

## Appendix C

### Notice of Price, Terms, and Conditions of Service

Public Utilities Code Section 986 requires that each registered Core Transport Agent (CTA) offering natural gas (gas) service to residential and small commercial customers provide the potential customer with this written notice prior to the commencement of service. This written notice describes the price, terms and conditions of service that will apply to you, if you decide to purchase gas from us.

[name of company] is a registered CTA with the California Public Utilities Commission. Our CTA registration number is [CTA registration number]. Our address is [provide mailing address]. Our telephone number is [provide area code and telephone number].

### Summary

This notice contains important information regarding the price, terms, and conditions of service with our company. This summary describes some of the more important points covered in this notice. You should, however, read the entire notice so that you understand all of the price, terms, and conditions which apply to you.

Your total price of gas is estimated to be \_\_\_\_\_ cents per therm. [If the CTA's price of gas is variable, include the estimated price, and include a disclosure that the cost of the price of gas is an estimated price, and may vary depending on the contract with the customer.] This total price of gas includes the estimated price of gas, the estimated price to transport the gas to your home or business, and all other estimated charges.

If you choose our company to be your CTA, you agree to let us be your gas provider for a period of \_\_\_\_\_ months, and then on a month to month basis

unless you choose another gas service provider or sign a new service agreement with us. Should you decide to terminate this arrangement earlier, you will have to pay an early termination fee or penalty of \_\_\_\_\_.

You have the right to cancel this contract for gas service until \_\_\_\_\_.

### **Your Right To Choose**

You have the right to choose who you want to purchase your gas from. If you select a CTA to supply you with gas, your existing gas utility will still be responsible for ensuring that the gas is transported to your residence or business.

If you choose our company to be your CTA, [we do not offer/we offer] a low income assistance program that provides a discount on your gas bill. [If the CTA offers a low income assistance program, describe the low income assistance program, and how a prospective customer can apply for the program.]

If you qualify, you may also be eligible for low income assistance for the gas transport service provided by your existing gas utility. You should contact the gas utility to see if you are eligible for such assistance, and to apply with the gas utility if you are eligible for such assistance.

In selecting a CTA, you should be aware that the CTA will require you to enter into a contract for a fixed period of time, rather than on a month to month basis. If you enter into a contract for a fixed period of time, and you decide to switch your gas provider before the contract term is up, you may be obligated to pay certain fees or penalties for early termination of the contracts. [If the CTA has early termination fees or penalties, you should include the following sentence: "Our early termination fees and penalties are explained below in the Terms and Conditions of Service."]

Should any CTA refuse to provide you with gas service, you have the right to request, within thirty days from the date service was denied, that the CTA send you a written explanation of why the CTA denied you service.

## **Verification That You Want A New Provider of Gas**

If you decide to purchase your gas from someone other than your current provider of gas, the law requires the new CTA or the gas utility to verify that you agree to the change in your provider. This verification can take place in several ways.

If you are a residential customer and you are contacted by a CTA, and you agree to switch to the CTA as your new gas provider, the CTA is required to connect you to a “third-party verification company,” or to have the third-party verification company call you, to confirm that you agree to switch to the new CTA. The third-party verification company may ask you for certain identifying information such as your name, your address, your current gas provider and account number, and whether you agree to the switch to the new CTA that you have selected. You should be careful not to disclose any more information than necessary to confirm the switch. The third-party verification company can use the information that you provide only to confirm that you agree to the switch in provider. An unauthorized release of the information you supplied to the third-party verification company is grounds for a civil lawsuit. You may also request the third-party verification company for a copy of the record that confirms you have agreed to switch to the new provider of your choice.

If you are a residential customer and you directly call the CTA that you want to switch to, your new gas provider is not required to use the third-party verification process described above. Instead, your contact with the new provider is sufficient to confirm that you agree to switch to the CTA you called.

