

TERMS AND CONDITIONS

XII. PAYMENTS

A. The provision of Electric Service by the Company is contingent upon payment of all charges due from the Customer.

B. The Company will render bills to the Customer at regular intervals. Bills are due and payable upon presentation and become past due on the next bill date. However, when circumstances warrant, a non-residential Customer and the Company may agree on an accelerated due date in lieu of a security deposit. The bill date is shown on the bill and is the date on which the bill is prepared in the Company's billing operations.

C. A late payment charge of 1 1/2% per month will be imposed at the next bill date on all past due balances on the Company's books, excluding local consumer utility taxes provided that at least 28 days have elapsed since the previous bill date, except in the event a Customer has elected consolidated billing as described in this subsection. If a Customer is eligible and has elected to be billed under an Executed Consolidation of Bills Agreement, a late payment charge shall not be assessed before the 13th day after billing for Customers who elect to receive one (1) bill each month, the 20th day for Customers who elect to receive two (2) bills per month and the 23rd day for Customers who elect to receive three (3) bills each month.

D. Bills are payable at any bill payment location designated by the Company or to any collector or collection agency duly authorized by the Company, except that, when written notice of discontinuance of service for nonpayment has been sent to the Customer, payment must be made at a designated bill payment location. Payments shall be paid without regard to any counterclaim whatever.

E. The Company reserves the right to apply any payment or payments made by the Customer in whole or in part to any account due the Company by the Customer.

F. The Customer will be charged a handling fee of \$12.95 for each check, draft, or electronic debit (but not a credit card draft) tendered or authorized as payment on the Customer's account and returned for insufficient or uncollected funds, closed account, revoked authorization, stop payment or other similar reason. The Company, at its option, may refuse to accept a check, draft, or electronic debit tendered or authorized as payment on a Customer's account.