

General Information

Section III

SECURITY DEPOSITS

I. SECURITY DEPOSIT REQUIREMENTS

The Corporation shall require ~~a~~ an ~~deposit to guarantee payment for each service.~~ ~~applicant~~ ~~for electric service or a current electric service customer to provide a security deposit if one or more of the following circumstances exist:~~ This deposit shall not be considered advance payment of bills, but shall be held as security for payment of service rendered. The Corporation may refuse service to an applicant or discontinue service to a member for failure to comply with this section. The Corporation shall apply the policies governing applicant and member deposits uniformly.

The Corporation shall require a deposit if:

- A. A. — A prior service account with the Corporation remains unpaid and undisputed at the time of application for service.
- B. The applicant is applying for service for the first time and does not pass an objective credit screen. Service from the Corporation has been terminated for:
 - 1. Nonpayment of any undisputed delinquent bill;
 - 2. Failure to reimburse the Corporation for damages due to the member's negligent or intentional acts; or
 - 3. Acquisition, diversion or use of service without the authorization of or knowledge by the Corporation.
- C. A Member's payment history with the Corporation is unacceptable. Unacceptable payment history is defined as:
 - 1. More than two (2) late payments within the most recent twelve (12) month period; or
 - 2. One or more Non-Sufficient Funds checks within the most recent twelve (12) month period.
- D. Information provided upon application for service is materially false or a misrepresentation.
- E. The application is for initial service with the Corporation or the applicant did not have service with the Corporation for a period of at least twelve (12) consecutive months during the past four years.
- F. The applicant or non-residential member is unable to pass the Corporation's objective credit screen. In order to pass the objective credit screen, the applicant or non-residential member must fulfill one or a combination of the following as determined by the Corporation:
 - 1. Received twelve (12) consecutive months of service from the Corporation, with undisputed portions of the twelve (12) months' recent bills paid in full when due;
 - 2. Have a favorable credit rating with a third-party credit reporting agency deemed

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- acceptable by the Corporation;
3. Receive a favorable credit rating from the Corporation's information based financial risk assessment tool. Refusal by the applicant or non-residential member to provide the Corporation with requested financial information will result in an unfavorable credit rating under this credit metric; or
 4. Receive a favorable credit rating from the Corporation's risk based credit screen. To receive a favorable credit rating from the Corporation's risk based credit screen an applicant must have an average monthly estimated billing(s), and a non-residential member must have an average monthly billing(s), of less than \$25,000 per month. The non-residential applicant's or member's billing(s) will be determined based on an individual account or, if more than one account, the aggregated accounts of the applicant or member inclusive of all accounts under common ownership.
- G. The request is for service at an address where a former member with an undisputed delinquent bill for service still resides or conducts business.
- H. The applicant for service, or member, has been brought within the jurisdiction of the bankruptcy court, or has had a receiver appointed in a state court proceeding, within the five-year period immediately preceding the request for service.
- I. The Corporation has determined that it has a significant financial risk in continuing to provide service to a specific load or non-residential member. The Corporation and member may attempt to reach a deposit agreement. If the Corporation and member are unable to reach an agreement, the Corporation shall file a confidential petition requesting expedited review and Commission approval prior to collecting the member deposit. The petition shall contain the basis for the Corporation's determination, the amount of the deposit sought and sufficient information for the Commission to contact the member.
- J. The Corporation may accept a written guarantee on residential accounts from an acceptable guarantor in lieu of a deposit to pay a member's bill. After the Corporation has verified the member's identity, the member shall agree to permit the Corporation to provide the member's account information to the guarantor upon the member's default.

