

## **Delinquent Accounts and Bad Debt Collections Policy**

### **Overview and Purpose**

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

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

### **Definitions:**

- a) "Non-Payment" is defined as the absence of a PCE Customer's effort to submit payment for PCE charges owed despite direct notice of unpaid debts.
- b) "Overdue balance" is defined as any unpaid dollar amount owed to PCE by a PCE Customer for PCE electric generation service consumed by the customer.
- c) "Collections" is defined as extensive efforts made by a third party on PCE's behalf to collect payment for overdue and unpaid account balance owed by a former PCE 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 PCE 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 PCE 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 PCE 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 PCE balance or the terms of an activated payment plan are not fulfilled after receiving two consecutive PCE Late Payment Notices, the customer may be transferred from PCE service back to PG&E's fully bundled service upon receipt of a third and final PCE Late Payment Notice.

- ii) Customers returned to PG&E will be charged the applicable PCE 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 PCE charges for the period in which they accepted service from PCE. Opting out of PCE service, transfer back to PG&E service under section 1.d.i above, or account closure does not negate owed PCE charges.

## 2) **Bad Debt Collections Policy**

- a) **Applicability:** Customers that have an unpaid PCE 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 PCE for processing.

### b) **Pre-Collections Notice**

- i) Customers who have not made payment within the 60 days after account closure and have a PCE balance of \$50.00 or more will be sent one Pre-Collection Notice with final instructions to make payment directly to PCE.
- ii) A Customer shall have 30 calendar days from the date of the Pre-Collections Notice to pay their overdue PCE balance. Failure to make payment may result in a referral to the collection agency appointed by PCE.
- 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 PCE balance of \$50.00 or more may be sent to a collection agent for resolution.
- (2) Once sent to the collection agency, PCE 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.