**BPA Summary of Changes For 4/10 Workshop**

Going into the 4/10 workshop, edits proposed to Billing and Payment were clean-up in nature, updated to reflect current billing practices. Edits noted were moving the last sentence in sentence 16.1 to address if the bill is not able to be sent electronically, that BPA will mail a physical copy.

**Customer Comments and BPA Responses for 6/10 Workshop**

At the 4/10 workshop there was a lengthy discussion around estimated bills and the desire to only receive a final bill. Stakeholders also asked for more details on how the charges are calculated on the bills. Some customers expressed frustration with bill revisions and that they can go back years causing them to have to reopen their books. Internally, it was decided that these concerns are all billing procedures; BPA is not inclined to add them to the contract. In the follow-up workshop, BPA will encourage the customers to reach out to their Revenue Analyst and AE if they have questions, would like to see changes, or need more details on their bills.

On 4/10 and through comments received after the workshop, customers requested more clarification on the Failure to Pay section and interest that BPA pays when issuing refunds for disputed bills. DOE Richland also requested an option for the Disputed Bills section as the federal government should not charge itself interest. Options were added for federal agencies in sections 16.2, 16.3, and 16.5.3. Addtionally, a few redlines were recommended by customers, BPA accepted one of them, but modified it slightly. Customer edits are highlighted in blue.

Based on customer feedback, BPA has proposed edits in the Failure to Pay section to clarify the process and timing for late payments; and separately, options for federal agencies was written in the Payment, Late Payments and Disputed Bills sections.

**BPA Responses for 7/16 Workshop**

At the 6/10 workshop BPA discussed changes from customer comments from the 4/10 workshop. No comments were received after the 6/10 workshop. The team proposes to approve the language for template.

**Edits of Particular Note**

N/A

**16. BILLING AND PAYMENT*(XX/XX/XX Version)***

16.1 **Billing**

BPA shall electronically bill «Customer Name» monthly for all products and services provided during the preceding month(s). However, if electronic transmittal of the bill is not possible, then BPA shall mail a physical copy of the bill to «Customer Name». BPA may send «Customer Name» an estimated bill followed by a final bill. The Issue Date is the date BPA sends the bill to «Customer Name».

*Option 1: Include the following for all customers except Federal customers utilizing IPAC*

16.2 **Payment**

«Customer Name» shall pay all bills electronically in accordance with instructions on the bill. Payment of all bills, whether estimated or final, must be received by the 20th day after the Issue Date of the bill (Due Date). If the 20th day is a Saturday, Sunday, or federal holiday, then the Due Date is the next Business Day.

If «Customer Name» has made payment on an estimated bill then:

(1) if the amount of the final bill exceeds the amount of the estimated bill, then «Customer Name» shall pay BPA the difference between the estimated bill and final bill by the final bill’s Due Date; or

(2) if the amount of the final bill is less than the amount of the estimated bill, then BPA shall pay «Customer Name» the difference between the estimated bill and final bill by the 20th day after the final bill’s Issue Date. If the 20th day is a Saturday, Sunday, or federal holiday, BPA shall pay the difference by the next Business Day.

16.3 **Late Payments**

If «Customer Name» has not paid its bill in full by the Due Date, BPA shall apply a daily interest charge to any unpaid balance equal to the higher of:

(1) the Prime Rate (as reported in the Wall Street Journal or successor publication in the first issue published during the month in which payment was due) plus four percent, divided by 365; or

(2) the Prime Rate times 1.5, divided by 365.

*End Option 1*

*Option 2: Include the following for Federal customers utilizing IPAC*

16.2 **Payment**

«Customer Name» shall pay all bills electronically in accordance with instructions on the bill. Payment of all bills, whether estimated or final, must be received by the 20th day after the Issue Date of the bill (Due Date). If the 20th day is a Saturday, Sunday, or federal holiday, then the Due Date is the next Business Day. Subject to the availabity of funds, BPA shall collect the amount due by the Due Date from «Customer Name» through Intra-Governmental Payment and Collection (IPAC) system, or its successor.

16.3 **This section intentionally left blank.**

*End Option 2*

16.4 **Failure to Pay**

If «Customer Name» has not paid its bill in full by the Due Date, then BPA shall notify «Customer Name» of nonpayment. «Customer Name» shall have 45 days after receipt of the written notice to cure its nonpayment by making payment in full. If «Customer Name» does not provide full payment within the 45-day cure period, then BPA shall send an additional written notice of nonpayment to «Customer Name». «Customer Name» shall then have three Business Days after receipt of the additional written notice to provide payment. If «Customer Name» has not provided payment within three Business Days after receipt of the additional written notice and BPA determines in its sole discretion that «Customer Name» is unable to make the payments owed, then BPA may terminate this Agreement pursuant to section 25.1. Written notices sent under this section 16.4 must comply with Exhibit I.

16.5 **Disputed Bills**

16.5.1 If «Customer Name» disputes any portion of a charge or credit on «Customer Name»’s estimated or final bills, «Customer Name» shall provide written notice to BPA with a copy of the bill noting the disputed amounts. Notwithstanding whether any portion of the bill is in dispute, «Customer Name» shall pay the entire bill by the Due Date. This section 16.5.1 does not allow «Customer Name» to challenge the validity of any BPA rate.

16.5.2 Unpaid amounts on a bill (including both disputed and undisputed amounts) are subject to the late payment charges provided above. Notice of a disputed charge on a bill does not constitute BPA’s agreement that a valid claim under contract law has been stated.

*Option 1: Include the following for all customers except Federal customers utilizing IPAC*

16.5.3 If the Parties agree, or if after a final determination of a dispute pursuant to section 22, «Customer Name» is entitled to a refund of any portion of the disputed amount, then BPA shall make such refund with simple interest computed from the date of receipt of the disputed payment to the date the refund is made. The daily interest rate shall equal the Prime Rate (as reported in the Wall Street Journal or successor publication in the first issue published during the month in which payment was due) divided by 365.

*End Option 1*

*Option 2: Include the following for Federal customers utilizing IPAC*

16.5.3 If the Parties agree, or if after a final determination of a dispute pursuant to section 22 it is determined, «Customer Name» is entitled to a refund of any portion of the disputed amount, then BPA shall make such refund available to «Customer Name» through the IPAC system, or its successor.

*End Option 2*