

**SECTION 2 - TERMS AND CONDITIONS, (Cont'd.)****2.11 Deposits**

**2.11.1** Each applicant for service may be required to establish credit. Any applicant whose credit has not been duly established may be required to make a deposit at the time of application to be held as a guarantee of payment of charges. In addition, an existing Customer may be required to make a deposit or increase a deposit currently held. The Company shall pay simple interest on deposits at a rate prescribed by the Commission.

**2.11.2** A deposit shall not exceed the estimated charges for two months service, plus installation, and shall be returned: 1) when an application for service has been canceled prior to the establishment of service; or 2) at the end of twelve (12) consecutive months of a satisfactory credit history; or 3) upon discontinuation of service. The Company shall apply the deposit against any outstanding balances due. If a credit balance exists after such application, the Company shall refund the balance to the Customer.

**2.11.3** The fact that a security deposit has been made in no way relieves the Customer from the prompt payment of bills upon presentation.

**2.12 Advance Payments**

The Company reserves the right to require an advance payment from the Customer instead of, or in addition to, a security deposit. The advance payment shall be in an amount equal to, or less than, estimated installation charges plus two months' estimated billing.