

1 **PROPOSED RULE: 6-22-05**

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3 Section 241. Customer Security Deposits, Gas, Electric and Water Utilities.  
4 Each gas, electric and water utility may require from any customer or  
5 prospective customer a deposit ~~intended~~ to guarantee payment of ~~current~~  
6 bills. This required deposit shall not be considered ~~as~~ an advance payment  
7 of bills ~~for service to be rendered~~, but shall be held as security for payment  
8 of bills for service ~~that has been~~ rendered. The utility may refuse service to  
9 an applicant, or terminate service to a customer upon the failure of the  
10 applicant or customer to provide a deposit required pursuant to comply with  
11 this section.

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13 (a) If ~~one or more any~~ of the following criteria ~~outlined below~~ apply to the  
14 applicant or customer, ~~the~~ utility may require a deposit:

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16 (i) The customer or applicant has outstanding a prior service account  
17 with the utility that at the time of application for service remains  
18 unpaid and not in dispute;

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20 (ii) The customer's or applicant's service from the utility has been  
21 terminated discontinued for ~~one or more any~~ of the following  
22 reasons;

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24 (A) Nonpayment of any undisputed delinquent bill;

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26 (B) Failure to reimburse the company for damages due to  
27 negligent or intentional acts of the customer;

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29 (C) Obtaining, diverting, or using service without the authorization  
30 or knowledge of the utility.

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32 (iii) Information provided by the applicant upon application for service  
33 is materially false or materially misrepresentative;

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35 ~~(iv) The applicant is applying for service for the first time with that~~  
36 ~~utility;~~

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38 ~~(v) The applicant did not have service with the utility for a period of at~~  
39 ~~least twelve consecutive months during the last four years;~~

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41 ~~(vi)~~(iv) The applicant or customer does not pass an reasonable and  
42 objective credit screen;

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44 ~~(vii)~~(v) The applicant requests service at a location where a current or  
45 former customer who has a past due balance for service still  
46 resides or conducts business;

OCA Exhibit 1

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~~(viii)~~(vi) The applicant or customer for service, or the 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 five (5) year period immediately preceding the request for service, then a deposit may be demanded as allowed by the Federal Bankruptcy Act of 1978, as amended, or as directed by the state court.

(b) The required deposit shall not exceed the amount of an applicant's average estimated bill for ninety (90) days of service.

(c) A utility shall not require a deposit as a condition of new or continued utility service based upon 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. Rules governing deposits shall be applied uniformly.

~~(e)~~(d) Simple interest on the deposit shall be calculated by the utility on the deposits at the rate that is assigned by the Commission. Interest will only apply for deposits held for at least six months, but will accrue from the initial date of deposit. The Commission assigned interest rate will be computed by taking the arithmetic average of the following: (1) the sum of the twelve monthly 1-year U.S. Treasury Constant maturity rates for the previous twelve-month period ending September 30<sup>th</sup>, or the last business day of September if not the 30<sup>th</sup>, divided by twelve (12), as published in the *Federal Reserve Economic Data* available at [www.FederalReserve.gov](http://www.FederalReserve.gov) and (2) the Bank prime loan rate at the close of business on September 30<sup>th</sup>, also as published in the *Federal Reserve Economic Data* available at [www.FederalReserve.gov](http://www.FederalReserve.gov). The Commission assigned interest rate shall be in effect for the following calendar year beginning January 1<sup>st</sup> and ending December 31<sup>st</sup>. The Commission will provide notice of the assigned interest rate by November 30<sup>th</sup> of each year. The interest rate computed on each deposit will reflect the Commission assigned interest rate that is in effect in each respective month that the deposit is held.

~~(e)~~(e) The utility having on hand deposits from customers or hereafter receiving deposits from them, shall keep records to show:

- ~~(1)~~(i) ~~¶~~¶The name and address of each customer making the deposit;
- ~~(2)~~(ii) ~~¶~~¶The date and amount of deposit; and,
- ~~(3)~~(iii) ~~e~~EEach transaction concerning the deposit.

OCA Exhibit 1

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2 | ~~(e)-(f)~~ The utility shall issue to the customer from whom a deposit is  
3 received a non-assignable receipt or other record of deposit, showing the  
4 date and amount received.

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6 | ~~(f)-(g)~~ The utility shall maintain a record of deposits whereby a customer  
7 who requests return of a deposit shall have the deposit returned in  
8 accordance with these rules, even though the customer is unable to  
9 produce the original record or receipt.

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11 | ~~(g)-(h)~~ Interest on customer deposits shall be calculated upon return of the  
12 deposit, for the time the deposit is held by the utility. Interest will be  
13 computed to the date the deposit is personally returned or mailed to the  
14 customer. Payment to the customer may be made either by a check or by a  
15 credit made to the customer's account, as follows;

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17 (i) The customer may request to have the interest earned on the  
18 deposit paid to them, or ~~paid~~applied toward the utility bill, on an  
19 annual basis using the anniversary date of the deposit; provided,  
20 however, the amount of accrued interest equals or exceeds fifty  
21 per cent (50%) of the customer's average monthly bill, or one  
22 thousand dollars (\$1,000.00), whichever is less;

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24 (ii) The customer will be considered to have demonstrated  
25 creditworthiness, when the customer has received twelve (12)  
26 consecutive months of service, there has been no cause to  
27 disconnect, and bills have been paid by the ~~payment~~ due date.  
28 Upon this demonstration of creditworthiness, the deposit plus  
29 interest shall be promptly refunded to the customer or applied  
30 to ward the remaining balance on the customer's bill by the utility.

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32 | ~~(h)-(i)~~ Upon final discontinuance of service the utility shall promptly refund to  
33 the customer any amount held as a deposit with accrued interest due  
34 thereon. If at the time of discontinuance the customer is indebted to the  
35 utility, the deposit and accrued interest may be applied ~~onto~~ the amount  
36 owed on the customer's account ~~due~~, and ~~refund made of the balance~~  
37 ~~due~~ the balance refunded to the customer. If the utility is unable to make the  
38 refund due to lack of knowledge of the customer's location, it shall retain the  
39 deposit until claimed, but no interest shall accrue thereon from the date  
40 service was discontinued. The utility will manage such deposits as required  
41 by the Uniform Unclaimed Property Act, W.S. ~~§ 34-3224~~-101 et seq., as  
42 amended.

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