rates, Rules, Regulations, and Policies may cause customers' utility services to be interrupted. Customers further agree to pay all expenses, including reasonable attorneys' fees associated with the collection of any unpaid amounts for utility service received by the customer from MLGW. Customers' obligations upon acceptance of service from MLGW are subject to any future amendments or modifications to the Rates, Rules, Regulations, and Policies.

A person of legal age or who has been emancipated and applies for Residential or General Power utility services can establish service by providing valid identification, satisfying previous debt for utility service and if required, pay a security deposit.

There are options in lieu of a monetary security deposit. By requesting service, applicants agree to a review of their consumer credit history. In addition, the following are required:

- 1) The premises must meet all requirements of applicable construction and/or housing codes within service territory jurisdiction.
- 2) The Utility may specify such documents that the applicant is required to produce in support of his/her application for utility service which are deemed necessary pursuant to the MLGW Identity Theft Prevention Policy.
- 3) New customers are required to complete and sign a Residential Service Agreement or a General Power Service Agreement and/or any other required service agreement with the Utility. MLGW reserves the right to require updated service agreements.
- 4) One of the following actions will be communicated to the applicant within three business days:
 - a) approve the application for utility service;
 - b) deny the application for utility service; or
 - c) inform the applicant that it is necessary to review their creditworthiness.
- 5) Refusal of service shall be based on one, or a combination, of the following risk factors until certain requirements are satisfied:
 - a) unpaid/unresolved deposit requirement;

- b) unpaid past due bills, not including money owed as a guarantor on debt or for purchase of goods or construction from MLGW;
 - (i) guarantor will be given new service and up to six (6) months to pay the debt incurred due to the guaranty.
 - c) unpaid diversion charges;
 - d) unauthorized usage and/or, tampering;
 - e) failure to meet the identification requirements set forth in this document;
 - f) for any reason set forth in MLGW's Electric, Gas & Water Service Policy;
 - g) safety concerns (e.g. gas leak, condemned building, inspections);
 - h) any other reasonable factors deemed necessary by the Utility.
- 6) If an applicant has any of the following conditions, they will be considered a credit risk:
- a) did not meet the credit assessment criteria;
 - b) any service orders completed for non-payment during the preceding 24 months;
 - c) more than one returned check, stopped payment, or credit card payment reversals within the last 12 months;
 - d) received the benefit of any tampering with wires, pipes, meters, or other service equipment or identity theft in the previous 84 months;
 - e) bad debt (debt subject to collection agency assignment) within the last 72 months where no payments were made.
- 7) A customer who has continuous good credit history for the last 12 months and terminates service may reapply within 12 months and retain their MLGW credit history.
- 8) Customers are responsible for notifying the Utility to terminate their services and/or contract of any kind. Failure of the customer to properly notify MLGW to terminate services or contracts may result in the customer being held responsible for additional utility charges and/or fees.

100.52 Residential Applicants for Service

It is the intent of MLGW to provide safe, reliable, and cost-effective utility services to all residents of Memphis and Shelby County. The Utility also desires to protect our customers' identity. Identification and other supporting documentation shall be requested when initiating services for a current or perspective customer.

- 1) A residential customer will be granted conditional utility services by either submitting the request in person, by telephone, or online unless conditions referenced in this document are not resolved.
- 2) A Residential Service Agreement (RSA) will be required when a customer requests utility services. Customers applying for service over the telephone will be mailed a RSA and are required to complete and return the agreement within thirty (30) business days. Should a facially accurate but factually incomplete RSA be submitted, MLGW employees may grant a customer up to

an additional fifteen (15) business days to complete the RSA. The RSA form is available online at www.mlgw.com. Failure to return a fully executed agreement will result in termination of service. The RSA is required in addition to any other service agreements.

- 3) Pursuant to the MLGW Identity Theft Prevention Policy, applicants are required to present two of the following forms of identification, one of which must be a discernible picture identification:
- a) valid driver's license, or Tennessee Drivers Certificate;
 - b) official state ID card (issued by State as ID in place of driver's license);
 - c) federal identification card (passport and/or visa, alien registration card, military identification card);
 - d) military discharge papers;
 - e) voter's registration card;
 - f) social security card;
 - g) a certified copy of the birth certificate;
 - h) IRS individual taxpayer identification number card;
 - i) Municipal, State or Federal employment ID;
 - j) Medicaid or Medicare identification cards;
 - k) state-issued hunting and fishing license; and
 - l) state-issued gun permit or license;
 - m) EBT (Electronic Benefits Transfer Card).

Tennessee residents sixty (60) years of age and older who have elected under Tennessee law to obtain a Tennessee driver's license without a photograph may present said identification in lieu of a discernible photo ID as required above.

In the event a prospective or current customer communicates that they own, but do not have with them the requisite identification, they shall be required to bring the identification in a subsequent visit to a community office unless they qualify for conditional service as set forth in Section 100.52 above in which case this identification must be presented with the applicant's submittal of the completed GPSA. In the event a prospective or current customer communicates that they do not own the required type or number of identification required, they must be referred to a supervisor.

If the customer does not have photographic identification, the supervisor may accept two of the above forms of personal identification if the supervisor can determine that the identification proffered is as reliable as the absent photographic identification. In the event the customer proffers identification that is not listed above, the supervisor may only accept such identification after it is referred to and approved by the Manager of Customer Relations.

If none of the above steps results in the current or prospective customer being identified to the supervisor's satisfaction, the customer will be referred to a Tennessee drivers license office, governmental employer (if applicable) who may execute and

submit an Affidavit of Identification in a form to be provided by MLGW, human services agency or other potential source in order to obtain adequate identification.

In the case of providing conditional services, identification must be presented with the applicant's submittal of the completed RSA.

- 4) Upon completion of the identification process, submission and verification of a completed RSA, the customer will attain a permanent credit status. MLGW will then provide verification of credit to appropriate third party requestors.
- 5) Applicants or customers who have not established a good credit history may be asked to pay a security deposit. To determine whether a deposit is necessary for the account, MLGW will perform a credit assessment through a credit reporting agency.
- 6) The Utility reserves the right to refuse or disconnect service for Residential applicants who have not resolved the conditions referenced in Section 100.61, do not have a fully executed RSA on file, or have not provided proof of occupancy (i.e. lease or deed if required).

100.53 Agents for Residential Customers (formerly Third Party Representative)

The Utility offers applicants of residential services the capability of making application for services through an agent. In order to apply for service on another person's behalf, the following documentation is required:

- 1) completion of a Designated Agent form (See page vi-16 in Customer Care Information Guide) by the customer of record or submission of a power of attorney properly authorized from the customer of record;
- 2) identification from the applicant as defined in Subsection 100.52; and
- 3) identification of the agent as defined in Subsection 100.52.

100.54 General Power Applicants for Service -- Commercial, Large Commercial, Industrial and Institutional Customers

It is the intent of MLGW to provide safe, reliable and cost-effective utility services to all General Power Customers. The Utility also desires to protect our customers' identity. In this regard, identification and other support documentation shall be requested when initiating services.

Upon request, a General Power customer will be granted conditional utility services by either making the request in person, by telephone, or online, unless conditions referenced in this document are not resolved. When the service order requesting connection of services has been completed, the customer will systematically receive a General Power Service Agreement (GPSA) and a letter requesting the required deposit to secure the

account. Corporations, limited liability companies and limited liability partnerships seeking service must be registered with the Tennessee Secretary of State before becoming eligible to receive utility service with the exception of customers who can demonstrate that they obtained possession of the property after they foreclosed on said property.

The Agreement should be completed in its entirety and returned within thirty (30) business days of the service connection. Failure to return a fully executed agreement will result in termination of service. Should a facially accurate but factually incomplete GPSA be submitted, MLGW employees may grant a customer up to an additional fifteen (15) business days to complete the GPSA. The GPSA is required in addition to any other service agreements (i.e. electric service contracts).

Pursuant to the MLGW Identity Theft Prevention Policy, applicants are required to present the following forms of identification:

- 1) For corporations:
 - a) If information is unavailable from the website of the Tennessee Secretary of State, a Certificate of Existence/Authorization from the Tennessee Secretary of State,
 - b) Corporate Banking Resolution (See page vi-15 in Customer Care Information Guide), and
 - c) Proof of employer identification number.
- 2) For limited partnerships, limited liability partnerships and limited liability companies:
 - a) If information is unavailable from the website of the Tennessee Secretary of State, a Certificate of Existence/Authorization from the Tennessee Secretary of State, and
 - b) Proof of employer identification number.
- 3) For general partnerships and sole proprietorships:
 - a) Proof of principal place of business, local office or other physical location,
 - b) Two of the following forms of identification, one of which must be a discernible picture identification, for each partner or the sole proprietor of the business:
 - i) valid driver's license, or Tennessee Drivers Certificate;
 - ii) official state ID card (issued by State as ID in place of driver's license);
 - iii) federal identification card (passport and/or visa, alien registration card, military identification card);
 - iv) military discharge papers;
 - v) voter's registration card;
 - vi) social security card;
 - vii) a certified copy of the birth certificate;
 - viii) IRS individual taxpayer identification number card;
 - ix) Municipal, State or Federal employment ID;
 - x) Medicaid or Medicare identification card;
 - xi) state-issued hunting or fishing license;

- xii) state-issued gun permit or license;
- xiii) EBT (Electronic Benefits Transfer Card).

Tennessee residents sixty (60) years of age and older who have elected under Tennessee law to obtain a Tennessee driver's license without a photograph may present said identification in lieu of a discernable photo ID as required above.

In the event a prospective or current customer communicates that they own, but do not have with them, the requisite identification, they shall be required to bring the identification in a subsequent visit to a community office unless they qualify for conditional service as set forth in Section 100.52 above in which case this identification must be presented with the applicant's submittal of the completed GPSA. In the event a prospective or current customer communicates that they do not own the required type or number of identification required, they must be referred to a supervisor.

If the customer does not have photographic identification, the supervisor may accept two of the above forms of personal identification if the supervisor can determine that the identification proffered is as reliable as the absent photographic identification. In the event the customer proffers identification that is not listed above, the supervisor may only accept such identification after it is referred to and approved by the Manager of Customer Relations.

If none of the above steps results in the current or prospective customer being identified to the supervisor's satisfaction, the customer will be referred to a Tennessee drivers license office, governmental employer (if applicable) who may execute and submit an Affidavit of Identification in a form to be provided by MLGW, human services agency or other potential source in order to obtain adequate identification.

