

4. Consumer Deposits: (Cont'd.)

A. Deposits and Refunds - Residential: (Cont'd.)

The Company shall allow to each depositor simple interest at a rate per annum prescribed by the Public Service Commission on the amount deposited. Interest shall be paid upon the return of the deposit, or where the deposit has been held for a period of one year, the interest shall be credited to the customer on the first billing for utility service rendered after the end of such period. If the customer is not delinquent in the payment of bills during the one year period from the payment of the deposit, the deposit shall be refunded promptly without prejudice to the Company's right to require a future deposit in the event that the customer thereafter becomes delinquent.

B. Security Deposits - Non-residential:

(a) Deposit Requirements:

(1) The Company may only require the payment of a security deposit from:

- (i) a new customer; or;
- (ii) an existing customer:

- (a) who is delinquent;
- (b) whose financial condition is such that it is likely that the customer may default in the future; provided, however, that the Company must have reliable evidence of such condition, such as reports from accepted financial reporting services or credit reporting agencies;
- (c) who has filed for reorganization or bankruptcy; or
- (d) who has been rendered a backbill within the last twelve months for previously unbilled charges for service that came through tempered equipment.

(2) The Company shall offer an existing customer, from whom a deposit is required under clauses (1) (ii) (a) or (b) of this subdivision the opportunity to pay the deposit in three installments, 50 percent down and two monthly payments of the balance.