
General Information

Section III

SECURITY DEPOSITS

I. SECURITY DEPOSIT REQUIREMENTS

The Corporation shall require a deposit to guarantee payment for each service. 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 prior service account with the Corporation remains unpaid and undisputed at the time of application for service.
- B. 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 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

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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 VII – Rate Schedule. This minimum deposit may be 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

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- 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.

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IV. 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 member. The lien shall attach to the real property of the 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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