Upon completion of the identification process and submission and verification of a completed GPSA, MLGW shall transfer the customer to a permanent credit status. MLGW will then provide verification of credit to appropriate third parties requestors.

The Utility reserves the right to refuse or disconnect service for General Power applicants who have not resolved the conditions referenced in Section 100.51, do not have a fully executed general power service agreement on file, or have not provided proof of occupancy (i.e. lease or deed if required).

Applicants or customers who have not established a good credit history with the Utility will be asked to pay a security deposit. The deposit is equal to two and one-half times the second highest usage over the previous 12-month period for each metered service at the current rate. The deposit calculation will exclude the purchased gas adjustment (PGA), fuel cost adjustment (FCA), flat service fees

and base service charges. There are options in lieu of a monetary deposit (Refer to Section 100.64).

Applicants or customers who are sole proprietors or are general partnerships may utilize good credit history established by the sole proprietor general partnership or one of the partners on residential accounts.

Applicants or customers who are corporations, limited partnerships, limited liability companies, or other business entities may utilize good credit history established by the corporation, limited partnership, limited liability company, limited liability partnership or other business entities on previous or current commercial accounts. These entities may not rely on the good credit histories of their owners, directors, officers, members or shareholders.

MLGW must be notified when the business of a general service customer is transferred to a new business entity including when the business owner expires, sale of business, mergers, etc.

100.55 Builder Applicants for Service

An applicant's account is designated a Builder account upon initiation of a new construction service request through MLGW Customer Engineering's Builder Services Center. The builder is responsible for all metered service charges and utility service should be appropriately established in the builder's name during the construction phase.

MLGW construction costs must be paid in full prior to installation of electric, gas, and water services, except where the Builder obtains MLGW approval to have construction costs charged to the Builder's account. Builder requirements to charge construction costs to a Builder account include:

- 1) submission of an MLGW Builder Charge Application to be approved by the MLGW Credit Department;
- 2) 36 consecutive months of good credit history on a current MLGW residential or commercial account;
- 3) 36 consecutive months of good credit history on all Builder accounts associated with the applicant;
- 4) a minimum of 12 consecutive months as a licensed contractor in the State of Tennessee.

Pursuant to the MLGW Identity Theft Prevention Policy, applicants are required to present the following forms of identification:

- 1) For corporations:
 - a) if information is unavailable from the website of the Tennessee Secretary of State, a Certificate of Existence/Authorization from the Tennessee Secretary of State,
 - b) Corporate Banking Resolution (See page vi-15 in Customer Care Information Guide), and

- c) proof of employer identification number.
- 2) For limited partnerships, limited liability partnerships and limited liability companies:
 - a) if information is unavailable from the website of the Tennessee Secretary of State, a Certificate of Existence/Authorization from the Tennessee Secretary of State, and
 - b) proof of employer identification number.
- 3) For general partnerships and sole proprietorships:
 - a) proof of principal place of business, local office or other physical location,
 - b) two of the following forms of identification, one of which must be a discernible picture identification, for each partner or the sole proprietor of the business:
 - i) valid driver's license, or Tennessee Drivers Certificate;
 - ii) official state ID card (issued by State as ID in place of driver's license);
 - iii) federal identification card (passport and/or visa, alien registration card, military identification card);
 - iv) military discharge papers;
 - v) voter's registration card;
 - vi) social security card;
 - vii) a certified copy of the birth certificate;
 - viii) IRS individual taxpayer identification number card;
 - ix) Municipal, State or Federal employment ID;
 - x) Medicaid or Medicare identification card;
 - xi) state-issued hunting or fishing license;
 - xii) state-issued gun permit or license;
 - xiii) EBT (Electronic Benefits Transfer Card).

Tennessee residents sixty (60) years of age and older who have elected under Tennessee law to obtain a Tennessee driver's license without a photograph may present said identification in lieu of a discernable photo ID as required above.

In the event a prospective or current customer communicates that they own, but do not have with them, the requisite identification, they shall be required to bring the identification in a subsequent visit to a community office unless they qualify for conditional service as set forth in Section 100.52 above in which case this identification must be presented with the applicant's submittal of the completed GPSA. In the event a prospective or current customer communicates that they do not own the required type or number of identification required, they must be referred to a supervisor.

If the customer does not have photographic identification, the supervisor may accept two of the above forms of personal identification if the supervisor can determine that the identification proffered is as reliable as the absent photographic identification. In the event the customer proffers identification

that is not listed above, the supervisor may only accept such identification after it is referred to and approved by the Manager of Customer Relations.

If none of the above steps results in the current or prospective customer being identified to the supervisor's satisfaction, the customer will be referred to a Tennessee drivers license office, governmental employer (if applicable) who may execute and submit an Affidavit of Identification in a form to be provided by MLGW, human services agency or other potential source in order to obtain adequate identification.

- c) proof of employer identification number or social security number for each owner of business.

100.56 Agents for General Power and Builder's Service Customers

The Utility offers applicants of General Power and Builder's Services the capability of making application for services through an agent. In order to apply for service on another person's behalf, the following documentation is required:

- 1) Completion of a Designated Agent form (See page vi-17 in Customer Care Information Guide) by the customer of record;
- 2) Identification from the applicant as defined in Subsection 100.54; and
- 3) Identification of the agent as defined in Subsection 100.54.

Section 100.60 Security Deposits

A security deposit is assessed on accounts to protect the Utility against potential losses if customers default on payment obligations.

100.61 Request for Deposit – Residential Customers

When applying for service with MLGW, customers may be required to pay a security deposit based on a credit assessment.

The Utility may require a deposit:

- 1) If the customer does not meet the baseline score of the credit assessment;
- 2) If the customer:
 - a) filed bankruptcy,
 - b) has delinquent balance on an utility account, or
 - c) had service disconnected for non-payment.
- 3) If the customer's wires, pipes, meters or other service equipment show evidence of unauthorized usage/diversion charges. Refer to Section 102.14.

The Utility shall not require a deposit if:

- 1) A letter of reference is presented or mailed directly to MLGW from another electric and/or gas utility where service(s) were received within 12 consecutive months. The letter should include information indicating that the customer was in good standing for at least 24 months. An acceptable letter of reference must also be on the utility's letterhead in the applicant's name. Customers should submit their Letter of Reference by mail to MLGW-Research Department, P. O. Box 430, Memphis, TN 38101 within 30 days of application for service. This option is not applicable if the applicant has an outstanding debt with MLGW or diversion charges.
- 2) Applicants are exempt from the initial deposit requirements on one active account if all of the following requirements are met (policy is not retroactive):
 - a) head of household;
 - b) utility account in the applicant's name; and
 - c) at least 60 years of age (proof is required) or certified medically as being totally disabled.
- 3) A customer who has exhibited a good credit history for the last 24 months and terminates service shall retain their MLGW credit history. These customers may not be required to pay a deposit or be subject to a credit assessment if services are re-activated in the same name within 12 months after disconnection.

MLGW reserves the right to re-assess the deposit amount as the credit risk changes (i.e. upon reconnection of a delinquent service order). The customer may be required to pay a new or an additional security deposit. Refer to the deposit billing chart (Exhibit A).

Customers who have a deposit on one account with 24 months of good credit history and request an additional account in the same name will not be required to pay the current minimum deposit amount. When customers are requesting an additional account, the bill must be mailed to the retaining address for a minimum of two months. Customers with a waived deposit can only have one additional active account without a monetary security deposit until 24 months of good credit history has been established.

The Utility shall maintain records of deposits showing all transactions pertaining to each deposit.

100.62 Amount of Deposit – Residential Customers

Applicants and active customers of Residential service with a negative internal/external credit assessment that demonstrates risk shall be governed by the following:

- 1) The Utility shall require a deposit of \$125.
- 2) Residential applicants may elect to have the \$125 deposit billed. The deposit amount will become due on the next utility bill.

- 3) A \$225 deposit will be required from applicants/customers who have a previous history of tampering/diversion of service over the last 84 months. In these cases customers are required to pay their monetary deposit prior to the granting of service.
- 4) A minimum deposit is billed after the first generated reconnect for a non-payment service order to customers who have less than the \$125 deposit and less than 24 months of active service. An additional \$50 deposit will be assessed after the second generated reconnect for a non-payment service order up to a maximum deposit of \$225.
- 5) Customers with more than 24 months of continuous service will be assessed an additional \$50 deposit after a second generated reconnect for a non-payment service order up to a maximum deposit of \$225.
- 6) A new customer as defined by this policy, who is required to pay a minimum deposit, may elect to pay the deposit in five (5) payments of \$25 beginning with the first billed month of service. In the event of a service disconnection for non-payment, the Customer will be required to pay the full or remaining balance of the minimum deposit prior to service reconnection.

Refer to the residential deposit billing chart (Exhibit A) for any situation that affects deposit billing.

100.63 Refund of Deposit – Residential Customers

- 1) Customers with 24 consecutive months of service beginning when the deposit was established on the account are eligible for a deposit refund. MLGW will refund Residential and General Power deposits within 30 days, based on A-Rating with the following conditions:
 - a) no arrears balance;
 - b) no delinquent service order completed during the previous 24 month period;
 - c) no delinquent reconnects during the previous 24 month period;
 - d) no more than one returned check, stopped payment, or credit card reversal in the previous 24-month period;
 - e) no active payment plans;
 - f) no bad debt (debt subject to collection agency assignment) or bankruptcy within the previous 84 months;
 - g) the customer has not received the benefit of diversion (i.e. theft/any tampering with wires, pipes, meters or other service equipment within the previous 84 months);
 - h) customer is not currently under a deferred payment plan.
- 2) The Residential deposit refund will be applied to the customer's active account or inactive account.

- 3) No deposit refund checks will be cashed by the Utility.
- 4) Endorsed refund checks may be applied toward the customer of record's utility account. If proper identification is provided, a customer can elect to apply the refund to any account.

The Division shall refrain from refunding any deposit until the customer has established 24 months of good credit history, an "A-Rating," or services are terminated and the final bill is satisfied.

100.64 Request for Deposit – General Power Customers

All General Power Service customers are required to satisfy MLGW's security deposit requirements and complete a General Power Service Agreement.