If you are a small commercial customer, the CTA must confirm your agreement to switch to the new provider in one of four ways. First, the new CTA can use the third-party verification process described above. The second method is for the new CTA to mail you an information package regarding your agreement to switch, and you return the written confirmation to switch. The third method is that the new CTA may have you sign a document which explains

to you the effect of the change to a new CTA. And the fourth method is for the new CTA to obtain your consent through electronic means, such as e-mail or a facsimile authorization consenting to the switch to the new CTA.

### **Your Total Price Of Gas**

[[If pricing is on a cents per therm basis.]]

The total price of gas delivered to your home or business is estimated to be \_\_\_\_\_ cents per therm. This total price consists of the following:

1. The estimated price of gas is \_\_\_\_\_ cents per therm. This price is based on the anticipated price of gas, and all recurring costs. [If pricing is on a variable rate, describe the variable rate and provide an estimate of the price of gas without disclosing the variable rate that is to be charged. However, the variable rate shall be pegged to an easily accessible publicly available natural gas price index with a plus or minus variation of no more than ten percent. ] Our recurring charges are for the following kinds of charges:

[description of each recurring charge] [amount of the recurring charge]

2. You will also pay charges for services provided by the gas utility to transport the gas to your home or business. These charges are as follows:

[description of each charge] [amount of the charge]

In addition to the total price of gas delivered to your home or business, you may also have to pay the following non-recurring charges:

[description of the non-recurring charge and whether it is a charge of the CTA or of the utility, an explanation of when the charge applies, and the amount of the non-recurring charge.]

The following table provides you with an estimate of your monthly gas bill based on the total price of gas delivered to your home or business and estimated monthly usage.

Monthly Usage (in therms)	Estimated Monthly Bill
10	[insert applicable amount]
25	[insert applicable amount]
50	[insert applicable amount]
75	[insert applicable amount]
100	[insert applicable amount]
150	[insert applicable amount]
200	[insert applicable amount]
250	[insert applicable amount]
275	[insert applicable amount]
300	[insert applicable amount]
400	[insert applicable amount]
500	[insert applicable amount]
600	[insert applicable amount]
700	[insert applicable amount]
800	[insert applicable amount]
900	[insert applicable amount]
1000	[insert applicable amount]

[If the pricing of the gas is on a variable rate, describe the variable rate without disclosing the variable rate that is charged, and an estimated total price with the caveat that the total price is subject to change based on the variable rate for the price of gas. Alternatively, a CTA may peg the gas price to any publicly available price index with a plus or minus variation, along with a notice that the actual price charged to the customer may vary. If the price is gas is pegged to a price index, the CTA is still required to provide an estimated amount for the price of gas.]

### **Description Of Terms And Conditions Of Service**

[Describe all of the terms and conditions of service related to the sale of gas to residential and small commercial customers. This should describe who will perform the metering and who will be billing the customers.]

[Describe and explain all financial obligations the customer will face in connection with a customer's purchase of gas or other gas related products for services from the CTA such as a deposit, all recurring and non-recurring charges that the customer may be obligated for over the time when the CTA provides gas to the customer, and all financial obligations that the customer faces at the time the CTA stops providing gas service to the customer such as early termination fees and, if applicable, the return of any unused deposit.]

If an advance deposit is required, Public Utilities Code Section 985(g) provides that the deposit amount cannot be more than your estimated bill for a three-month period.

[Use the provision applicable to your situation:

- (1) You, the customer will receive a single bill from us, for all of the gas utility's charges and for our charges. Should you own any past due amount on your bill, we are responsible for collecting that past due amount from you. If you fail to pay any past due amount, we may transfer your gas service back to the gas utility, who may then disconnect your gas service. If your gas is disconnected, you may be obligated to pay a **disconnect fee** to the gas utility. In order to reestablish gas service, you may have to pay a reconnection fee to the gas utility.
- (2) Although you, the customer, will be purchasing gas from us, we will arrange to have the gas utility send you a single bill for the gas utility's charges and for our charges. Should you own any past due amounts on your bill, the gas utility is responsible for collecting any past due amount from you. If you fail to pay any past due amount owed to the gas utility, the gas utility may then disconnect your service. If you fail

to pay any past due amount owed to us, we may transfer your gas service back to the gas utility, who may then disconnect your gas service if you fail to pay the gas utility's charge. **{{check on code section that talks about can't disconnect for debt owed to non-utility}}** If your gas service is disconnected, you may be obligated to pay a **disconnect fee** to the gas utility. In order to reestablish gas service, you may have to pay a reconnection fee to the gas utility.

