

Frequently Asked Questions

Payment Due Date Change

MID Electric Bills

January 18, 2008

How is the payment due date for MID electric bills changing?

Payments for MID electric bills will be due in 20 days. Until now, payments for MID electric service were due in 27 days.

When will this change take effect?

On February 1, 2008.

Will the change in payment due dates affect all MID customers?

Yes. The payment due date will be 20 days for every MID electric customer – residential, commercial, agricultural, street lighting and industrial.

Where do I find the payment due date on my electric bill?

Look in the upper right-hand corner of the billing statement.

Will MID send me a bill every 20 days?

No. You will still receive 12 electric bills a year, one for each of the twelve billing periods. As always, your MID electric bill will be due and payable as soon as you receive it. If you do not pay, it will now become past due (delinquent) after 20 days. Previously, your account became past due (delinquent) after 27 days if you did not pay.

Why is MID making this change?

Over the last year, MID has seen the average past due balance grow to more than \$400. For many families, this is a large sum of money. Once they fall behind on their electric bills, they have difficulty catching up. Changing the payment due date means that MID can send a reminder notice to customers sooner, while the balance is still manageable. The earlier MID starts communicating, the easier it will be for these customers to stay current on their accounts.

What about customers who already pay their bills on time?

MID believes these customers will ultimately benefit from the change as well. Because MID is a public power utility – owned by customers and operated on a not-for-profit basis – our goal is to provide service, not to make money. But every time MID has to disconnect a customer's electric service for non-payment, it costs other customers money and puts upward pressure on electric rates. In that situation, everyone loses – the customer who is without electricity, and other MID customers, too. MID's goal in changing the payment due date is to create a win-win situation. Customers avoid disconnection, the costs associated with delinquent or unpaid electric bills are reduced, and that will help keep a lid on electric rates for all customers.

How will customers on Automatic Bill Pay be affected by this change? Do they need to take any action?

Customers who are enrolled in MID's Automatic Bill Pay (ABP) program have the payment for their electric bills transferred from their banks accounts 10 days after their

billing date. The change in the payment due date will not affect them, so these customers do not need to take any action.

Does the change in due dates have any other benefits?

Yes. With the old payment schedule, the electric bills for one month overlapped with past due reminder notices for the previous month. Many customers were confused about exactly how much they owed MID, and telephone lines were sometimes jammed with unnecessary calls. Once we get past a transition period, this problem should ease.

MID still gets my money seven days earlier than before. How does this benefit me?

You're right – MID will receive payments earlier in many, but not all, cases. Some people pay their bills as soon as they arrive in the mail. Others wait until the last possible moment. Depending on your preference, MID may receive payment for the electricity you use a few days earlier, depending on when you normally paid your bills in the past.

Still, because MID is a customer-owned utility, you will benefit from this change in payment due dates. Anything that lowers MID's operating costs means that electric rates don't have to rise as much.

This brings up another point: If you are in the habit of paying your MID electric bill on a certain day of the month, you may need to adjust that schedule to be sure that your payment arrives on time. That way you won't incur a late fee.

So what's the bottom line on payment due dates?

MID hopes that more customers will avoid disconnection, the costs associated with delinquent or unpaid electric bills will be reduced, and that will reduce upward pressure on electric rates for all customers.

How is MID notifying customers about this change?

All customers are being informed in advance about the new bill payment due date. Bilingual English/Spanish announcements are being distributed at the MID downtown office, 1231 11th Street, Modesto; the Woodland Avenue customer service center, 1022 Woodland Avenue, Modesto; in all January 2008 electric bills; on the internet at www.mid.org; and through local news media. Customers enrolled in MID's Balanced Payment Plan will receive personalized letters with specific instructions tailored to their unique situations.

Is it legal for the payment due date to be 20 days?

Yes. In California, 19 days is the legal minimum number of days an electric utility must give customers to pay their electric bills before the accounts becomes past due (delinquent).

What are the payment due dates at other California electric utilities?

Some examples are shown in the following table. By changing the payment due date to 20 days, MID will be in alignment with the practices of most other California electric utilities including many in the Central Valley.

Utility	Payment Due Date
City of Anaheim	20 days
Imperial Irrigation District	21 days

Merced Irrigation District	24 days
Pacific Gas & Electric	19 days
Sacramento Municipal Utility District	19 days
Turlock Irrigation District	25 days

In general, MID electric bills are due and payable as soon as customers receive them. If the electric bill is not paid by the due date, the account becomes past due or “delinquent” after a certain time interval. Customers often refer to this time interval as a “grace period,” although this term is not used in MID’s Electric Service Rules or in the California Public Utilities Code. At many utilities, the “grace period” falls within a range of 19 to 25 days.

Did the MID Board of Directors approve this change?

Yes, the MID Board of Directors unanimously adopted this change in the bill payment due date on Nov. 27, 2007.

How can I get more information?

Please contact the MID Customer Service Department.

MID Customer Service Department

main number	209 526-7337
Español	209-526-7365
toll-free	1-888-335-1643
fax	209 526-7359
email	customerservice@mid.org

**ATTENTION
Online Banking
Customers**

If you pay your MID electric bill using online banking (through your bank or credit union), please visit your bank’s web site and check the date when your MID bill payment is scheduled. You may need to change this date.

Otherwise, your MID bill payment may arrive late, and you may be charged a late fee.

If you have any questions, please call MID Customer Service right away so that we can help you understand this process and avoid problems.