- 1) For a new utility account, the total deposit will be billed on the first utility bill. The deposit is equal to two and one-half times the second highest usage over the previous 12-month period (or the most recent 12 months of usage) for each metered service at the current rate if the business plans to function as the previous occupant. If the business plans to function in a different manner from the previous occupant, a MLGW Key Account Representative will perform an assessment of the premises to determine the appropriate deposit amount. The deposit calculation will exclude the purchased gas adjustment (PGA), fuel cost adjustment (FCA), flat fees and base service charges. When a billed deposit is disputed and the prior service history is not relevant for a small to medium sized business, a MLGW Key Account Representative will perform an assessment of the premises and project the annual usage for the deposit calculation. If the deposit is still disputed, the customer can request a review of the deposit amount after 12 months of service history. This section excludes accounts using the Estimated Annual Revenue (EAR) calculation (new construction) as well as industrial and real time pricing accounts.
- 2) A customer who has exhibited a good credit history for the last 24 months and terminates service shall retain their MLGW credit history. These customers may not be required to pay a deposit or be subjected to a credit assessment if services are re-activated in the same name within 12 months after disconnection.
- 3) The Utility shall accept one of the following options in lieu of a monetary deposit:
 - a) irrevocable bank letter of credit approved by MLGW;
 - b) certificate of deposit;
 - c) surety bond;
 - d) good MLGW credit history (refer to the definition) for the same business entity;
 - e) external credit bureau scoring pursuant to procedures and standards adopted by Customer Care department;
 - f) letter of reference mailed directly to MLGW Credit Operations from another electric and/or gas utility (24 months of service and good pay credit history)

required within the last 12 consecutive months) prior to service being connected. An acceptable letter of reference must be on the utility's letterhead in the same business name, owner and organizational structure (i.e. LLC) as the applicant. This option is not applicable if the applicant has an outstanding debt with MLGW or diversion charges.

- 4) The Utility may adjust the amount of deposit at the request of the applicant, customer, and/or utility, based on significant credit risk changes and/or usage. In addition, if additional meters are turned on at the same premises, the account will be reviewed and an additional deposit may be billed. General Power accounts will be reviewed after the second non-payment service order is completed to determine if a deposit or an additional deposit is required and assessed accordingly. The deposit will be billed on the next utility bill.
- 5) Customers who have a deposit on one account with 24 consecutive months of good credit history and request an additional account in the same name and/or owner will not be required to pay a deposit.
- 6) If ownership of the business changes, the new owner will be required to establish service and may be required to pay a deposit.
- 7) The Utility shall request a deposit from new construction General Power Customers equal to two and one-half times the amount that represents 1/12 of the estimated annual revenue (EAR).
- 8) The Utility shall maintain records of deposits showing all transactions pertaining to each deposit.
- 9) Refer to the General Power deposit billing chart (Exhibit B) for any situation that affects deposit billing.
- 10) In regards to separately metered services for Residential customers (i.e. barns, electric gates), a minimal General Power deposit may be assessed. Once MLGW has been notified that there is a separate meter, the General Power deposit may be credited provided the meter is on the same premises with the residential meters.

100.65 Amount of Deposit – General Power Customers

The Utility shall request a deposit from an applicant or from an existing General Power customer equal to two and one-half times the second highest usage for each metered service based on the previous 12 months, or a minimum deposit of \$355; except as outlined above regarding same business use.

For deposit amounts ranging from \$500.00 to \$1,000.00, 25% must be paid and the remaining 75% can be set up for three monthly installments.

For deposit amounts greater than \$1,000.00, 25% must be paid and the remaining 75% can be set up for five monthly installments. Arrangements outside these guidelines must have supervisory approval.

100.66 Refund of Deposit – General Power Customers

- 1) Customers with 24 consecutive months of service beginning when the deposit was established on the account are eligible for a deposit refund. MLGW will refund Residential and General Power deposits within 30 days, based on A-Rating with the following conditions:
 - a) no arrears balance;
 - b) no delinquent service order completed during the previous 24-month period;
 - c) no delinquent reconnects during the previous 24-month period;
 - d) no more than one returned check, stopped payment, or credit card reversal in the previous 24-month period;
 - e) no active payment plans;
 - f) no bad debt (debt subject to collection agency assignment) or bankruptcy within the previous 84 months;
 - g) the customer has not received the benefit of diversion (i.e. theft/any tampering with wires, pipes, meters or other service equipment within the previous 84 months); or
 - h) customer is not currently under a deferred payment plan.
- 2) The General Power deposit will be refunded to the customer systematically after all conditions have been met.
- 3) No deposit refund checks will be cashed by the Utility.
- 4) Endorsed refund checks may be applied toward the customer of record's utility account.
- 5) The Division shall refrain from refunding any deposit until the customer has established 24 months of good credit history, an "A-Rating," or services are terminated and the final bill is satisfied.

100.67 Balance Refunds and Final Bills

- 1) When all services have been disconnected by request or for non-payment, the Utility will:
 - a) render a final bill for services up to the disconnection date, and
 - b) render a second final bill indicating the amount of the deposit applied and the balance remaining to be paid or credit to be issued.

- 2) The Utility may transfer any credit balance or unpaid balance to a customer's active or inactive account. Notification will be sent to the customer when a balance transfer is made.
- 3) The Utility shall apply deposits on closed accounts and refund excess credit by check.
- 4) If another party other than the customer of record pays a deposit, the refund will be issued to the customer of record.
- 5) All refund checks are forwarded to the mailing address listed on the account of the customer of record.
- 6) When refunds are not deliverable, the refund will be maintained by the Utility for a period of two years. After two years, the unclaimed refunds will be turned over to the State of Tennessee.

100.68 Interest on Deposits – All Customers

MLGW does not pay interest on customer deposits.

Section 100.69 Estimated Bills – All Customers

MLGW attempts to read all meters every month; however, sometimes we are unable to meet this objective when conditions exist such as extreme weather, closed or locked gates, pets in yard, no visible access to the meters or staffing issues. In instances such as these, the Utility is forced to estimate the customer's energy consumption for that billing period. The estimation is based on historical billing data retained in our Customer Information System (CIS). The next time the customer's meter is read; MLGW will determine the actual energy usage and bill the customer accordingly.

- 1) The Utility will attempt to make an actual meter reading monthly. An estimated bill may be rendered for any billing period in which circumstances beyond the control of the Utility prevent the actual reading of the meter.
- 2) In the event the Utility estimates a customer's bill, the word "estimate" will appear prominently on the face of the bill.
- 3) The customer shall be responsible for charges incurred by the Utility if service is disconnected at the pole or weatherhead as a result of meter inaccessibility. The Utility must have clear access to its equipment in order to inspect and maintain safe operating conditions.

Section 100.70 Past Due Bills and Late Payment Charges

- 1) The Utility shall consider a customer's bill past due when paid after the due date printed on the bill.
- 2) Utility bills are due and payable within 12 business days of the printed date on the bill.
- 3) Residential accounts are assessed a 5% late charge for electric, gas, and water services excluding tax on the remaining balance of amounts previously past due for utility services on the thirteenth business day, which are considered as past due under this Section. In no event shall the late charge exceed the amount approved by law.
- 4) Builder accounts for construction charges are assessed a 5% late charge, excluding tax on the remaining balance of amounts previously past due. In no event shall the late charge exceed the amount approved by law.
- 5) General Power accounts are assessed a 5% late charge for gas and water service excluding tax on the remaining balance of amounts previously past due for utility services on the thirteenth business day, which are considered as past due under this Section. In no event shall the late charge exceed the amount approved by law.
- 6) General Power accounts are assessed a late charge on the electric portion of the bill; 5% on the first \$250, plus 1% on the remaining portion of the bill exceeding \$250 on the thirteenth business day after the printed date on the bill. Additionally, there shall be a 1% penalty added to any amount remaining unpaid 30 days after the delinquent date of the bill. An additional 1% shall be added at the end of each successive 30-day period until the amount is paid in full. In no event shall the late charge exceed the amount approved by law.
- 7) The Utility shall assess a late charge on the first final bill if not paid by the due date. In no event shall the late charge exceed the amount approved by law.
- 8) This section does not interfere with the Utility's ability to disconnect service for non-payment of a bill.

Section 101.00 Bankruptcy

The Utility adheres to applicable bankruptcy laws when customers file and include utility debt. Pursuant to appropriate laws, unauthorized usage or diversion charges are not subject to the automatic stay normally provided by a bankruptcy filing.

Section 102.00 Special Conditions

102.11 Non-Sufficient Funds or Payment Reversals

Customers who have two of the following within a 12-month period are placed on a “Cash Only” basis:

- 1) Credit card reversals,
- 2) Non-sufficient funds, or payment reversals
- 3) Stop payment checks.

Customers who have any of the above conditions within the last 12 months are considered “B-Rating” (“Credit Risk”).

102.12 Corrected Bills

If the Utility has to delay the billing by more than five days, the Utility may send the customer correspondence disclosing that their billing has been delayed to ensure consumption accuracy. The customer will be given a new net due date when the corrected bill is rendered.

102.13 Back-Billing

Back-Billing will be managed according to the prevailing federal, state, and local laws.

The Utility:

- 1) Shall issue a “corrected” bill for previously unbilled and underbilled utility services.
- 2) Shall inform the customer in writing of all adjustment(s).
- 3) May offer the customer a payment arrangement for the period during which the excess amount accrued, but not to exceed seventy-two (72) months. Exceptions require supervisory approval.

102.14 Utility Tampering – Unauthorized Usage (Diversion charges)

Customers are responsible for all charges associated with tampering or unauthorized usage of utility services.

Tampering or unauthorized usage shall include, but not be limited to, the following:

- Opening valves at the curb or meter that have been turned off by utility personnel;
- Breaking, picking or damaging cutoff locks/seals;
- By-passing meters in any way;

- Taking un-metered water from hydrants by anyone other than an authorized official of a recognized fire department; fire insurance company, or utility for any purpose other than fire fighting, testing or flushing of hydrants;
- Removing, disabling or adjusting meter registers;
- Moving the meter or extending service;
- Any other intentional act of defacement, destruction or vandalism to utility property or other act that affects the functionality of utility property;
- Any intentional blockage or obstruction of utility equipment;
- Altering, injuring or preventing the action of a meter, valve, stopcock, or other instrument used for measuring quantities of electricity, gas or water;
- Transferring from one location to another a metering device for measuring utilities;
- Use of a metering device belonging to the Utility that has not been assigned to the location and installed by the Utility;
- Fabrication or use of a device to pick or otherwise tamper with the locks used to deter electric current diversion, gas diversion or water diversion, meter tampering and meter diversions.