II. SECURITY DEPOSIT ADMINISTRATION

- A. The required deposit shall not exceed the total amount of the applicant's or member's estimated bill for three months of the highest use based on the premise's monthly bill during the immediate previous twelve (12) month period. If billing information for the immediate previous twelve (12) month period is not available, a minimum residential deposit will be collected in the amount found in the Rules and Regulations of the Corporation. Section 7VII – Rate Schedule. This minimum deposit may be

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- adjusted after twelve (12) months of continuous service is available, if a deposit is still required of the member at that time. For all other customer classes, the deposit will be based on the Corporation's calculation of anticipated service characteristics
- B. and anticipated load.
- C. The Corporation shall provide the member a non-assignable receipt or other record of deposit, showing the date and amount received.
- D. The Corporation shall retain records showing:
1. The name and address of each member making the deposit;
 2. The date and amount of the deposit; and
 3. Each accounting transaction concerning the deposit.
- E. The Corporation shall calculate simple interest on deposit at the Commission Authorized Interest Rate, shown in Section 7 – Rate Schedule, of the Corporation Rules and Regulations. Interest shall apply only to deposits held for at least six months, but shall accrue from the initial date of deposit through the date the deposit is returned to the member.

III. SECURITY DEPOSIT REFUNDS

- A. Deposits and any unpaid interest earned on deposits shall be applied as a credit to the member's bill, unless requested by the member to be refunded, when:
1. The accrued interest equals or exceeds \$10.00. The Corporation shall apply the deposit interest credit at least annually;
 2. A residential member has received twelve (12) consecutive months of service, with no cause to disconnect, and the member's bills have been paid when due;
 3. A commercial or industrial member having received twelve (12) consecutive months of service since paying a deposit, with no cause to disconnect; the member's bills have been paid when due; the member passes the Corporation's objective credit screen; and the member's deposit(s) is not required by the criteria in Section III, I. F.4.; or
 4. Service is discontinued. The Corporation shall not require the member to provide the original receipt in order for the deposit to be refunded. Any credit balance on the account after the deposit is applied shall be refunded to the member. If the Corporation is unable to make the refund due to lack of knowledge of the member's location, additional interest will not accrue after the service discontinuation date. The Corporation shall manage such deposits as unclaimed property as required by Wyoming law W.S. 34-24-109.

~~B. The applicant did not have service with the Corporation for a period of at least twelve~~

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~~(12) consecutive months during the past year and does not pass an objective credit screen.~~

- ~~C. The customer fails to maintain an acceptable credit history with the Corporation, pursuant to Section III.H., and fails to pass an objective credit screen, pursuant to Section III.I., and is requesting a new service. Any existing services that do not have an acceptable credit rating at that time will also require a security deposit.~~
- ~~D. The customer fails to maintain an acceptable credit history with the Corporation, pursuant to Section III.H., and fails to pass an objective credit screen, pursuant to Section III.I., and has an average aggregated billing in excess of \$5,000 for ninety (90) days of service.~~
- ~~E. The applicant or customer has an outstanding balance on a prior service account with the Corporation, or any other balance due the Corporation, for one or more of the following reasons:~~
- ~~1. Non payment of any undisputed delinquent bill.~~
 - ~~2. Failure to reimburse the Corporation for damage due to negligent or intentional acts of the applicant or customer.~~
 - ~~3. Obtaining, diverting, or using service without the authorization or knowledge of the Corporation.~~
- ~~F. The applicant or customer provided information in the application for service that was materially false or materially misrepresented.~~
- ~~G. The applicant or customer requests service at a location where a former customer who has an outstanding prior service account with the Corporation, or any other balance due to the Corporation, still resides or conducts business.~~
- ~~H. The applicant or customer has sought any form of debt relief under the Federal Bankruptcy Laws, has been brought within the jurisdiction of the bankruptcy court, or has had a receiver appointed in a state court proceeding within the last five (5) year~~

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~~period immediately preceding a request for service, as allowed by the Federal Bankruptcy Act of 1978, as amended, or as directed by the state court.~~

~~The Corporation shall not require a deposit as a condition of new or continued electric service based on property ownership or location, income level, source of income, employment tenure, nature of occupation, race, creed, sex, age, national origin, marital status, number of dependents, or any other criterion not authorized by these rules and regulations. Rules governing deposits shall be applied uniformly.~~

~~II. ACCEPTABLE CREDIT HISTORY~~

~~An acceptable credit history is one in which the following requirements apply to all of the customer's service accounts:~~

