

ELECTRIC RULE 7 - DEPOSITS

A. AMOUNT OF DEPOSIT

1. ESTABLISHMENT OF CREDIT

a. No deposit will be required to establish credit and initiate service with the IPUC.

2. REESTABLISHMENT OF CREDIT

Should the customer's payment history with the IPUC warrant it, the IPUC may require the customer to reestablish credit by paying a reestablishment of credit deposit. The amount of deposit required to reestablish credit will be twice the maximum monthly bill as determined by IPUC.

B. RETURN OF DEPOSIT

1. IPUC may refund a customer's deposit by draft or by applying the deposit to the customer's account and the customer will be so advised. If the customer establishes service at a new location, IPUC may retain the deposit for such new account, subject to the conditions of Sections B.3 and B.4 following.
2. Upon discontinuance of service, IPUC will refund the customer's deposit or the balance thereof that is in excess of unpaid bills for service furnished by IPUC.
3. When the customer's credit is otherwise established, IPUC will refund the deposit either upon the customer's request for return of the deposit or upon review by IPUC.
4. IPUC will review the customer's account at the end of the first twelve- (12) months that the deposit is held and each month thereafter. After the customer has had no more than two past due bills during the twelve (12) months prior to any such review and has not had service temporarily or permanently discontinued for nonpayment of bills during such period, the deposit will be refunded in accordance with B, above.
5. Deposits cannot be used to offset past due bills to avoid or delay discontinuance of service.

C. INTEREST ON DEPOSIT

1. IPUC will pay interest on deposits, except as provided below, calculated on a daily basis, and compounded at the end of each calendar month, from the date fully paid to the date of refund by check or credit to the customer's account. The interest rate applicable in each calendar month may vary and shall be equal to 1/12th of the interest rate on commercial paper (prime, 3 months) for the previous month as reported in the Federal Reserve Statistical Release, G.13, or its successor publication; except that when a refund is made within the first fifteen (15) days of a calendar month the interest rate

applicable in the previous month shall be applied for the elapsed portion of the month in which the refund is made.

2. No interest will be paid if service IS temporarily or permanently discontinued for nonpayment of bills.
3. No interest will be paid for those months where the bill is paid but is paid after the due date (late pay or over date).