



MIDAMERICAN ENERGY COMPANY

Gas Sales Tariff

Nebraska Rate Area Number 1

Filed with South Sioux City and Dakota City City Councils

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SERVICE RULES AND REGULATIONS FOR GAS SERVICE

9. Payment Arrangements

a. Availability - customer.

(1) When a residential customer cannot pay in full a delinquent bill for utility service and will be disconnected, a utility shall offer the customer an opportunity to enter into a reasonable agreement to pay that bill unless the customer is in default on a payment agreement.

(2) When a disconnected or potential customer for residential service has an outstanding debt to the utility for utility service, cannot pay the debt in full, and is not in default on a payment agreement, the utility must consider a request for a payment agreement.

b. Reasonableness. Whether a payment agreement is reasonable will be determined by considering the current household income, ability to pay, payment history including prior defaults on similar agreements, the size of the bill, the amount of time and the reasons why the bill has been outstanding, and any special circumstances creating extreme hardships within the household. The utility may require the person to confirm financial difficulty with an acknowledgement from the department of human services or another agency.

c. Terms. The agreement may require the customer to bring the account to a current status by paying specific amounts at scheduled times. The utility shall offer customers or disconnected customers the option of spreading payments evenly over at least 12 months. Payments for potential customer agreements may be spread evenly over at least 6 months.

The agreement shall also include provision for payment of the current account. The agreement negotiations and periodic payment terms shall comply with tariff provisions which are consistent with these rules. A signed copy of the agreement shall be provided to the customer, disconnected customer or potential customer.

Second agreement. If a customer has retained service from November 1 through April 1 but is in default of a payment agreement, the utility may offer the customer a second payment agreement that will divide the past-due amount into equal monthly payments with the final payment due by the fifteenth day of the next October. The utility may also require the customer to enter into a level payment plan to pay the current bill.

The customer who has been in default of a payment agreement from November 1 to April 1 may be required to pay current bills based on a budget estimate of the customer's actual usage, weather-normalized, during the prior 12-month period or based on projected usage if historical use data is not available.

d. Refusal by utility. If the utility intends to refuse a payment agreement offered by a customer, it must provide a written refusal to the customer. That refusal, with explanation, must be made within 30 days of mailing of the initial disconnection notice. A customer may protest the utility's refusal by filing a written complaint, including a copy of the utility's refusal, with the board within 10 days after receipt of the written refusal.

If the utility intends to refuse a payment agreement to a disconnected or potential customer, it must provide a written refusal within 10 days of the application for payment agreement.