

MOON LAKE ELECTRIC ASSOCIATION, INC.

Electric Service
Regulation No.15

XV - DEPOSITS

1. Deposits

- A. In accordance with the conditions stated below, the Association may require from its Consumers a security deposit intended to guarantee payment of bills. The deposit may be in addition to any advance contribution or guarantee in connection with construction of lines or facilities as provided for in the line extension policy of the Association as stated in the Associations Electric Service Regulation No. 17.
- B. Any Consumer that has an average monthly electric bill of ten thousand dollars (\$10,000.00) or more may be required to provide the Association an ongoing Assurance Bond for a value that will meet or exceed the average two (2) month electric bill.

1. Residential Consumers

- 1. In accordance with the conditions specified below, Residential Consumers may be required to make security deposits. Such deposits shall be the greater of an estimated sixty (60) day peak billing period at the premises; or \$225.00 for Consumers taking service on Electric Service Schedule R. An applicant for electric service shall have the right to pay a security deposit in at least three equal monthly installments provided that the first installment is paid at the time of application.
- 2. Consumers Applying for Residential Electric Service. A security deposit will be required from any prospective Consumer applying for residential service meeting one of the following criteria.
 - a. Has engaged in subterfuge or furnished false credit information.
 - i. Fails to present a picture identification or two forms of identification without a picture. This requirement only applies if the applicant has not been a Consumer of the Association within the past twenty (24) months or is not listed by the credit rating agency used by the Association.
 - ii. Fails to provide the following information:
 - 1. Consumer name
 - 2. Service address
 - 3. Previous address
 - 4. Social security number, driver's license

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Number, or a government issued picture identification

5. Name of a relative, relationship, and phone number; or Personal reference and phone number
6. Employer phone number, if employed
7. If renting, the owner or manager of the premises at the service address and phone number (if available) or the address or P. O. Box of the owner or manager.

- iii. Has been a Consumer of the Association and left a premise with an unpaid delinquent account.
- iv. Fails to achieve an acceptable credit evaluation (as determined by the Association) from the credit rating agency used by the Association.

2. Current Residential Consumers

1. In addition to deposits which may be required pursuant to Paragraph 3. (Non- Payment of Bills) below, a deposit may be required from any residential Consumer who has been connected less than one (1) year and is subject to termination and a ten (10) day written notice of disconnection has been issued. A current residential Consumer will be allowed to pay the security deposit in at least three equal installments. Prior to termination, the Association will not require a deposit from a Consumer who is in compliance with his obligations under a deferred payment agreement (which includes remaining current on his bill), or if the bill is brought current.

3. Contributions from Third-Party Sources

1. Monies received by the Company from third-party sources (such as HEAT, REACH, SHARE, identifiable contributions from religious organizations, or other similar public assistance programs) to aid a

Consumer in the payment of electric service billings shall not be applied toward the payment of a security deposit, but shall be applied to reduce the cost of the home electric service received.

4. Third-Party Guarantees

1. Third-party guarantees in lieu of security deposits shall be permitted from qualified guarantors. The Association shall consider a guarantor of residential service qualified if the guarantor is a current

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Consumer of the Association and has not received a ten (10) day written notice of disconnection within the last twelve (12) months.

C. Non-residential Consumers

1. The Association may require at any time, from any Non-Residential Consumer, a security deposit intended to guarantee payment of bills. Such deposit shall not exceed the amount of an estimated average sixty (60) days bill at the premises. The Association will accept a guarantee satisfactory to the Association, or a bond or irrevocable letter of credit from a bank, insurance company, or bond company of equal value in place of the security deposit.
2. The security deposit may be waived for applicants who establish a good credit rating with the Association

2. Interest

- A. Interest shall be simple interest, computed from the date of deposit at the highest recommended rate that is officially filed from either the State of Utah's Public Service Commission or the State of Colorado's Public Utilities Commission, which is adjusted from time to time. Deposits with accrued interest will be applied at the end of twelve (12) months or sooner at the option of the Association unless the Consumer has received three or more ten (10) day written notice of disconnection within the last twelve (12) months. Upon final settlement of Consumer's account, any unused balance of deposit with accrued interest, if any, will be returned to Consumer less such amount as shall then be due the Association by the Consumer for service rendered. Interest on Consumer's deposit shall cease upon discontinuance for any reason of Consumer's service.

3. Non-Payment of Bills

- A. A Consumer or former Consumer of the Association, whose service was terminated for non- payment of a delinquent account or deposit where required, or who left a premises with a delinquent account, will be required to make payments of all amounts remaining unpaid from previous service in addition to a deposit which shall be the of an estimated sixty (60) day peak billing period at the premises; or \$225.00. Such applicant will be allowed to pay the security deposit in at least three equal installments provided that the first installment is paid at the time of application.