- (3) You, the customer, will be receiving a separate bill from the gas utility for its charges, and a separate bill from us for our charges. Should you owe any past due amount on the gas utility's bill, the gas utility is responsible for collecting any past due amount from you. Should you owe any past due amount on our bill, we are responsible for collecting any past due amount from you. If you fail to pay any past due amount owed to the gas utility, the gas utility may then disconnect your service. If you fail to pay any past due amount owed to us, we may transfer your gas service back to the gas utility, **who may then disconnect your gas service**. If your gas service is disconnected, you may be obligated to pay a disconnect fee to the gas utility. In order to reestablish gas service, you may have to pay a reconnection fee to the gas utility.]

### **Complaint Procedures**

Different complaint procedures apply depending upon whom you have a dispute with.

If you have a billing-related dispute concerning the gas utility's charges, or a dispute regarding the manner in which the gas is distributed to your residence, an informal complaint may be submitted to the California Public Utilities Commission (CPUC) for an attempt at resolving the matter. If the matter is not resolved, you may file a formal complaint with the CPUC if you meet the conditions set forth in Article 4 of the CPUC's Rules of Practice and Procedure.

If you have a billing-related or service-related dispute with us, the CTA, you may complain to the CPUC. The CPUC shall first attempt to informally resolve your complaint through the informal complaint process. If the matter cannot be resolved satisfactorily, you may file a formal complaint against us with the CPUC or file a complaint against us in civil court.

If you file or submit a complaint with the CPUC against a gas utility or a CTA, you gas service cannot be disconnected if you deposit the disputed amount with the CPUC in an escrow account.

If you have any questions regarding the CPUC complaint procedures, you may contact the Consumer Affairs Branch (CAB) or the Public Advisor's Office of the CPUC. The CAB may be reached at 1-800 649-7570, and the Public Advisor's Office may be reached at 1-866-849-8390.

### **Other Services [If Applicable]**

We also offer [describe the other service(s) offered. The following is a description of each of the services offered, and the charge or charges associated with each service.

[name and description of each service]

[amount of the charge(s)]

### **Notice Of Your Right To Cancel**

You have the right to cancel your contract for gas service that you have entered into with us.

For a residential gas customer, you have the right to cancel the contract until midnight of the thirtieth day after the date of the first bill for CTA service has been issued to you the customer.

For a core commercial gas customer, you have the right to cancel the contract until midnight of the third business day after the day on which you the customer signs an agreement or offer to purchase from us, the CTA.

Core commercial gas customers can also waive their right to cancel under Public Utilities Code §989.1(a) by signing a separate written waiver of your right to cancel and returning that waiver to the CTA. This separate written waiver must be presented to you at the time you sign the agreement or offer to purchase from us, the CTA.

To cancel the CTA contract with us, you may send us, at the address listed on page 1 of this notice, written notice of your cancellation within the time period specified above. You may also exercise your right to cancel by contacting us at the telephone number listed on page 1 of this notice, and informing us that you want to cancel the CTA contract with us. No fee or penalty may be imposed against you for exercising your right to cancel within the applicable time periods.

### **Your Rights If You Are Denied Service By The CTA**

If you are offered gas service by us, the CTA, and we decline to provide the service to you, you have the right to request that we provide you with a written reason as to why we declined to provide you with service. Your request for the written reason must be made within 35 days from the date that we declined to provide service to you. We then have 30 days from your request to provide you with the written reason as to why we declined to provide service to you.

If you disagree with the written reason as to why we declined to provide service to you, you may submit an informal complaint to the CPUC to see if the CPUC can informally resolve this issue.

(End of Appendix C)