

NOTICE TO PHILADELPHIA GAS WORKS' (PGW) RESIDENTIAL CUSTOMERS

Dear PGW Customer:

The Governor signed a new law called the Responsible Utility Customer Protection Act (Act 201 or Law) that became effective on December 14, 2004. The Law makes new rules to help utilities keep costs down. To keep costs down, we have new rules for collecting money on past due accounts. These rules also apply to deposits, payment agreements and service accounts that have been shut off. This notice will tell you about the changes we will be making because of the Law.

Shut-Off of Utility Service – Under the new law there are different rules for winter shut-offs. If your income is more than 150% but less than 250% of the poverty guidelines, PGW may turn off your service beginning January 1 unless:

- A person in your house is 65 years or older;
- A person in your house is 12 years or younger;
- A person in your house has a letter from a doctor;
- You have paid half of your last 2 bills or
- You have paid 15% of your household income in the last 2 months

If your household income is low, we will turn on your service if you join PGW's Customer Responsibility Program (CRP). For example, this means if there are 3-people in your household your monthly income must be below \$1,959.

Based on your income, the amount of your deposit may be equal to one or two average bills. If you enroll in CRP, you do not have to pay a deposit.

Shut-Off of Utility Service – PGW can shut off your service if you fail to do any one of the following: to pay for service, to keep a payment agreement, to pay a deposit or to allow us to get to our equipment.

We will send you a 10-day notice. Once you get this notice, we have 60-days to shut off your service. Next, we will try to talk to you at least 3 days before the shut off date. From December through March, if we do not talk to you, we will leave a notice at the residence 48 hours before we shut off your service. If we shut off your service, we will leave a notice to tell you what you need to do to get service back on.

There are certain times we may shut off your service without giving you notice. These include stealing service, getting service through fraud, tampering with our meter, or if there is an unsafe condition.

The Law now allows us to shut-off service on all weekdays, including Fridays. PGW may also now shut-off your service during the winter (December 1 – March 31). We do

not need to get Public Utility Commission (PUC) approval first for non-low-income customers. But, we will give you notice. If your income is at or below 150% of the federal poverty guidelines, we must first ask the PUC for permission to shut off your service. For example, this means if there are 3-people in your household your monthly income must be below \$1,959 to require PUC involvement before termination.

If you give us a bad check to stop termination, we may shut off your service without any further notice.

Payment to Restore Service – Depending on your income and payment history, we may require you to pay the full bill or we may make a payment agreement. We may also require you to pay a reconnect fee and a deposit. If you have broken two or more payment agreements, we may require payment of the full balance.

Any adult who lived at a home that we shut-off for an overdue bill may have to pay all or part of that balance if you want service in your name.

Between December 1 and March 31, we will reconnect your service within 24 hours after you pay the bill. During other times of the year, we may take three to seven days to restore service.

Deposits – You may have to pay a deposit if you do not have good credit. You do not have good credit if you fail a credit test, have a poor payment history with us, or were shut-off for an overdue bill. The amount of the deposit may be equal to two average bills. We will pay 6% interest (simple interest) on your deposit.

Payment Agreements – The Public Utility Commission (PUC) may make payment agreements between utilities and customers. The Law allows the agreements to vary between 6 months and 5 years depending on your income. If you break the PUC payment agreement, the PUC may set up a second payment agreement only if your income has changed. If you are enrolled in the Customer Responsibility Program (CRP), PGW's customer assistance program, the Law does not allow the PUC to make any additional payment agreement if you fail to make the monthly CRP payments.

Responsibility for Bills – We may require any adult who lives with you and whose name is on your mortgage, deed or lease to be responsible for bills. We may ask you to prove who you are and who lives with you.

Medical Certificate – We may delay shut-off if you or someone living with you is seriously ill. We will delay the shut-off if a licensed physician or nurse practitioner states that the shut-off will harm the ill person. You will need to ask your doctor to write a letter to explain your situation.

Complaints to the PUC – You must first contact PGW to complain about a problem. If you are not satisfied with our answer, you may then contact the PUC. You must pay

any undisputed amounts and current bills while the PUC is looking into your complaint. If you do not pay undisputed amounts or current bills, we will shut off your service.

For more information about PGW changes, please visit our web site at www.pgworks.com or call us at 215-235-1000.