

**TITLE: WALLINGFORD ELECTRIC DIVISION RESIDENTIAL 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 Residential customer deposits.

A cash deposit shall be required for any new Wallingford Electric Division (WED) Residential 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 accounts:

Residential customers at the following Wallingford Housing Authority complexes:

1. East Side Terrace
2. McGuire Court
3. McKenna Court
4. John P. Savage Commons
5. South Side Terrace

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

**A. Definitions**

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.

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.

**B. Deposits**

The deposit required from a new Residential customer shall be determined by one of the two following manners, as appropriate: 1) For an **existing** house, apartment, or condominium, the actual highest three consecutive months of usage at the service location during the previous twelve full billing months billed at the residential rate (rate 1) in effect on the day service is requested. 2) For a **new** house,

apartment, or condominium, 3 monthly bills of xxx-kWh billed at the Rate 1 Summer values in effect on the day service is requested.

In lieu of a cash deposit, new residential customers who have been a customer of another electric utility may submit a letter from their former electric utility showing a favorable payment record for at least the last 12 months they were a customer of that utility. Additionally, current or former WED customers with a favorable payment record for the most recent 12 months they were a WED customer do not need to post a deposit for any new or additional account. Residential customers shall **not** have the option of posting a bond in lieu of a cash deposit.

Upon termination of service, a residential customer's deposit shall be returned to the customer. The returned deposit will include any interest credited to the deposit, less any amount owed to the Division. Additionally, if a review of a residential account indicates the customer has had a favorable payment record for at least 12 consecutive months since the date of energizing, then the Division will return the deposit. The Division will review its residential accounts at least twice a year to identify those accounts due a refund, which will then be returned to the customer without request and together with interest.

(A favorable payment record shall be defined, for residential customers, as not having been delinquent at any time during the previous twelve months, nor having had any checks returned due to insufficient funds during that same period of time).

### **C. Definition of a New Residential Customer**

For the purpose of this policy, a new Residential customer is defined as:

- Any Residential customer who has not previously had an account in their name at the WED, or has never received electric service from the WED.
- Any Residential 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 and so is not now a customer.
- Any Residential 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.
- Upon notice of a bankruptcy filing, a Residential customer who was delinquent in the twelve months prior to the filing shall be considered a new customer and so shall be required to post a deposit in accordance with this Policy and applicable bankruptcy law. A customer who was not delinquent in the twelve months prior to the bankruptcy filing shall be considered an existing customer and no deposit is required.
- Any customer who wishes to have the electric service at an existing account or service location placed in a new name. (In the event of the death of a residential customer, a surviving spouse may have the electric service account placed in their name without providing any additional deposit funds.

- Additionally, one spouse may have the electric service account changed from the other spouse's name to their own without providing additional deposit funds. In both of these instances, all outstanding balances associated with the electric service account shall remain in effect).
- Any customer whose service has been terminated due to non-payment (see also Section C below).

**D. Reconnection of Residential Customers**

Any Residential customer without a deposit whose service is terminated for non-payment shall be considered a new customer when seeking reconnection. As such, this new customer may be required to post a cash deposit subject to this Policy and regulations adopted pursuant to Connecticut General Statutes Section 16-262j, as they may apply to municipal electric companies. Residential customers without a deposit who make adequate financial arrangements to be reconnected may, at the sole discretion of the WED, not be required to post a deposit at that time. When this is done, the customer must comply with the requirements of Section E below.

**E. Additional Time to Provide Residential Deposits**

A residential customer who is required to provide a deposit may request, in writing, to have additional time to provide the required deposit. The General Manager or his assigned management designee(s) within the WED Business Office may then allow the following:

The customer may establish service with an initial deposit of 50% of the required amount, provide they sign an agreement committing to provide at least an additional 25% of the required deposit within 30 days, and all remaining required deposit funds within 60 days. Failure to do so will cause the customer to have their electric service terminated as soon as possible under the then prevailing notice provisions and controlling State statutes. The 12-month favorable payment period relevant to the return of deposits shall begin following the provision of the full deposit amount.