

Rule No. 7

DEPOSITS

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- A. Amount of Deposit. The amount of deposit required to establish or re-establish credit is twice the estimated average monthly bill if the billing period is monthly, or 1-1/2 times the estimated average bimonthly bill if the billing period is bimonthly, but in no case may the amount of deposit be less than \$7.50.

The amount of deposit required to establish or re-establish credit for a Small Business Customer, as defined in Rule 1, is twice the estimated average monthly bill if the billing period is monthly, or 1-1/2 times the estimated average bimonthly bill if the billing period is bimonthly, but in no case may the amount of deposit be less than \$7.50.

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- B. Return of Deposit.

1. When an application for electric service has been canceled prior to the establishment of electric service, the deposit will be applied to any charges applicable in accordance with the tariff schedules and the excess portion of the deposit will be returned, and the applicant will be advised.
2. When the customer's credit may be otherwise established in accordance with Rule No. 6, the Utility may refund the deposit either upon the customer's request for return of the deposit or upon review by the Utility.
3. Upon discontinuance of electric service, the Utility will refund the customer's deposit or the balance in excess of unpaid bills for service.
4. After the customer has paid bills for electric service before becoming past due, as prescribed in Rule No. 11, for twelve months, the Utility will refund the deposit by applying it to the customer's account or by draft, provided that the customer's credit would, thereafter, be otherwise established under Rule No. 6.

- C. Interest on Deposits.

1. Interest on deposits will be paid by the Utility at the rate of 7/12 percent per month up to the time the deposit is returned or after 12 consecutive months during which bills for service have been paid on an average of 15 days after presentation; provided, however, that no interest shall accrue after mailing to the customer or the customer's last known address the refund or a notice that the refund is payable.

ISSUED BY

R. J. SPROWLS
President

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Effective Date: December 27, 2010

Resolution No. _____

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