**SECTION VII**

**PART 12 - CUSTOMER BILLING AND PAYMENTS**

## Billing Options

A Retail Natural Gas Supplier or Governmental Aggregator participating in Columbia’s Customer CHOICESM Program may choose from two billing options in rendering a bill to a participating customer through the execution of a “Billing Option Agreement”. The Retail Natural Gas Supplier or Governmental Aggregator may opt to use: (1) Company consolidated billing option through which the Company issues the total bill; or (2) the Retail Natural Gas Supplier or Governmental Aggregator may bill its portion of the bill with the Company continuing to bill the non-gas cost portion of the bill**.** Retail Natural Gas Suppliers or Governmental Aggregators that elect the consolidated billing option must provide all information needed by the Company, for preparation of bills in a form and format acceptable to the Company.

* 1. Columbia’s Billing Rates

Customers that elect to participate in Columbia’s Customer CHOICESM Program will be billed all applicable transportation service base rates, including all applicable riders as identified in Section VII, Part 25, Part 26 and Part 27 of this tariff.

* 1. A Retail Natural Gas Supplier or Governmental Aggregator which elects the Company’s consolidated billing option shall have the following billing options:

Rate Ready

1. Fixed rate per Mcf to be applied to the Customer’s consumption to determine the applicable billing charges. This fixed rate per Mcf shall be provided by the Retail Natural Gas Supplier or Governmental Aggregator.
2. NYMEX Monthly Rate plus or minus a value per Mcf to be applied to the Customer's consumption to determine the applicable billing charge. The plus or minus Mcf value shall be provided by the Retail Natural Gas Supplier or Governmental Aggregator.

Bill Ready – Specific Charge

1. Columbia transmits to Supplier the customer-specific metered consumption data. Supplier transmits to Columbia within three business days a customer-specific charge exclusive of all non-gas cost service charges.

Bill Ready – Pre-Pay

1. Service is limited to customers that participate in Columbia’s Bill Ready program that are billed through Columbia’s Distributive Information Billing System. Columbia transmits to Supplier customer-specific metered consumption data. Supplier transmits to Columbia within three business days the commodity charge to be billed and prepaid balance. The display of the any prepaid balance on the bill will be limited to the current Supplier.

Columbia is not a party to the Supplier’s prepayment program or customer agreement nor has any responsibility to oversee, monitor; account for or be aware of the specific contract terms. The Supplier is responsible for all commodity related activities, including but not limited to, collection of the prepayment; accounting for all billings, payments and balance of the prepayment account; provision of commodity charge and prepayment balance to Columbia each month, refunding of any unused prepayment where applicable; and payment of applicable sales taxes. Columbia’s provision of this service is limited to the provision of the customer-specific metered consumption data each month and display of commodity charge, billing rate and prepayment balance on bill; and billing of and accounting for distribution related charges. Prepaid funds can only be credited to the Supplier’s commodity charges. Prepaid amounts cannot be used to pay distribution

charges or any unpaid balance due. Columbia will send a separate notification to the customer upon the initial use of the prepayment service designed to explain the Customer will be subject to disconnection for failure to pay timely the Distribution Charges portion of the bill and any unpaid commodity charges.

Current Retail Natural Gas Suppliers participating in this program may initiate a gas cost adjustment for any previously billed period within twelve months during which they were the Supplier with the exception of a bill for the pending period. Previous suppliers have two billing cycles from the time they become inactive to initiate a gas cost adjustment for the previous twelve months.

In the event the Retail Natural Gas Suppliers or Governmental Aggregators pricing arrangements require system billing changes, and the Company is willing to enhance its system, Company will perform these bill enhancements at an agreed upon cost based fee. Nothing in this tariff shall obligate the Company to bill for penalty or termination fees the Retail Natural Gas Supplier or Governmental Aggregator desires to assess against CHOICE® Program customers.