
Delinquent Accounts and Bad Debt Collections Policy

Overview and Purpose

This policy sets forth WestLight Energy's principal procedures regarding late payment noticing and the collection of overdue balances. All segments of this policy may be suspended or modified.

Territory: The entire WestLight Energy service area of San Mateo County and the City of Los Banos.

Definitions:

- a) "Non-Payment" is defined as the absence of a WestLight Energy Customers effort to submit payment for WestLight Energy charges owed despite direct notice of unpaid debts.
- b) "Overdue balance" is defined as any unpaid dollar amount owed to WestLight Energy by a WestLight Energy Customer for WestLight Energy electric generation service consumed by the customer.
- c) "Collections" is defined as extensive efforts made by a third party on WestLight Energy's behalf to collect payment for overdue and unpaid account balance owed by a former WestLight Energy customer.
- d) "CARE" or "FERA" is defined as a customer or former customer's enrollment in the California Alternate Rates for Energy (CARE) or Family Electric Rate Assistance (FERA) programs.

1) Delinquent Accounts:

a) Residential Accounts:

- i) Customer will be sent a Late Payment Notice via U.S. Mail if the account has a WestLight Energy balance exceeding \$250 in charges that are overdue for more than 90 days.
- ii) Customer will be provided with 60 days to pay or make payment arrangements.

b) Non-Residential Accounts:

- i) Customers will be sent a Late Payment Notice if the account has a WestLight Energy balance exceeding \$500 in charges overdue for more than 60 days.
- ii) The customer will be provided 30 days to pay or make payment arrangements.
- c) If the Customer discussed in 1.a or 1.b is enrolled in a payment plan with PG&E and is current on all payments, no WestLight Energy Late Payment Notice will be sent.

d) Return to PG&E for Non-Payment:

- i) If a Customer has not made payment(s) for their outstanding WestLight Energy balance or the terms of an activated payment plan are not fulfilled after receiving two consecutive WestLight Energy Late Payment Notices, the customer may be

- transferred from WestLight Energy service back to PG&E's fully bundled service upon receipt of a third and final WestLight Energy Late Payment Notice.
- ii) Customers returned to PG&E will be charged the applicable WestLight Energy opt-out fee and are subject to the applicable terms and conditions provided in PG&E Electric Rule 23.
 - iii) Customers on CARE or FERA financial assistance programs will not be returned to fully bundled PG&E service because of nonpayment.
 - iv) All Customers are required to pay all outstanding WestLight Energy charges for the period in which they accepted service from WestLight Energy. Opting out of WestLight Energy service, transfer back to PG&E service under section 1.d.i above, or account closure does not negate owed WestLight Energy charges.

2) **Bad Debt Collections Policy**

- a) **Applicability:** Customers that have an unpaid WestLight Energy balance due at the time of their account closure are required to make full payment to PG&E for past-due charges. If payment is not made within 60 days of the account closure date, PG&E will no longer accept payment and the overdue balances are returned to WestLight Energy for processing.
- b) **Pre-Collections Notice**
 - i) Customers who have not made payment within the 60 days after account closure and have a WestLight Energy balance of \$50.00 or more will be sent one Pre-Collection Notice with final instructions to make payment directly to WestLight Energy.
 - ii) A Customer shall have 30 calendar days from the date of the Pre-Collections Notice to pay their overdue WestLight Energy balance. Failure to make payment may result in a referral to the collection agency appointed by WestLight Energy.
 - iii) Customers enrolled in the CARE or FERA financial assistance programs will not be referred to a collection agent. They will instead receive additional Pre-Collections notices.
- c) **Bad Debt Collections Policy**
 - i) **Customers Sent to Collections:**
 - (1) Closed accounts with an overdue WestLight Energy balance of \$50.00 or more may be sent to a collection agent for resolution.
 - (2) Once sent to the collection agency, WestLight Energy will no longer collect direct payment on the account and the customer must make payment to the collection agency for resolution of the charges owed.
 - ii) **Customer Balance Write-Offs:**
 - (1) Balances of less than \$50 may be deemed uncollectible and written off upon the review and approval of the CEO or their designee.