

GENERAL RULES AND REGULATIONS

Rules, Regulations or Extension Policy

IX. CONSUMER DEPOSITS

A. DEPOSIT REQUIREMENTS

1. Under the circumstances enumerated below, the Association will require a cash deposit from all consumers and prospective consumers to guarantee the payment of current bills to be paid in full at time of application or before meter is to be set. All deposits will be in addition to any contribution, deposit, advance or guarantee required by this Association under any of its other Rules, Regulations and Tariffs. If the consumer is unable to pay the full amount of the deposit, upon approval of a Supervisor, arrangements may be made for partial payments to be completed in not more than thirty (30) days.

2. RESIDENTIAL SERVICES

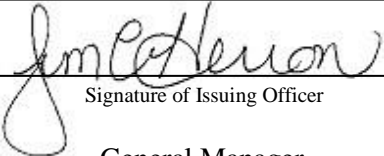
For residential rate consumers requesting service, the deposit required will be equal to an estimate of three (3) months average billing of existing services to similar facilities of similar size, with occupants of similar family size, with similar types of appliances, and with similar methods of heating, based upon a load survey that will be required from the applicant for service at the time of making application for service. A minimum deposit of \$150.00 will be charged at time of application.

Upon review of the load survey, the consumer will be notified of additional deposit if required.

3. COMMERCIAL SERVICES

For commercial rate consumers requesting service, the deposit required will be equal to three (3) times the highest monthly billing based upon existing services to similar facilities of similar size, with similar occupancy, with similar types of electric requirements, and with similar methods of heating, based upon a load survey that will be required from the applicant for service at the time of making application for service. A minimum deposit of \$150.00 will be charged at time of application.

Upon review of the load survey, the consumer will be notified of additional deposit if required.


Signature of Issuing Officer

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IX. CONSUMER DEPOSITS (cont.)

B. ADDITIONAL DEPOSIT

1. RESIDENTIAL SERVICES

- a. Consumers whose accounts have developed an unacceptable payment history or reached a sixty (60) day past due status will be assessed a deposit of three (3) months average billing, and amounts to bring the total deposit to this level will be immediately due and payable.
- b. Consumers involuntarily disconnected by the Association for non-payment of bills will be required to have on file with the Association a deposit of the greater of \$150.00 or a balance of three (3) months average billing before service is reinstated.

2. COMMERCIAL SERVICE

- a. Consumers whose accounts have developed an unacceptable payment history or reached a sixty (60) day past due status will be assessed a deposit of three (3) times the highest monthly billing, and amounts to bring the total deposit to this level will be immediately due and payable.
- b. Consumers involuntarily disconnected by the Association for non-payment of bills will be required to have on file with the Association a deposit of the greater of \$150.00 or a balance of three (3) times the highest monthly billing before service is reinstated.

C. WAIVER OF DEPOSIT

- 1. A deposit may not be required for applicants who are not members of the Association, if a letter concerning credit from the current or preceding utility for a similar rate classification is provided and indicates the following:
 - a. Received service from a previous utility which provided service during the previous ninety (90) days;
 - b. Received service for at least twelve (12) consecutive months;
 - c. Received no delinquent notices during the previous twelve (12) months of service; and
 - d. No balances past due.



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IX. CONSUMER DEPOSITS (cont.)

C. WAIVER OF DEPOSIT (continued)

- 2. A deposit may not be required for applicants who have been active members of the Association for twelve (12) months or more, and are presently served within the rate classification for which the application is being made and whose account shows no payment received after the due date in the previous twelve (12) months. C
- 3. A deposit may not be required for applicants who are not active members of the Association but rendered payment to the Association for electric service which was in another person's name within the rate classification for which the application is being made. Applicants must provide evidence, i.e. cancelled check or cash receipt, that they have paid for service for twelve (12) consecutive months with no payment received after the due date. C
- 4. For residential applicants who are not currently members of the Association at the time the deposit is required, the deposit may be waived when the applicants agree to provide the Association with information necessary to obtain a risk assessment score from a consumer credit reporting agency, and such report reflects a rating acceptable to the Association.

D. USE OF DEPOSIT

The making of a deposit will not relieve any consumer from the payment of current bills as such bills become due and no deposit will be applied by the Association to any indebtedness of the consumer to the Association except to a bill for utility services due or past due after service is terminated.

E. RETURN OF DEPOSIT

- 1. For residential consumers, deposits will be returned to the consumer as a credit to the consumer's account upon termination of service or when credit history reflects no payment received after the due date in the previous twelve (12) months, whichever occurs earlier. C
- 2. For commercial consumers, the deposit will be retained and applied as a credit to the consumer's account upon termination of service. C



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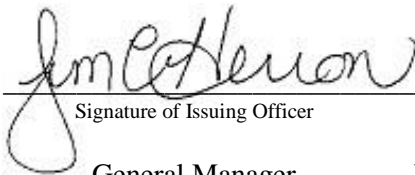
IX. CONSUMER DEPOSITS (cont.)

F. INTEREST TO BE PAID ON DEPOSITS

- 1. Interest on deposits will be earned for the time held by the Association and will be calculated from the date the deposit is received by the Association to the date of payment to the consumer in cash or to the date the deposit is credited to the consumer's account. For deposits retained for periods longer than twelve (12) months, the interest on the deposit amount will accrue at the effective interest rate for the time held in the interest period. Interest payments will be credited to the consumer's account annually.
- 2. The rate of interest will be the same as the rate set by the Colorado Public Utilities Commission for utilities under its jurisdiction.

G. RECORDS OF DEPOSIT

- 1. At the time the deposit is made, the Association will provide the depositor with a record of the deposit, indicating the name of the depositor, the date and amount of the deposit.
- 2. The Association will keep a record of all such deposits containing the following information:
 - a. The name of the consumer making the deposit;
 - b. The premises occupied by the consumer when making the deposit and each successive premises occupied while the deposit is retained by the Association;
 - c. The amount and date of the deposit;
 - d. A record of all transactions affecting the deposit including interest credited, interest paid, refunds, etc.



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