If MLGW determines tampering and/or diversion of service have occurred and the customer or occupant has benefited from the tampering and/or diversion of service, the Utility will bill the customer of record or anyone who benefited from the service. In instances where occupant consumption is discovered and the property owner fails to supply adequate proof of tenant occupancy, the owner of the property or previous tenant will be responsible for any usage and pertinent fees, providing the utility can demonstrate that the meters were turned off and locked. MLGW will investigate and take appropriate actions of any reported tampering and diversion of services which may lead to criminal prosecution.

Billing will be calculated based on meter readings reported by the utility.

If the average usage and charges are not provided on the account, or if information is inadequate because of no recorded usage, the billing will be based on two times the average high monthly charge as provided by Budget, Rates and Regulatory Affairs.

MLGW reserves the right to require customers who have diverted services to re-apply for new service subject to the provisions of Sections 100.51 through 100.55.

Additional important facts include:

- 1) The customer shall be required to pay all service usage charges, deposits, and applicable fees prior to reconnection of service unless otherwise approved by MLGW management.
- 2) When there has been tampering with wires, pipes, meters or other service equipment and the customer has benefited from the tampering, the Utility is not restricted to the 36 months referenced in Section 102.13. When the Utility applies this provision to bills for service that occurred outside the applicable time limitations, a customer may dispute the bill under the provisions of Section

105.00. The customer shall be responsible for all service usage, and the Utility may bill the customer for all service usage during the period the tampering/diversion of service occurred. The Utility shall charge for all other applicable fees.

- 3) If the Utility alleges that tampering has occurred, the Utility shall have the burden of proving, by a preponderance of the evidence, that the customer's meter has been tampered with and that the Utility's rebilling is reasonable.

MLGW reserves the right to prosecute in cases of utility diversion and/or tampering.

102.15 Water Leak and Sewer Adjustments

Residential customers may request an adjustment to their account due to a water leak or broken water pipes. Residential customers are eligible for only one water leak and sewer adjustment in a 12-month period. The adjustment shall be applied as a credit to the customer's account. The water leak and sewer adjustments shall be based on 50% of the excess usage over the billing period(s). Consideration will be given to actual sewer use impact.

General Power customers are not eligible for a water leak adjustment.

Section 103.00 Monthly Utility Bill and Payment Due Dates

The Utility bill represents an itemized statement of billed charges by MLGW and other entities. Items displayed on the monthly utility bill include the total amount and due date, number of days billed, average utility cost per day, average temperature, billing cycle, next meter reading date, contact information for inquiries, historical consumption and payment options.

Utility bills are due and payable by the due date printed on the monthly bill. If a bill is not paid by the due date, applicable late charges are assessed. The subsequent disconnection process is outlined in Exhibit C. Refer to the Billing Charts (Exhibits A, B) for more details.

Section 103.10 Delayed Payment Options

Unfortunately, at times customers may experience challenges in paying their utility bill(s). When this occurs, MLGW urges our customers to contact the Utility to utilize one of the delayed payment options to avoid the possibility of disconnection of utility service. The Utility considers disconnecting utility service for non-payment a last resort and would prefer to work out a satisfactory payment arrangement.

Depending on the needs of the Customer the following Delayed Payment Options are available:

- 1) Payment Arrangements (Extensions)
- 2) Deferred Payment Plan

Payment Arrangements (Extensions)

Residential and General Power customers may be eligible for a payment arrangement in lieu of paying the entire bill by the bill's due date. With a payment arrangement, the payment date will be extended beyond the current due date. A payment arrangement is not necessary if the past due balance remains below the minimum balance threshold as defined by the Utility.

If the past due balance is above the minimum balance threshold, a cutoff notice will be mailed two business days after the bill's due date. Once the cutoff has occurred, the customer is required to pay the cut-off amount in full. Customers may contact the Utility to determine their eligibility for a payment arrangement as out lined below:

- 1) Balances less than \$400 can be extended eight days without a payment. Balances over \$400 require 25% of the cutoff notice amount to be paid within four days after the due date of the disconnect notice. The balance (75%) of the bill is extended up to eight days past the due date of the disconnect notice.
- 2) Financial assistance from outside agencies (i.e. Community Service Agency, MIFA, etc.) can be considered a part of the 25% requirement. If required by State or Federal law, such payment will only be applied to the gas and electric delinquent balance if the amount is sufficient to stop a pending disconnect. Once the outside agency has agreed to pay all or a portion of the customer's bill and the CIS system has the appropriate notation, staff should consider that promise to pay sufficient in determining how much the customer still has to pay.
- 3) If a payment is returned due to non-sufficient funds, stopped payment, or credit card payment reversal and remains unpaid the returned item amount **plus** 25% of the cutoff notice amount must be paid before a payment arrangement can be granted.
- 4) If a customer's payment arrangement is not satisfied and exceeds the minimum payment arrangement threshold, the account service is subject to be disconnected the second business day after the due date.
- 5) For accounts that have been disconnected for non-payment, customers must pay the past due amount plus returned items/tampering fees in full prior to reconnecting services. Arrangements outside of the reconnect guidelines (Section103.60) must have supervisory approval.
- 6) Customers are eligible for payment arrangements while on the Deferred Payment Plan (DEFB).
- 7) Customers who have benefited from tampering/diversion of service (refer to Section 102.14) are eligible for a payment arrangement 6 months after the diversion credit history code is assessed. The customer must have an updated/approved RSA or GPSA on file.

- 8) Exceptions to the above payment arrangement guidelines must be approved by supervisor. Payment Arrangements will only be granted to the Customer of Record, the spouse listed on the account, or an individual's Power of Attorney (POA).

Second Payment Arrangement:

A second payment arrangement is an arrangement that is requested on the same cutoff notice as the initial payment arrangement.

If a second payment arrangement is requested, customers are required to pay 50% of the remaining balance; the balance is extended until two days before the due date of the next month's bill.

Residential customers requesting a second payment arrangement without a payment will require supervisory approval and must meet the following temporary financial hardship conditions. General Power customers requesting a second payment arrangement that includes a deposit will be required to pay the past due bill for metered usage.

Hardship Criteria for Residential Customers: A temporary financial hardship caused by, but not limited to, one of the following conditions. Documented and valid proof may be used only once per occurrence.

- **Death of immediate family**- occurred within 60 days prior to making the request. Immediate family includes spouse, parents (in-laws, step-parents), siblings (brother, sister, step-siblings), and children/step children. The customer must provide one of the following documents as proof:
 - 1) Obituary,
 - 2) Death certificate or
 - 3) Identified online (www.gomemphis.com)

- **Hospitalization** – of the Customer of Record, spouse, or dependents (children) within the last 60 days. The customer must provide one of the following documents as proof:
 - 1) Hospital discharge papers,
 - 2) Doctor's statement on physician's letterhead

- **Job Loss** – within the past six months. The customer must provide one of the following documents as proof:
 - 1) Employment separation letter
 - 2) Unemployment papers

- **Divorce or Legal Separation**- within the past 60 days. The customer must provide one of the following documents as proof:
 - 1) Final divorce decree

2) Legal separation papers

- **Unforeseen Weather Events**- Conditions occurring within the past 60 days, such as fires, severe ice storms, wind damage, etc., that imposes a financial hardship for major repairs (i.e., electrician, contractor) must provide the following documentation as proof:
 - 1) Valid Repair Receipts (i.e. business name/address, date)
- **Vandalism**-occurred within 60 days prior to making the request. The customer must provide one of the following documents as proof:
 - 1) Official Police Report
 - 2) Valid Repair Receipt

Hardship Criteria for General Power Customers: A temporary financial hardship caused by, but not limited to, one of the following conditions. Documented and valid proof may be used only once per occurrence.

General Power customers requesting a second payment arrangement without a payment will require supervisory approval and must meet the following temporary financial hardship conditions. General Power customers requesting a second payment arrangement that includes a deposit will be required to pay the past due bill for metered usage.

- **Death of immediate family**- occurred within 60 days prior to making the request. Immediate family includes spouse, parents (in-laws, step-parents), siblings (brother, sister, step-siblings), and children/step children. The customer must provide one of the following documents as proof:
 - 1) Obituary,
 - 2) Death certificate or
 - 3) Identified online (www.gomemphis.com)
- **Hospitalization** – of the Customer of Record, spouse, or dependents (children) within the last 60 days. The customer must provide one of the following documents as proof:
 - 1) Hospital discharge papers,
 - 2) Doctor’s statement on physician’s letterhead
- **Unforeseen Weather Events**- Conditions occurring within the past 60 days, such as fires, severe ice storms, wind damage, etc., that imposes a financial hardship for major repairs (i.e., electrician, contractor) must provide the following documentation as proof:
 - 1) Valid Repair Receipts (i.e. business name/address, date)
- **Vandalism**-occurred within 60 days prior to making the request. The customer must provide one of the following documents as proof:
 - 1) Official Police Report
 - 2) Valid Repair Receipt

Deferred Payment Plan (DEFB) - Residential and General Power Customers

The Deferred Payment Plan is designed to allow customers who are experiencing a temporary financial hardship and/or have a past due or large utility bill (**\$500 or more**) to pay the bill in installments. Customer shall pay a minimum of 25% of the total amount (past due plus current amount due) at the time of entering into the agreement. The remaining 75% balance of the total bill can be set up in installments over a five month period. The customer will be required to pay the installment amount in addition to the current monthly bill. Customers are eligible for a second DEFB plan after the final payment of the first DEFB.

The customer will be eligible for a payment arrangement while participating in a Deferred Payment Plan. Only the spouse listed on the account, Customer of Record, POA, and Co-Applicant can request the Deferred Payment Plan and enter into a verbal/written agreement of the same.

The customer must have an updated/approved RSA or GPSA on file before receiving a DEFB.

General requirements:

- 1) Customer is required to pay DEFB according to specified terms.
- 2) If any payment type is returned for non-sufficient funds, the returned item **plus** 25% of the total amount must be paid before a Deferred Payment Plan can be granted.
- 3) Customer must pay 75% of any arrears balances derived from a dismissed bankruptcy or bad debt.
- 4) If less than 25% is paid of the total bill, supervisory approval is required based on the hardship criteria (refer to Section 103.20).
- 5) The customer shall be required to pay all future bills for utility service by the due date in addition to the DEFB installment amount.
- 6) Failure by the customer to pay the current bill including the DEFB installment amount will result in the customer's service being prioritized for disconnection for non-payment. If the account becomes inactive, the full cutoff notice amount must be paid before reconnection. Also, the DEFB plan will be forfeited and the DEFB balance will become due on the following month's bill.

Customers who are actively enrolled in the OnTrack, Budget Billing, and/or NetPay programs, or Back-Billing are not eligible for Deferred Payment Plan.

