GENERAL INFORMATION

16. Customer Advantage Program - General Retail Access: (Cont'd.)

J. Consolidated Billing and Payment Processing

6. Account Separation Fee

In accordance with Section 9.C.4 of the UBP addendum to this schedule, an ESCO desiring to issue the Consolidated Bill for a customer with a Combination Account may request the Company to establish a separate account for the electric or gas service to be supplied by the ESCO. A fee of $18.00 will be charged to the ESCO requesting establishment of a separate electric or gas account.

K. Purchase of ESCO Accounts Receivable Program (POR):

In accordance with the Joint Proposal on Purchase of Accounts Receivable ("POR JP") dated October 28, 2005, in Case 05-M-0453, as approved by the Public Service Commission's Order Adopting the Terms and Conditions of the Joint Proposal for the Purchase of Accounts Receivable, issued December 27, 2005, and as amended with the Joint Proposal dated July 14, 2010 in Cases 09-E-0715, 09-G-0716, 09-E-0717, and 09-G-0718. The Company will purchase accounts receivable at a discount and without recourse for commodity sales by ESCOs that provide commodity service in the Company's territory.

Eligibility Requirements:

ESCOs that elect the Company's consolidated billing option for all or a portion of their customers will be required to sell their accounts receivable for such customers to the Company under the terms of the POR. ESCOs continue to have the right to issue their own bill using dual billing for all or a portion of their customers. Such ESCOs will be precluded from participating in the POR for customers receiving dual billing.

Purchase Price:

Electric accounts receivable will be purchased at a discount off face value of the ESCO receivable. The discount rate will be sufficient to compensate the Company for its financial risk in purchasing electric receivables, and be comprised of the following components:

a) Commodity-related Uncollectible percentage based on total Company uncollectible costs for the most recent available twelve-month period divided by the sum of the total retail, retail access, and purchased ESCO receivables revenue for the same twelve-month period.
b) Financial Risk Adder set at 20% of the applicable uncollectible percentage;
c) Commodity-related credit and collections and call center percentage.

Discount rates will be adjusted each year to reflect the Company's most recent twelve-month experience for uncollectible expense. Additionally, the credit and collections and call center allocation included in the discount rate will be reconciled annually, with any under- or over-collections included in the following year's discount rate.

A POR Discount (DISC) Statement setting forth the electric discount and the gas discount will be filed with the Public Service Commission sixty days prior to the September 1, effective date of each annual update.