

ELECTRIC SERVICE REGULATION NO. 9

STATE OF IDAHO

Deposits and Advance Payments

1. DEPOSIT REQUIREMENTS AND CUSTOMER ADVANCES

(a) Residential Customers

The Company will not require or hold any deposit from any current residential customer or applicant for service without proof that the customer or applicant is likely to be a credit risk or to damage the property of the Company. The customer or applicant shall be assumed to be a satisfactory credit risk unless:

- (1) The customer or applicant has outstanding a prior service account with the Company that accrued within the last four years and at the time of application for service remains unpaid and not in dispute; or
- (2) Within the last four years, the applicant's service from the utility has been terminated due to one of the following: nonpayment of any undisputed delinquent bill(s), misrepresentation of the customer's or applicant's identity, failure to reimburse the Company for damages due to negligent or intentional acts of the customer, or obtaining, diverting or using service without the authorization or knowledge of the Company; or
- (3) Information provided by the applicant upon application for service is materially false or materially misrepresentative of the applicant's true status.
- (4) The applicant did not have service with the utility for a period of at least twelve (12) consecutive months during the last four (4) years, and does not pass an objective credit screen.
- (5) Initiation or continuation of service to a residence where a prior customer still resides and where any balance for such service to that prior customer owes a past due bill.
- (6) The utility has given the customer two (2) or more written final notices of termination within the last twelve (12) consecutive months.

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(b) Small Commercial Customers

An applicant may be required to pay a deposit as a condition of service for the reasons stated in **(a)** above, or additionally, when the applicant is applying for service for the first time from the Company.

(c) Industrial, Large Commercial and Irrigation Customers

The Company may require a deposit or an advance payment from current and prospective industrial or large commercial customers or may require an advance payment from irrigation customers for the reasons stated in **(b)** above, or additionally:

- (1)** The Customer fails to pay the account on or before the date such payment is delinquent.
- (2)** For seasonal service as an advance payment for service required during the ensuing year.
- (3)** The nature of the Customer's operation is extremely speculative or subject to a high probability of failure.

2. BANKRUPT CUSTOMERS

If an applicant for service or a customer has sought any form of relief under the Federal Bankruptcy Laws, has been brought within the jurisdiction of the bankruptcy court for any reason in an involuntary manner, or has had a receiver appointed in a state court proceeding, then a deposit may be required as a condition of service.

3. EXPLANATION OF DENIAL OF SERVICE OR REQUIREMENT OF DEPOSIT

If the Company denies service or requires a deposit as a condition of providing service, then it must immediately provide an explanation regarding the reason for the deposit or denial of service. If service is currently being provided to the premises occupied by an applicant, the Company shall provide written notice of its refusal to serve.

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4. AMOUNT OF DEPOSIT

A deposit required as a condition of service shall not exceed one-sixth of the Company's estimate of annual billings for residential and small commercial customers. For industrial and large commercial customers, deposits shall not exceed two months of the Company's estimated peak billings. The deposit may be paid in two equal installments; the first paid at the time of application and the second payable in one month.

5. INTEREST ON DEPOSITS

Interest on deposits held by the Company shall be accrued at the rate established annually by the order of the Idaho Public Utilities Commission. Interest shall be computed from the time the deposit is made until it is returned or applied to the bill. Interest will not accrue on a deposit if service is terminated temporarily at the request of a customer who leaves the deposit with the Company for future use as a deposit, or if service has been permanently terminated and the Company has been unsuccessful in its attempt to refund a deposit.

6. RETURN OF DEPOSIT

(a) Existing Residential and Small Commercial Customers

If the Customer has paid all undisputed bills and has no more than one (1) late payment during the past twelve (12) consecutive months of service, the Company shall promptly return the deposit (with accrued interest) by either crediting the Customer's current account or issuing a refund.

(b) Former Customers

Upon termination of service, the deposit, with accrued interest, shall be credited to the final bill. The balance of the deposit remaining, if any, shall be returned promptly to the customer.

(c) Retention During Dispute

The Company may withhold the release of the deposit pending the resolution of a dispute. For residential and small commercial customers, interest will be paid for the entire period over which the deposit was held. For industrial, large commercial and irrigation customers, the Company will continue to pay interest if the resolution is in the customer's favor.

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7. TRANSFER OF DEPOSIT

A Deposit, less any outstanding balance, shall be transferable and applicable for service to the same customer at a new location within the Company's service area. Deposits shall not be transferred from one customer to another customer or between classes of service.

8. RECEIPT FOR DEPOSIT

When payment of a deposit is made, a receipt shall be furnished to each applicant or customer for the amount deposited.

9. ADVANCE PAYMENTS

An advance payment may be required from seasonal industrial, commercial and irrigation customers as a condition of service. The amount of advance required from seasonal customers may be the total estimated charges for a 12-month period. Customer advances shall be credited to the customer's account and if, at the end of the season, a credit balance remains, such balance will be refunded to the customer.

10. LARGER OR NEW DEPOSITS AND ADVANCES

Nothing in this regulation shall prevent the Company from requiring a deposit or advance or a larger deposit or advance from existing customers in conformity with the standards set forth in this regulation. Should a larger or new deposit or advance be required, the reason therefor shall be specified in writing to the customer.