

TITLE: WALLINGFORD ELECTRIC DIVISION COMMERCIAL AND INDUSTRIAL (C&I) CUSTOMER DEPOSIT POLICY

Effective Date: 2/16/11

Adopted by Board: 2/15/11

Certified By: 

This policy replaces and supercedes all previous Policies and practices regarding Commercial and Industrial (C&I) customer deposits.

A cash deposit or an acceptable equivalent shall be required for any new Wallingford Electric Division (WED) C&I account to receive service. The only exceptions shall be those accounts that are excused under regulations adopted pursuant to Connecticut General Statutes Section 16-262j, as they may affect municipal electric companies, and the following list of types of accounts:

- ◆ Service to governmental facilities (including Federal, State, County and Municipal)
- ◆ Service to the facilities of utility companies regulated by the Connecticut Department of Public Utility Control
- ◆ Temporary overhead services to non-profit organizations

Except where otherwise noted within this Policy, all deposits shall be paid prior to establishing the account and connecting the service.

A. Deposits

C&I deposits will be based upon information that must be provided by the customer requesting service. This means that it may not be possible to calculate a C&I deposit at the time the customer first requests service. This is especially true if the requested service is for a new facility, or for an existing facility where the commercial or industrial activity will be different than that of the previous customer. Information needed to determine the deposit for a new or different C&I account will consist, at a minimum, of the following: type of business activity at the requested service address, total area of the facility (in square feet), % with air conditioning, % lighted, % heated with electricity, and the rating (Amps and Volts) of the main electrical service gear (see Attachment 1, Electric Service Request Form, Industrial/Commercial). Failure to supply this information will delay the WED in calculating deposits and establishing service. Customers must provide this information, in writing, at least ten (10) business days before the date they wish to establish service. Deposits for new Commercial and Industrial accounts at existing locations where the nature of the

business activity is not changing (i.e. an existing business has been sold to a new owner) may, at the WED's discretion, be based upon the three (3) highest **consecutive** months of billing at this location over the previous twelve full billing months.

The WED may, at any time, require a Commercial or Industrial customer to provide additional deposit funds if the deposit amount being held by the WED should fall below an amount equal to the highest three **consecutive** months of billing to this customer during the most recent 12-month period. Upon receipt of written notice of the need to increase its deposit, a Commercial or Industrial customer shall, within 45 days of the notice date, provide these funds, or the WED may discontinue service to the customer until an adequate deposit is established.

C&I accounts may post a professional corporate surety performance bond with an open-end termination date in lieu of a cash deposit. Only bonds issued by bonding companies licensed to do business in Connecticut by the Insurance Commission of Connecticut shall be acceptable. At the option of the WED, a customer may be allowed up to 45 days after energizing of the account to obtain and post the bond. In this instance, the customer will need to sign a statement acknowledging that his/her service shall be disconnected if the required bond is not posted within the agreed to 45-day period.

The cash deposits of C&I accounts shall be held by the Division until termination of the service, at which time the deposit plus interest shall be paid to the customer, less any amount owed to the Division.

B. Definition of a New C&I Customer

For the purpose of this policy, a **new** C&I customer is defined as:

- Any C&I customer who has not previously had an account in their name at the WED, or has never received electric service from the WED.
- Any C&I customer who received electric service from, or had an account with, the WED in the past, but ceased to receive service at some point in time.
- Any C&I customer who, while an active customer of the WED, changed their physical location such that they now receive electric service at a new (to them) location. [In these instances, existing Commercial and Industrial customers who have had a favorable payment rating for the previous 60 months need only provide 50% of the calculated full deposit amount.]
- Upon notice of a bankruptcy filing, a C&I customer who was delinquent in the twelve months prior to the filing shall be required to post a deposit in accordance with this Policy and applicable bankruptcy law. A C&I customer who was not delinquent in the twelve months prior to the bankruptcy filing shall be considered an existing customer and no change in deposit is required.

- Any C&I customer who wishes to have the electric service at an existing account or service location placed in a new name. All outstanding balances associated with the electric service account remain in effect.
- Any C&I customer whose service has been terminated due to non-payment (see also Section E below).

C. Rate of Interest

The rate of interest paid shall be that percentage as currently set for the period(s) in question by the Town of Wallingford Public Utilities Commission.

D. Delinquent Accounts

A delinquent account shall be one where the bill for electric service is not paid in full within thirty (30) days of said billing.

E. Reconnection of Customers

Any C&I customer without a deposit whose service is terminated for non-payment shall be considered a new customer when seeking reconnection. As such, this new C&I customer may be required to post a cash deposit or professional corporate surety bond subject to this Policy and regulations adopted pursuant to Connecticut General Statutes Section 16-262j., as they may apply to municipal electric companies. Specifically, C&I customers shall be required to post a deposit per Section A of this Policy. Failure to post a deposit, as described in Section B of this Policy, shall result in the residential customer being disconnected.