

10. Administrative Cost Adjustment

The revenues collected in the Administrative Adjustment component of the Administrative Charge in Rider 1 shall be fully credited to all distribution customers eligible for SOS. This adjustment will be made in the February, June and October billing months or more frequently, if necessary and will be included in the Delivery Service Energy Charge. The current Administrative Cost Adjustment by SOS Type is available on the BGE website at www.bge.com.

11. Measured Demand

Where service is used in such a manner that the measured demand as defined in the applicable Schedule does not properly reflect the capacity which the Company is required to provide, the demand may be estimated by the Company, so as to reflect such capacity.

Where the power factor is found to be less than 90%, the Company reserves the right to base the demand on 90% of the kilovolt-amperes (kVA) instead of on the kW.

12. Prepaid Pilot

Residential Customers served under Rate Schedule R, EV, and RL may participate in the Prepaid Pilot program, subject to a maximum number of approximately 1,000 participants. Under the Prepaid Pilot, the Customer pays for service in advance and the payments are credited to the Customer's prepayment account, which is reduced as energy is consumed. The Customer is required to deposit a minimum of \$40 to activate the prepayment account. The prepayments will cover all charges incurred on their account including supply charges, delivery service charges, associated taxes, surcharges, and other charges. Volumetric charges will be calculated daily based on actual Customer usage. If a Customer's meter fails to register consumption, an estimated consumption will be used, consistent with the provisions of Section 7.21. The Company will divide all fixed monthly charges by 30 and one-thirtieth share shall be charged to the prepayment account each day.

Participation in the Prepaid Pilot requires the Customer to have a Smart Meter. The Customer is required to provide an email address to receive account alerts, as well as a SMS/text message number and/or a phone number to receive texts/calls, and shall acknowledge their obligation to maintain these channels to receive communication from the Company. The Company will verify that the communication channels provided are able to receive program alerts. The Customer is required to notify the Company if any of the communication channels have changed. The Customer must not have medical certifications filed with the Company or be a landlord(s) who maintain(s) the BGE service account on behalf of a tenant. Where the Company receives a filed medical certification or is notified of the violation of any Prepaid Pilot eligibility criterion, and if the Customer is unable to regain eligibility after a reasonable period of time, the Company will discontinue the Customer's participation in the Prepaid Pilot.

To participate in the Prepaid Pilot, a Customer must have an arrearage of \$600 or less at the time of enrollment, and agree to disconnections under the terms of the Prepaid Pilot. For customers with an arrearage on their account, the Company shall set aside the arrearage as a deferred balance, allowing the Customer to pay the arrearage off over time, with 75% of each new payment dedicated to future service, and 25% applied to reduce the deferred balance. However, 100% of a newly enrolled Customer's initial payment of \$40 or more into the prepaid account will be applied to future service in their prepaid account. Any transfers of debt into the Customer's account from other accounts shall be immediately moved to the deferred balance.

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12. Prepaid Pilot – continued

A disconnection under the terms of the Prepaid Pilot will occur as soon as the day after the Customer's prepayment account balance reaches zero; however, temperature-related termination restrictions will be observed in the pilot and disconnections will not occur outside of regular weekday business hours. The Company will send notifications when the prepaid account balance reaches zero and upon service disconnection. Within 72 hours of a disconnection, the Company shall send a notification alerting the customer to the option of switching to standard payment service, with no additional deposit required where the Customer had standard payment service before participating in the Prepaid Pilot. A Customer may request a 5-day service extension before the disconnection, or after the disconnection, but shall be required to pay the charges incurred during the extension, after 25% of such payment is allocated to any deferred balance. For a Prepaid Pilot Customer who has not chosen or is not eligible for a 5-day extension as described above to be restored after a disconnection, a payment sufficient to bring the prepaid account to a minimum of \$15 in available prepayment balance is required, after 25% of such payment is applied to any deferred balance. The Customer is eligible for another 5-day extension after paying all amounts owed from the prior 5-day extension. A Customer who remains disconnected for longer than 20 business days and chooses to restart service in the Prepaid Pilot shall be subject to the Company's current standard policy on new service and shall incur a service application fee, consistent with the provisions of Section 7.11. While service is disconnected, fixed monthly charges will continue to accrue daily until 20 business days when the account is closed. The Company will not report Prepaid Pilot disconnections to credit reporting agencies.

A new Customer participating in the Prepaid Pilot shall not be subject to the provisions of Section 7.6. A new Customer who switches from the Prepaid Pilot to standard payment service within 12 months of starting Prepaid Pilot service shall be subject to the provisions of Section 7.6. A Customer, who has a deposit the Company is currently holding to guarantee payment of final bills, shall be subject to a deposit refund review consistent with the Company's standard policy. Each month of participation in the Prepaid Pilot shall be deemed equivalent to an on-time payment in standard payment service, with the exception that a period of disconnection longer than 20 days shall count as a missed monthly bill payment. The Company will reimburse one payment transaction fee each month per Customer. Returned checks shall be subject to the provisions of Section 7.5.

A Customer may choose to return to standard payment service at any time, and will not be eligible to rejoin the Prepaid Pilot unless the participation period is still open and Customer's then-outstanding account balances have been paid. Upon return to standard payment service, existing credit arrangement options shall apply, and all existing pre-pilot arrearages shall be included on the first billing statement. The Customer shall not be precluded from qualifying for future payment plans.

Under Rider 12 – Prepaid Pilot, unless specified above the following tariff sections shall not apply: Section 2.41 – Reconnection Charge, Section 7.2 – Billing Period, Section 7.3 – Net-Payment, and Section 7.4 – Late Payment Charge. Participating Customers may not take service under Rider 4 - Budget Billing and will not have access to the 55-day extension that is available upon application for assistance from the Maryland Office of Home Energy Programs. Assistance grants are credited to a Customer's prepaid account when BGE receives the funds. Participating Customers waive the right to provide payment to a BGE representative at the Customer's premise to avoid termination of service, and affirmatively waive the following Terminations of Service provisions of COMAR: 20.31.02.01B, 20.31.02.05-.06, 20.31.03.02, 20.31.03.03, and 20.31.05.

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12. Prepaid Pilot – continued*True-up*

All daily estimates of supply charges for notifications in the Prepaid Pilot will be calculated using the Company's Electric Supply Rate. A monthly true-up will be performed at the end of each billing cycle to determine the difference between the sum of all daily charges applied to the Customer's prepaid account during the billing cycle and actual charges calculated at the end of the billing cycle. Actual charges shall reflect the Customer's applicable supply charges, delivery service charges, surcharges, associated taxes, and other applicable charges. Estimated supply charges for Customers who have chosen a supplier other than BGE shall be reconciled to their supplier's monthly charges. Any charges under standard payment service that would be applied to the Customer's account immediately will instead, for the Prepaid Pilot, be applied during the true-up process, except for charges arising from fraud or theft which may be applied immediately to the prepaid account upon occurrence. Any resulting credit amount shall be applied to the Customer's prepaid account immediately. Any resulting debit amount \$1 and under shall be charged to the Customer's prepaid account immediately, and any debit amount over \$1 will be pro-rated and charged daily to the Customer's prepaid account over a period of 30 days.