Residential

The Utility's decision to offer a Residential customer/applicant for service a Deferred Payment Plan shall be determined by the Utility after consideration of the following factors:

- 1) A past due or large balance of \$500.00 or more;

- 2) Customer or applicant's ability to pay;
- 3) Customer or applicant's payment history (i.e. no NSF's, or credit card reversals);
- 4) Reason for the outstanding indebtedness; and other relevant factors relating to the circumstances of the customer or metered services (i.e. transfer-in, moratorium, faulty equipment, water leak, OnTrack and Budget Billing);
- 5) Residential customers have an approved RSA on file;
- 6) A Residential applicant or customer shall pay a minimum of 25% of the total amount (past due plus current amount due) at the time of entering into the agreement.

The following approvals are required:

- \$1-\$799.99 Service Advisor/Credit Counselor
- \$800-\$1,999.99 must have Chief approval
- \$2,000-\$3,999.99 Supervisory approval
- \$4,000-\$9,999.99 Assistant Manager/Manager/Administrator
- \$10,000 & above Vice President

Large balances greater than \$2,999 that was transferred from another account(s) may be eligible for a DEFB plan up to 12 months.

To allow sufficient time to obtain required approvals, a one-day extension is permitted at all levels.

Non-Residential

The Utility's decision to offer a Deferred Payment Plan to a General Power customer/applicant for service shall be determined by the Utility after consideration of the following factors:

- 1) A past due or large balance, above \$500;
- 2) An unpaid balance from an additional account transferred into an active account above \$500;
- 3) General Power customer has an approved GPSA on file;
- 4) A General Power applicant or customer shall pay a minimum of 25% of the total amount (past due plus current amount due) at the time of entering into the agreement.

The DEFB Plan can be set up for any amount above \$500 over a five month period based on the following approval levels. MLGW approvals must be in writing (i.e. e-mail, contact card). Large balances greater than \$2,999 that was transferred from another account(s) may be eligible for a DEFB plan up to 12 months.

The following approvals are required:

- \$1-\$799.99 Commercial Resource Representative
- \$800-\$1,999.99 must have Chief approval
- \$2,000-\$3,999.99 Supervisory approval
- \$4,000-\$9,999.99 Assistant Manager/Manager/Administrator
- \$10,000 & above Vice President

To allow sufficient time to obtain required approvals, a one-day extension is permitted at all levels.

Section 103.20 Guarantors

The guarantor who executes the Guarantee of Debt form shall be liable for all debts incurred by the customer of record with MLGW as set forth in the terms within the Guarantee of Debt (See page vi-18 in Customer Care Information Guide. The Customer of Record shall also remain liable to MLGW on said debts. Recession of the Guarantee of Debt by the guarantor may result in termination of the customer's account.

Section 103.30 Disconnection Notice

A written notice of the Utility's intent to disconnect all services for any past due amounts is mailed approximately two business days after the bill's due date.

- 1) General Power and Residential customers will receive a cutoff notice when the account balance exceeds the minimum balance threshold. All General Power customers follow the B-rating disconnection procedure. Changes to the minimum balance must be approved by the Vice-Presidents of both the Customer Care Divisions as well as Finance/Treasurer.
- 2) The following information will be provided on the disconnection notice:
 - a) name and mailing address of the customer;
 - b) service address, if different from the mailing address;
 - c) account number;
 - d) required payment amount and the due date to prevent service disconnection;
 - e) consequences of disconnection, such as deposit requirement and reconnection fee;
 - f) address and telephone number at which the customer may contact the Utility;
 - g) business office locations and business hours;
 - h) payment options;
 - i) method by which the customer may question or contest the disconnection notice;
 - j) and any additional data that the Utility deems pertinent.

For more details, refer to the deposit billing charts (Exhibits A and B). Sections 103.10 and 103.50 contain information to prevent a disconnection notice and actual disconnections.

Section 103.40 Disconnection of Service

The Utility may disconnect any or all metered services when a customer fails to do any one of the following:

- a) pay the past due amount on or before the due date of the disconnection notice;
- b) comply with a payment arrangement and/or DEFB Plan;
- c) pay a General Power Service Deposit or provide an acceptable option in lieu of a monetary deposit (i.e. Bank/Utility Letter of Credit, Bond, and AutoPay). Refer to Sections 100.64 and 100.65;

- d) pay a security deposit as required by bankruptcy law;
- e) maintain an authorized meter connection or disconnection of services in cases of tampering and/or unauthorized usage (diversion);
- f) comply with the requirements to complete a General Power Service Agreement and Residential Service Agreement;
- g) allow access to verify or correct a dangerous condition;
- h) comply with the current Light, Gas & Water Service Policy;
- i) comply with the Identification requirements.

Other Criteria:

- 1) Any cost associated with actions beyond a typical disconnection of services due to non-payment will be billed to the customer and an additional deposit may also be required.
- 2) Before disconnection of service, the Utility shall when feasible attempt to notify an occupant of the premises that the services will be disconnected. If an occupant is not available, the Utility will leave a written notice (doorknocker) when feasible. The notice shall include procedures for reconnecting customers.
- 3) Normally, physical disconnects begin each business day at 8:00 a.m. Payments received on the delinquency disconnect date may not be presented in sufficient time to cancel the scheduled disconnect or to prevent assessment of applicable charges. If the account is not paid by the due date, the Utility will disconnect the primary service (i.e. electric service) prior to disconnecting the remaining meters based on accessibility.
- 4) The Utility reserves the right to disconnect services without further notice under specific circumstances such as tampering. Refer to Section 102.14 for utility tampering/unauthorized usage (diversion charges).
- 5) If the account remains inactive, any unpaid balances are subject to bad debt write-off, credit bureau notification, and applicable cost of collection fees. MLGW will not accept personal checks in payment of bad debts.
- 6) Some disconnection notices may be reviewed by Customer Care for further consideration. Customer Care will determine if the disconnect order should be canceled as an exception if it is determined that the customer made a good faith effort to avoid disconnection. Any and all such exceptions will be reported to the Board of Commissioners within 35 days of the exception being granted for the Board's review.

The disconnection process and deposit billing charts are subject to change without notice based on weather conditions, moratoriums, workload or any unforeseen conditions. In these and similar situations, the Utility may either choose to prioritize disconnections or suspend disconnection of utility services. For more details, refer to deposit billing charts (Exhibits A and B).

Section 103.50 Customer Request to Terminate Utility Services

The Customer of Record is responsible for immediately notifying the Utility by phone, email or letter of any change in their account status. The Customer of Record must notify MLGW when moving out and must allow access to disconnect service. If the property changes ownership, it is recommended that the seller or buyer of the property notify the Utility if there is a change in the account status. If services are disconnected for non-payment the customer will be held responsible for all usage on all connected meters until proper notice of termination is provided to the utility.

Section 103.60 Reconnection of Service

The Utility will reconnect service to customers upon full payment of the past due amount. Refer to Section 103.10 for exceptions. MLGW will systematically generate a reconnect order if the full payment is received or if the cutoff order amount is paid within the Minimum Threshold (\$5). The payment must be received and credited to the applicable account within five calendar days after the disconnection for a systematic reconnection. Relative to payments received after five calendar days, the reconnection will be generated upon a customer's request.

- 1) The Utility will attempt to reconnect services on the same day payment is received. However, the Utility does not guarantee same-day reconnection.
- 2) Any cost associated with the reconnecting of services due to non-payment will be billed to the customer. A schedule of all charges is revised annually and available upon the customer's request.

Section 103.70 Life Support

MLGW maintains a Life Support Program in order to assist customers requiring equipment that sustains life. To apply for the program, the customer must obtain a letter from his/her doctor or medical facility that specifies the type of equipment used. The letter shall be forwarded to MLGW Life Support Clerk, PO Box 430, Memphis, TN 38101.

Qualifying equipment for this status includes only the following: ventilator, iron lung, ventricular assist devices (VAD) and apnea monitors for premature infants. Since newborn babies sometimes require heart monitors for 6 months or less, the heart monitor is approved as temporary life sustaining equipment.

- 1) The Utility:
 - a) may question the applicant requesting services to ascertain the presence of an electric life-sustaining device and patient at the address;
 - b) may verify the patient and the use of the device through an on-site visit;
 - c) will install a life support meter when the patient meets the guidelines for MLGW Life Support Program;

- d) will document the existence of the device on the customer's record; and
 - e) may provide a life support information package that includes emergency contacts and telephone numbers.
- 2) The certification of an electric life-sustaining device does not relieve the customer of the responsibility for full payment of utility bills. Written and verbal notification, including required payment amount, will be sent to program participants in an effort to avoid disconnection of services. Disconnection of services for non-payment may occur in two phases:
- a) disconnection of gas and/or water
 - b) disconnection of electric services
- 3) To maintain participation in the program, customers are required to provide an updated certification from their physician on an annual basis.
- 4) The Utility will identify approved life support customers in MLGW CIS and CARES database systems.
- 5) Life Support status is intended to provide the customer with notice of planned utility outages. Such notices are not guaranteed by MLGW and life support customers should have back-up generators in place in the event of unplanned outages or notices of planned outages are not timely provided.

Section 104.00 Refunds of Accounts Receivable

MLGW will refund balances on accounts that have a credit balance of **\$1.00** or greater as a result of an over-payment, credit adjustment or deposit applied. Credits on inactive accounts are routinely returned to the Customer of Record. Credits on active accounts are refunded at the customer's request; however, refunds will not be rendered if customers have past due balances on additional accounts. Credit balances for Residential and General Power customers are refunded in the following manner:

- 1) By check (forwarded to the mailing address listed on the customer's account);
- 2) By crediting the customer's existing account; or
- 3) By crediting another active account at the customer's request;
- 4) By transferring to another active or inactive account with a past due balance;
- 5) At the Division's discretion.

If the credit is the result of a check payment, MLGW reserves the right to withhold a refund until after 10 business days.

When refunds are not deliverable, the refund will be maintained by the utility for a period of two years. After two years, the unclaimed refunds will be turned over to the State of Tennessee.

Section 105.00 Identity Theft

MLGW is committed to protecting the privacy of its customers. Customers who have experienced identity theft should notify MLGW immediately, and take the following steps:

- 1) Complete a notarized Affidavit of Fraudulent Receipt of Utilities; the notarized affidavit of fraudulent utilities form is available on-line at www.mlgw.com;
- 2) Provide a police report;
- 3) Provide other proof that is customary to the utility industry.