- ~~A. No more than two (2) late payments within the most recent twelve (12) month period.~~
- ~~B. No Non-Sufficient Funds checks within the most recent twelve (12) month period.~~
- ~~C. No disconnects for non-payment within the most recent twelve (12) month period.~~
- ~~D. The Commission determines upon application by the Corporation that there is no significant payment risk in continuing to provide service to a specific non-residential member. In the event the Corporation identifies what it believes to be a significant payment risk associated with continuing to provide service to a specific non-residential member and if the Corporation has been unable to negotiate a mutually agreeable resolution with such member, then the Corporation will make a filing with the Commission demonstrating that alleged risk with results of an objective credit screen or other reliable evidence relevant to the issue of such member's creditworthiness along with evidence of the amount of deposit necessary to protect the Corporation against such alleged risk. The Corporation shall provide reasonable notice to the affected member of the application to the Commission on the date the filing is made and shall provide a copy of the complete filing to such member. The Corporation shall also request that the Commission keep the name of the affected member, any identifying information, and any member specific information contained in the filing confidential pursuant to Commission rules and regulations. In the filing to the Commission, the Corporation will propose and the Commission will establish the amount of deposit to be paid, the period of time the deposit is to be held (not to exceed twelve (12) months unless one of the events in Section III.H.A. through Section III.H.C. have occurred or the member has failed to meet conditions established under Section III.H.D.), the conditions under which the deposit will be returned and how the deposit will be applied to unpaid billings.~~

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~~III. OBJECTIVE CREDIT SCREEN~~

~~—The Corporation shall conduct an objective credit screen on new applicants, or existing members pursuant to Section III.I.D. for electric service through the use of commercially available services, such as Dun and Bradstreet, ONLINE Utility Exchange and other similar services deemed appropriate by the Corporation. The factors to be analyzed by the Corporation may include the following:~~

- ~~A. Overall credit rating~~
- ~~B. Accounts payable metrics~~
- ~~C. Customer's payment history with the Corporation~~
- ~~D. Other available criteria.~~

~~Recent information will be weighted more heavily during the objective credit screen process.~~

~~IV. ADMINISTRATION OF SECURITY DEPOSITS~~

- ~~A. The amount of a security deposit shall be no more than the average of three (3) months estimated billing.~~
- ~~B. Security deposits shall be required on new services and/or on existing services that do not have an acceptable credit history.~~
- ~~C. Security deposits which are held for more than six (6) months shall bear interest from the date of deposit at the annual rate as assigned by the Wyoming Public Service Commission in Section 241 (c) of its rules.~~
- ~~D. When a customer has been disconnected for non-payment in accordance with the collection policy, the customer will be required to make a security deposit in the amount indicated above before service is reconnected if such a deposit is not already being held by the Corporation.~~
- ~~E. The Corporation shall keep records to show the payment address of applicants and existing customers making a security deposit, the date and amount of the deposit, and each transaction concerning a deposit.~~
- ~~F. The Corporation shall comply with all rules and regulations as may be adopted by the Wyoming Public Service Commission regarding deposits.~~
- ~~G. The Corporation shall manage deposits as required by the Uniform Unclaimed Property Act as adopted or amended by the State of Wyoming, W.S. 34-24-101.~~

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~~V. REFUNDS OF SECURITY DEPOSITS~~

- ~~A. Security deposits will be refunded after twelve (12) consecutive months of acceptable credit history pursuant to Section III.II., provided the customer does not have a past due balance at the end of the twelve (12) month period.~~
- ~~B. Upon final discontinuance of service the Corporation shall refund a customer's security deposit with accrued interest due thereon, provided the customer has no outstanding amount due to the Corporation. If at the time of discontinuance the customer has an outstanding amount due to the Corporation, any deposit and accrued interest will be applied to the amount due with the remaining balance, if any, refunded to the customer.~~
- ~~C. If the Corporation is unable to make a refund due to a lack of knowledge of a customer's location, it shall retain the deposit until claimed, but no interest will accrue thereon from the date the service was discontinued.~~

~~VI. LIEN FOR MATERIALS AND SERVICE~~

In addition to any security deposits which may be required pursuant to these Rules and Regulations, the Corporation shall have a lien for materials and services provided to a ~~customer~~member. The lien shall attach to the real property of the ~~customer~~member at the location where the materials and services were provided when the amount due to the Corporation is greater than \$5,000 and has been unpaid for ninety (90) days, W.S. 29-2-101 (d).

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