Customers who have notified the Utility of potential identity theft will be noted within MLGW's Customer Information System.

MLGW will assist in the prosecution to the fullest extent allowed by law anyone who knowingly transfers or uses, without lawful authority, a means of identification of another person with the intent to commit, or to aid or abet, any unlawful activity that constitutes a violation of federal, state or local law.

Section 106.00 Dispute Resolution Process

It is the policy of MLGW to allow the Customer of Record a process to dispute and resolve matters pertaining to his/her utility account(s). This dispute process is normally completed within 30 days or less and during the process, the customer's utility service will not be interrupted. Disputes should be presented to an MLGW representative by the Customer of Record or authorized representative. Proof such as power of attorney, designation of agent form, or other legal documents are required to determine the authorized representative. Valid identification is also required from the authorized representative. The resolution is a progressive process starting with the customer's first point of contact (i.e. Credit Counselor, Service Advisor and Commercial Resource Representative).

If resolution is not achieved at the first point of contact, customers may request to present their dispute to a Chief or Supervisor in the Customer Care Center, Commercial Resource Center or one of the Community Business Offices. If there is no resolution at the supervisory level, the customer may request to present their dispute to the area manager.

If there is no resolution of the dispute at the manager level, the customer is entitled to a Dispute Resolution Hearing. At this hearing, customers may present their unresolved dispute to the Manager of Customer Relations or other employee designated by the Vice President of Customer Care. Once the customer has presented their case, the customer will receive written notification of the decision within 20 business days. It is incumbent on MLGW to establish its claims by a preponderance of evidence.

The Manager of Customer Relations will monitor the resolution process and notify the Vice President of Customer Care of disputes that are not resolved within 30 days of initial receipt of the dispute.

A customer's dispute of damages caused by MLGW should be submitted to MLGW's Claims Department. Please call 901-528-4621 for more details.

Section 107.00 Deceased Customer

Upon the death of a Customer of Record, utility services must be disconnected, or maintained through an estate established by a court of competent jurisdiction or transferred into the name of the remaining occupants. Support documentation such as a death certificate, estate documents, personal identification or related documentation may be required unless otherwise directed by the court.

MLGW will make every effort to ensure a smooth transition of services to surviving occupants of the residence. Surviving Spouses, Children of the deceased, and Executors or Administrators of Estates will be allowed up to 120 days to obtain utility services as a new customer pursuant to Section 100.52.

If a refund check is rendered in the name of the deceased person, the Surviving Spouse, Executor/Executrix, or Informant should visit the Downtown Business Office with valid identification and supporting documentation to finalize all business transactions.

The Executor, Administrator of Estate, Spouse, or Agent with valid identification may be authorized to terminate services. MLGW may send a letter to the premises to notify the occupant that services will be disconnected.

Section 108.00 Special Billing Programs

MLGW makes every effort to provide our customers with innovative, customer-focused billing programs and various payment options consistent with the Customer Bill of Rights (adopted January 2009).

108.11 Late Fee Allowance -LFA (formerly known as the K-discount)

The Utility will waive the difference between the net amount and the gross amount of a residential customer's bill after the net date expires. A customer will earn this Allowance after three consecutive months of not incurring a late fee. The Allowance will be automatically applied on the first late payment assessed. A customer may accrue no more than three (3) Late Fee Allowances.

108.12 OnTrack Program

The Utility offer qualified customers access to OnTrack, a MLGW payment program designed to help residential customers with limited incomes better manage debt and pay off their bills over a period of time. The program focuses on education, financial management and social services. Participants must attend the related workshops.

- 1) Customers may contact MLGW's Customer Care Center, complete an online application or visit one of the utility's five business offices to request an application.
- 2) In order to qualify for the program, customers must have a steady income, meet low income guidelines and have an MLGW account balance of more than \$600. Customers can qualify if they have an active service or a delinquent account. Delinquent accounts require a deposit to be paid before new services are connected. An orientation workshop is required.

Also to qualify, a customer cannot have a history of bankruptcy or be enrolled in Life Support critical health care program. Qualifying customers will receive a deferred payment plan for up to 36 months. For the first 12 months, customers will work directly with the OnTrack service advisor. During this 12-month period, customers may be granted payment arrangements even though they are enrolled in the deferred payment plan. After 12 months, customers are expected to follow the normal Customer Care Policy Payment Guidelines.

Customers who fail to keep payment arrangements, present non-sufficient funds or reversed payments due to non-sufficient funds, move without leaving a forwarding address, or file bankruptcy will be removed from the OnTrack Program.

If a customer successfully maintains the OnTrack payment arrangements for the first 12 months, their security deposit will be credited to their account.

Customers can only enroll in the OnTrack Program once.

108.13 Net Due Date Program - Residential Customers

If a customer of record receives income that is paid either once or twice per month and is not supplementing that income, the customer may be eligible to change the due date to the 12th of each month. Exceptions to the specific due date requires supervisory approval.

In addition, the customer is required to:

- 1) Sign a Net Pay Agreement,
- 2) Present support documentation such as a driver's license, verification of income and/or a signed statement from their physician (if applicable),
- 3) Pay the current bill which includes the deferred amount by the net due date,
- 4) Seniors presently identified in our Customer Information System are exempt from these requirements.

Exception: Customers may be eligible for a supplemental payment arrangement based on the hardship criteria defined in Section 103.10 of the Customer Care

Policy; however, customers are not eligible for the Deferred Payment Plan in Section 103.10 while on the Net Due Date (deferred payment) Program.

In the program, customers have an option to defer payment of any balance of no more than \$600 for up to 12 months; customers cannot have two deferred payment plans at the same time. Enrollment in this program also qualifies the customer for the Budget Bill Program, if needed.

Customers enrolled in this program will be encouraged to have a free energy audit performed by MLGW Residential Services.

If removed from the program for non-compliance, the participant must wait 6 months to reapply.

108.14 Master Billing –General Power Customers

The Master Billing Program has been replaced with E-Billing. Customers who were enrolled in master billing on or before November 7, 2007 are allowed to remain on the program. MLGW reserves the right to discontinue the Master Billing Program for those customers after appropriate notice is given.

The Master Billing Program is designed to allow a business customer with multiple locations to receive one billing statement per month which encompasses charges for all of the subordinate accounts. Each account is read in its normal billing cycle but the bill is suspended until the last billing cycle has been completed. When the bill is rendered, the customer must pay the bill in its entirety. Strict adherence is required to continue participation in the plan.

- 1) In order to receive a Master Bill, the customer must have a minimum of five accounts, and cannot:
 - a) have an existing balance;
 - b) have an existing loan or payment arrangement;
 - c) owe an unpaid deposit; or
 - d) be actively enrolled in the Budget Billing Program.
- 2) The customer must provide a listing of accounts to be included in the Master Billing Program.
- 3) The customer must submit a payment that covers the exact Master Bill invoice amount. If the full payment is not received, the accounts are subject to disconnection and removal from the program. In addition, the customer is subject to removal from the Master Billing Program if payment is received late three times in a 12-month period.
- 4) The termination process may take up to 30 days if a customer requests to be removed or is terminated from the Master Billing Program.

108.15 Budget Billing Program (Formally Smart Pay)—Residential Customers

To better manage substantial fluctuations in the customer's monthly bills, the Utility encourages the use of MLGW's Budget Billing Program, which spreads the projected billing over a 12-month period. The projected billing amount is based on the customer's past 12-month utility usage as well as an adjustment factor which takes into consideration rates, weather, and projected gas costs. The customer's Budget Billing amount will remain about the same amount during the 12-month period unless a large deficit or credit is accrued. Customers may sign up at any time for the Budget Billing Program; however, a new Budget Billing amount will be re-calculated in March of each year. To qualify for the Budget Billing Program customers must:

- 1) Have an active account at the current address for a minimum of 6 months;
- 2) A-Rated customer may carry a maximum balance of \$399.99
- 3) B-Rated customer may carry a maximum balance of \$199.99
 - Customers carrying a balance into the Budget Billing Program will have that balance set up on installments over a 12 month period.
 - The customer will be required to pay the installment amount in addition to the Budget Billing amount monthly.

Once the customer is enrolled into the program, the customer must pay their bill in full every month.

A reconciliation and a re-calculation of the Budget Billing amount will occur in March of each year. At the time of reconciliation, payments in excess of the actual amount owed will reduce the next year's Budget Billing amount proportionately. Any debit amount owed will be added to the next year's Budget Billing calculation or customers may elect to pay the debit amount in full.

If the customer no longer wishes to participate in the Budget Billing Program, the credit or debit amount will be applied to the next utility statement. Customers who are removed from the program will be ineligible to re-enroll for 6 months.

The itemized monthly utility bill will clearly identify utility usage and the amounts that will be due without the budget billing.

- 1) The Utility shall terminate the Budget Billing plan if the customer fails to meet the payment requirements. In such situation, the customer will be notified by letter.
- 2) In the event the customer is disconnected for non-payment or moves to a new address, they will not be eligible to participate in Budget Billing again for another 6 months. Any remaining balance or credit in the Budget Billing plan will be applied to the next utility statement.

108.16 AutoPay (Automatic Bank Draft)

AutoPay is an automated payment plan allowing MLGW to draft a customer's designated bank account for the net amount of the utility bill each month. To apply, Residential and General Power customers must complete an AutoPay authorization agreement and provide a voided deposit slip. The customer must have no returned checks within the last 12 months and a checking account with a bank that is a member of the Automated Clearing House Association. The forms are available online at www.mlgw.com, Community Business Offices, the Commercial Resource Center and the Customer Care Center.

The customer's bank account is usually debited on or up to two days after the net due date as shown on the bill. If the customer changes bank account numbers for any reason, MLGW must be notified immediately in writing. To avoid returned check fees, notification to MLGW must be given at least 10 days before the net due date of the bill. In order to protect the customer, bank account number changes cannot be taken over the telephone. Send written notification to MLGW-Cashiering Operations, P.O. Box 388, Memphis, TN 38101.

108.17 Owner's Reconnect

The Owner's Reconnect Program is a contractual agreement between MLGW and property owners. It is designed to assist owners of residential rental property who have multiple properties (10-plus) and want to avoid the inconvenience of connecting/reconnecting services between tenants as well as related fees. General Power accounts, real estate agents and property management groups are not eligible for this program.

Only the owner or owner's agent can request services or make changes on the account. When utilities are taken out of the tenant's name, services remain active in the owner's name. As a benefit of this program, the owner is exempt from connect fees, solid waste disposal fees and minimum charges for three months. To participate in the program each property owner is required to sign a contractual agreement with MLGW and provide a listing of all properties to be placed on the program. Additional requirements:

- 1) Have a minimum of 10 properties;
- 2) Have an active MLGW account with an approved GPSA or RSA on file;
- 3) Have a notarized contract accompanied by two forms of positive identification (faxed contracts are not acceptable); Refer to Exhibit F on page vi-2 of the Customer Care Information Guide;
- 4) Require a Notarized Designated Agent Form for residential customers; Refer to Exhibit L-1 on page vi-16 of the Customer Care Information Guide;
- 5) Must have 24 months of good pay credit history with Memphis Light, Gas, and Water at a residential address or provide a bond, CD, or bank letter of credit;

- 6) Must provide MLGW with an email address for receipt of email notices from MLGW to the owner's reconnect participant as regards participant's accounts under the Owner's Reconnect Program. It is up to the participant to insure that MLGW is at all times in possession of an appropriate email address.

Property owners and tenants are solely responsible for record keeping.

108.18 Leased Outdoor Lighting

Customers may contract for the Leased Outdoor Lighting program, which provides flat-rate billing for Residential and General Power Customers who have pole-mounted fixtures installed by MLGW on their property with either overhead or underground wiring. An overhead or underground wiring system may be installed in any location where an adequate secondary voltage is available, when all applicable codes and zoning regulations can be met, and where any heavy equipment necessary to install, maintain, or remove the system can be safely operated without damage to the customer's property. The customer will bear the cost of each new lighting installation. The Leased Outdoor Lighting fee is shown as a line item on the monthly utility bill. The contact number is (901) 528-4548.

Section 109.00 Moratoriums

109.10.1 Winter Moratorium (for senior citizens and physically challenged customers)

This program is designed to prevent non-payment cutoffs for qualified senior citizens and physically challenged residential customer accounts during the winter months from December 1, through March 1, of every year. To qualify for the Winter Moratorium, the following conditions must be met:

- 1) The customer of record must be **60** years or older, or physically challenged with a doctor's certification. (certification can be brought in by co-applicant or authorized party).
- 2) The utility bill must not have any past due balance above the Minimum Threshold as of November 30 of each year.
- 3) Participating customers must agree to pay off the total balance owed. Upon request, MLGW will spread the balance over a three-month period.
- 4) If disconnected for non-payment, the Utility will reconnect services to customers upon full payment of the past due amount and fulfill any deposit requirement.
- 5) Customers with unpaid diversions are ineligible for the Winter Moratorium. Customers may pick up an application at any credit office, obtain an application online at www.mlgw.com, or may call the Customer Care Center at 544-6549 to have an application mailed to them.

109.10.2 Weather-Related Moratorium

Disconnection of Residential accounts for non-payment or identification/service agreement requirement will be suspended whenever the following weather conditions exist:

- 1) The forecast wind chill factor does not exceed 33 degrees Fahrenheit or greater for 4 or more hours in a 24 hour period on the day of the scheduled disconnect.
- 2) The forecast heat index will be 100 degrees Fahrenheit or above at any time during a 24-hour period.
- 3) The forecast heat index will be 95 degrees Fahrenheit or above at any time in a 24-hour period for customers 60 years of age or older, physically challenged, or customers certified as life-support dependent.

The National Weather Service is the official source of forecasted conditions.

MLGW reserves the right to implement special reconnect programs during hazardous weather conditions.

109.10.3 Water Moratorium

The Utility administers a “**No Cut Water Program**” for all Residential customers subject to a delinquent service disconnect. Under this program, residential water services are left on while gas and electric services are disconnected for non-payment. Residential customers’ water services will remain on for a minimum period of 60 days after the other metered services have been disconnected for non-payment.

109.10.4 Holiday Bill Break (Residential Customers)

The Utility will defer disconnects for non-payment for all Residential customers who maintain their past due balance below the Minimum Threshold Balance for Residential “A Rating” (Good Pay) Customers between December 15, and January 14, annually except in cases of diversion, safety and default on special payment plans.

Section 110.00 Final Bill

A final bill is generated by MLGW when utility services have been terminated. If the bill is not paid within at least 60 days, MLGW reserves the right to transfer the bill to any active account held by the Customer of Record or other responsible party and/or may be placed with a collection agency. MLGW will notify said customer of the unpaid remaining account balance via the regular U.S. Postal Service two times during the 60 day period before placement with a collection agency. After placement with the collection agency, the agency shall have authority to pursue all means available to

achieve full payment of all overdue amounts including, if necessary, the cost of collections. The account may also be reported to the credit bureaus.

Section 111.00 Special Assistance

The following accommodations are available for the hearing impaired and non-English speaking customers:

Hearing-impaired persons who have access to Telecommunications Devices for the Deaf (TDD) may conduct routine business with us seven days a week by calling **TDD** (901) 528-HEAR. In addition, customers can visit one of five MLGW Business Offices; credit counselors also have access to the language line. In order to provide better service to customers who speak little or no English, Memphis Light, Gas and Water has contracted with a language interpretation service (language line). This service may be accessed by calling the MLGW Customer Care Center at (901) 544-MLGW (6549) or (901) 820-7878.

**Exhibit A: DEPOSIT AND DELINQUENT SERVICE ORDER RECONNECTED (DLQ) CRITERIA
(Residential Customers Only)**

	Current/Initial Deposit	1st Delinquent Service Order*	2nd Delinquent Service Order*	3rd Delinquent Service Order*	4th Delinquent Service Order*	5th & future DLQ up to \$225 maximum*
A-Rating Customer with 24 months or greater MLGW history	-\$0	-\$0 deposit -A reconnect fee charged on next bill -Entire past due amount must be paid.*	-minimum deposit charged on next bill -A reconnect fee charged on next bill -Entire past due amount must be paid	-\$50 additional deposit charged on next bill A reconnect fee charged on next bill -Entire past due amount must be paid	-\$50 additional deposit charged on next bill -A reconnect fee charged on next bill -Entire past due amount must be paid	-\$50 additional deposit required -A reconnect fee charged on next bill -Entire past due amount must be paid
New Customer, Approved by credit assessment/letter of reference with less than 24 months MLGW history (includes senior citizens)	-\$0	minimum deposit charged on next bill -A reconnect fee charged on next bill -Entire past due amount must be paid	-\$50 additional deposit required -A reconnect fee charged on next bill -Entire past due amount must be paid	-\$50 additional deposit charged on next bill -A reconnect fee charged on next bill -Entire past due amount must be paid	-\$50 additional deposit charged on next bill -A reconnect fee charged on next bill -Entire past due amount must be paid	-\$50 additional deposit required -A reconnect fee charged on next bill -Entire past due amount must be paid

New Customer, Credit Risk (B-Rating)	Minimum deposit	- \$50 additional deposit required - A reconnect fee charged on next bill - Entire past due amount must be paid	- \$50 additional deposit required - A reconnect fee charged on next bill - Entire past due amount must be paid	- \$50 additional deposit charged on next bill - A reconnect fee charged on next bill - Entire past due amount must be paid	- \$50 additional deposit charged on next bill - A reconnect fee charged on next bill - Entire past due amount must be paid	- \$50 additional deposit required - A reconnect fee charged on next bill - Entire past due amount must be paid
Existing Customer, Credit Risk	Minimum deposit for additional active accounts	\$50 additional deposit required or bring inline with the minimum deposit; A reconnect fee charge on next bill. Entire past due amount must be paid	\$50 additional deposit required A reconnect fee charged on next bill Entire past due amount must be paid	\$50 additional deposit required A reconnect fee charged on next bill Entire past due amount must be paid	- \$50 additional deposit required A reconnect fee charged on next bill Entire past due amount must be paid	- \$50 additional deposit required A reconnect fee charged on next bill Entire past due amount must be paid
Existing Credit Risk with a deposit less than the minimum deposit	Existing deposit amount	- charged amount up to the minimum - A reconnect fee charged on next bill - Entire past due amount must be paid	- \$50 additional deposit required - A reconnect fee charged on next bill - Entire past due amount must be paid	- \$50 additional deposit required - A reconnect fee charged on next bill - Entire past due amount must be paid	- \$50 additional deposit required - A reconnect fee charged on next bill - Entire past due amount must be paid	- \$50 additional deposit required - A reconnect fee charged on next bill - Entire past due amount must be paid
Utility Theft	Current Deposit less than maximum Maximum Deposit	- Bill deposit up to the maximum deposit - A reconnect fee charged on next bill - Entire past due amount and diversion charges must be paid - \$0 additional deposit - A reconnect fee charged on next bill - Entire past due amount and diversion charges must be paid	- \$0 additional deposit - A reconnect fee charged on next bill - Entire past due amount and diversion charges - \$0 additional deposit - A reconnect fee charged on next bill - Entire past due amount and diversion charges	- \$0 additional deposit - A reconnect fee charged on next bill - Entire past due amount and diversion charges - \$0 additional deposit - A reconnect fee charged on next bill - Entire past due amount and diversion charges	- \$0 additional deposit - A reconnect fee charged on next bill - Entire past due amount and diversion charges - \$0 additional deposit - A reconnect fee charged on next bill - Entire past due amount and diversion charges	- \$0 additional deposit - A reconnect fee charged on next bill - Entire past due amount and diversion charges - \$0 additional deposit - A reconnect fee charged on next bill - Entire past due amount and diversion charges

Related charges such as connect fees, reconnect fees, are subject to change on an annual basis mandated by the Service Policy Committee. To request a copy of the Schedule of Charges and related charges, customers are asked to contact the Customer Care Center or visit one of the business offices.

Exhibit B: DEPOSIT AND DELINQUENT SERVICE ORDER GENERATED CRITERIA
(General Power Customers Only)

	Initial Deposit	1st Delinquent Serv Order	2nd Delinquent Serv Order	3rd Delinquent Serv Order	4th Delinquent Serv Order	5th & future Delinquent Serv Order's
New Customer -	-Deposit will be calculated and charged based on 2.5 times the second highest usage for each metered service for the previous 12 months or most current usage. -Refer to deposit options 100.65	-Deposit is re-calculated and the difference is charged <u>if</u> the initial deposit is non-sufficient* - A reconnect fee amount depends on the size of meter -Entire past due amount must be paid prior to reconnection	-deposit is re-calculated and the difference is charged <u>if</u> additional deposit required* - A reconnect fee amount depends on the size of meter -Entire past due amount must be paid prior to reconnection	-Deposit is re-calculated and charged <u>if</u> additional deposit required* -A reconnect fee amount depends on the size of meter -Entire past due amount must be paid prior to reconnection	-Deposit is re-calculated and charged <u>if</u> additional deposit required* - A reconnect fee amount depends on the size of meter -Entire past due amount must be paid prior to reconnection	-Deposit is re-calculated and charged <u>if</u> additional deposit required* -Reconnect fee amount depends on the size of meter -Entire past due amount must be paid prior to reconnection
A-Rating Customers -with 24 months of MLGW good pay credit history**	-\$0	-No additional deposit -A reconnect fee amount depends on the size of meter -Entire past due amount must be paid prior to reconnection	- Deposit is re-calculated and charged based on 2.5 times the second highest usage for each metered service for the previous 12 months or most current usage -A reconnect fee amount depends on the size of meter -Entire past due amount must be paid prior to reconnection	-Deposit is re-calculated and charged <u>if</u> additional deposit is required* - A reconnect fee amount depends on the size of meter -Entire past due amount must be paid prior to reconnection	-Deposit is re-calculated and charged <u>if</u> additional deposit is required* -A reconnect fee amount depends on the size of meter -Entire past due amount must be paid prior to reconnection	-Deposit is re-calculated and charged <u>if</u> additional deposit is required* -Reconnect fee amount depends on the size of meter -Entire past due amount must be paid prior to reconnection

Exhibit C: Disconnect Process (timelines)

Timeline Residential ‘A-Rating’ (Good Pay) Customer when ONLY one meter is disconnected for non-payment per delinquent service order. The timeline assumes that the bill balance on day one is below the minimum balance threshold. Bills on day one that are above the minimum balance threshold will follow the B-Rating timeline below.

WORKDAYS

Day 1	Bill Rendered with a due date 12 <u>workdays</u> from print date
Day 12	Due Date for bill rendered on Day 1
Day 13	Late Fees charged
Day 22	Next Bill is rendered with balance with a due date 12 workdays from print date (assumed balance + current charges greater than the minimum balance threshold)
Day 34	Due date for bill rendered Day 22
Day 35	Late Fees charged for bill rendered Day 22
Day 36	Cutoff Notice mailed for total bill past due
Day 43	Next Bill is rendered with a due date 12 workdays from print date
Day 46	C11 One Service Cutoff Order Prep (Service Order Generated)
Day 47	One metered service (usually Electric disconnected)(1 st of 3 services)
Day 50	C12 All Service Cutoff Order Prep (Service Order Generated)
Day 51	One remaining metered service disconnected (2 nd of 3 services)
Day 55	Due date for bill rendered on day 43
Day 56	Late fees charged for bill rendered on Day 43
Day 57	Cutoff notice mailed (for total amount past due)
Day 64	Next bill is rendered with a due date 12 workdays from print date
Day 67	C11 One Service Cutoff Prep (Service Order Generated)
Day 68	One remaining metered service disconnected (3 rd of 3 services); Final Bill is rendered
Day 80	Final bill due date
Day 81	Late Fees charged for final bill
Day 85	Inactive Bill is rendered
Day 97	Due date for inactive bill
Day 106	2 nd Inactive Bill rendered
Day 121	Account is eligible for bad debt write off (based on meter reading cycle)

[Timeline for Residential B-Rating and General Power Customers](#)

WORKDAYS

Day 1	Bill Rendered with a due date 12 workdays from print date
Day 13	Late Fees charged
Day 14	Notice mailed (if account past due balance is \$200 or more)
Day 23	Next Bill is rendered with balance and reference to previous cutoff notice
Day 24	C11 One Service Cutoff Order Prep (Service Order Generated)
Day 25	One metered service (usually Electric disconnected)
Day 28	C12 All Service Cutoff Order Prep (Service Order Generated)

Day 29 One remaining metered service **disconnected** (2nd of 3 metered services)
Day 35 Late Fees charged
Day 36 Next Cutoff Notice is mailed
Day 43 Next Bill is rendered with balance and reference to previous cutoff notice
Day 45 C11 One Service Cutoff Order Prep (**Service Order Generated**)
Day 46 One remaining metered service **disconnected** (3rd of 3 metered services)
Final Bill Rendered
Day 58 Late Fees on Final bill charged
Day 64 Inactive Bill Rendered
Day 85 2nd Inactive Bill Rendered
Day 100 Sent to Collections

Exhibit D

Payment Arrangement Time Line General Power and Residential Customers

WORKDAYS

Day 1	Bill Rendered with a due date 12 workdays from the print date
Day 13	Late Fees charged
Day 14	Cutoff Notice mailed.
Day 20	Cutoff Notice due date
Day 24	Due date -25% of the Cutoff Notice amount must be paid to obtain a payment arrangement.
Day 28	The remaining 75% of the Cutoff Notice amount due to the original C12 All Service Cutoff Order Prep must be paid in full. (8 days past the notice due date)
Day 29	Grace day for the full payment (courtesy)
Day 30	Disconnect routed for non-payment

This time line refers to second payment arrangements when customers are unable to pay the 1st arrangement (day 28) and request an additional arrangement.

WORKDAYS

Day 1	Bill Rendered with a due date 12 workdays from the print date
Day 13	Late Fees charged
Day 14	Cutoff Notice mailed
Day 20	Cutoff Notice due date
Day 24	Payment due: 25% of the Cutoff Notice amount must be paid to obtain a payment arrangement
Day 28	Upon customer request for an additional arrangement, 50% of the remaining balance must be paid. (8 days past the notice due date)
Day 32	Cutoff Balance due: The remaining balance must be paid in full two days before the due of the current bill
Day 33	Grace day for full payment (courtesy)
Day 34	Disconnect routed for non-payment; Day 34 is also the Due Date of current bill

Exhibit E

No Service Agreement Disconnect Process

Timeline Residential and General Power Customers

Workdays

Day 1 Service Agreement mailed, due date 30 business days from print date.

Day 15 Proactive dialer call, reminder to send in service agreement.

Day 15 A written notice of intent to disconnect is mailed.

Day 28 Two days prior to the service agreement due date, proactive dialer notification of impending disconnect.

Day 30 Service agreement due.

Day 32 C13 Disconnect No Service Agreement

Timeline Residential and General Power Customers with a 15-business day extension. Under appropriate circumstances an account can be given a 15-business day extension. An extension adds 15 business days to the original due date of the service agreement.

Workdays

Day 1 Service Agreement mailed, due date 30 business days from print date.

Day 15 Proactive dialer call, reminder to send in service agreement.

Day 15 A written notice of intent to disconnect is mailed.

**Service agreement extension is given
15 business days are added to the original service agreement due date**

Day 43 Two days prior to the service agreement due date, proactive dialer notification of impending disconnect.

Day 45 Service agreement due date

Day 47 C13 Disconnect no Service Agreement

Example #1

Workday

Day 1 June 7, 2010 service agreement is mailed due date July 20, 2010

Day 15 June 28, 2010 dialer call, reminder to send in service agreement

Day 15 June 28, 2010 notice of disconnect is mailed

Day 28 July 16, 2010 dialer call notifying of impending disconnect

Day 30 July 20, 2010 service agreement due

Day 32, July 22, 2010 C13 no service agreement disconnect

Example #2 with service agreement due date extension

Workday

Day 1 June 7, 2010 service agreement is mailed due July 20, 2010

Day 15 June 28, 2010 dialer call, reminder to send in service agreement

Day 15 June 28, 2010 notice of disconnect is mailed

***A service agreement extension is given, new due date August 10, 2010**

Day 43 August 6, 2010 dialer call notifying of impending disconnect

Day 45 August 10, 2010 service agreement due

Day 47 August 12, 2010 C13 no service agreement disconnect

***15 business days are added to the original service agreement due date**

Index

	Section	Page
Agents for General Power and Builder's Service Customers.....	100.56	12
Agents for Residential Customers.....	100.53	7
All Applicants for Service.....	100.51	4
Amount of Deposit – General Power Customers.....	100.65	16
Amount of Deposit – Residential Customers.....	100.62	13
Applications for Service & Active Customer.....	100.50	4
AutoPay (Bank Draft).....	108.16	37
Back-Billing.....	102.13	20
Balance Refunds & Final Bills.....	100.67	17
Bankruptcy.....	101.00	19
Budget Billing – Residential Customers.....	108.15	36
Builder Applicants for Service.....	100.55	10
Corrected Bills.....	102.12	20
Customer Request to Terminate Utility Service.....	103.50	30
Deceased Customer.....	107.00	33
Definitions.....	100.40	2
Delayed Payment Options.....	103.10	22
Disconnection Notice.....	103.30	28
Disconnection of Service.....	103.40	28
Dispute Resolution Process.....	106.00	32
Estimated Bills – All Customers.....	100.69	18
Final Bill.....	110.00	39
General Power Applicants for Service.....	100.54	7
Guarantors.....	103.20	28
Holiday Bill Break – Residential Customers.....	109.10.4	39
Identity Theft.....	105.00	32
Interest on Deposits – All Customers.....	100.68	18
Late Fee Allowance (formerly K-discount).....	108.11	33
Leased Outdoor Lighting.....	108.18	38
Life Support.....	103.70	30
Master Billing – General Power Customers.....	108.14	35
Monthly Utility Bill and Payment Due Dates.....	103.00	22
Moratoriums.....	109.00	38
Net Due Date Program – Residential Customers.....	108.13	34
NSF Checks.....	102.11	20
OnTrack Program.....	108.12	33
Owner's Reconnect Program.....	108.17	37
Past Due Bills & Late Payment Charges.....	100.70	19
Privacy Statement.....	100.30	1
Purpose.....	100.10	1
Reconnection of Service.....	103.60	30
Refund of Accounts Receivable.....	104.00	31

	Section	Page
Refund of Deposit – General Power Customers.....	100.66	17
Refund of Deposit – Residential Customers.....	100.63	14
Request for Deposit – General Power Customers.....	100.64	15
Request for Deposit – Residential Customers.....	100.61	12
Residential Applicants for Service.....	100.52	5
Scope and Application.....	100.20	1
Security Deposit.....	100.60	12
Special Assistance.....	111.00	40
Special Billing Programs.....	108.00	33
Special Conditions.....	102.00	20
Utility Tampering.....	102.14	20
Water Leak & Sewer Adjustment.....	102.15	22
Water Moratorium.....	109.10.3	39
Weather-Related Moratorium.....	109.10.2	39
Winter Moratorium (Senior Citizens).....	109.10.1	38