

Rule No. 13
DEPOSITS

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A. Deposit for Residential Service

1. Deposits for Establishing Service (“New Service Deposits”)

(N)

a. A Deposit for establishing service must not exceed an amount equal to 150 percent of the Customer’s estimated average monthly bill for the new service. The estimated average monthly bill will be calculated based on the last 12 months of actual usage at the Premise.

b. Deposits for multiple types of Utility service must be calculated separately.

c. If an elderly Customer is charged a New Service Deposit:

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- i. the Deposit must not exceed 50 percent of the Deposit established pursuant to subsection 1.a.
- ii. if a termination of service for non-payment of bills occurs or the Customer has more than three (3) or more Delinquent Bills within a 12-month period, the remaining 50 percent of the Deposit must be provided.
- iii. if the Utility wishes to require a Deposit of an elderly Customer, after the elderly Customer has three (3) Delinquent Bills, the Utility must notify the Customer that upon a fourth such occurrence, a Deposit will be required.

d. The Utility will waive a New Service Deposit when:

(N, L)

- i. A person is receiving disability benefits from any state or federal agency, once documentation of the receipt of benefits is received by the Utility.
- ii. A person is receiving payments from the Social Security Administration or a retirement plan, once documentation of the receipt of payments is received by the Utility.
- iii. A person is on active military duty, once documentation of such status is received by the Utility.
- iv. A person is a veteran of the U.S. Military, once documentation of such status is received by the Utility.
- v. A person enrolls in bank draft or electronic funds transfer for payment of their Utility bill and maintains that payment process.

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Rule No. 13
DEPOSITS
(CONTINUED)

(T)

A. Deposit for Residential Service (Continued)

2. Deposits for Reestablishing Service or Reestablishing Satisfactory Credit

(N, L)

a. If the service of a Customer has been terminated for non-payment of bills and the Customer is not currently receiving service, the Deposit required by the Utility for resumption of service must not exceed an amount equal to 150 percent of the Customer's estimated average monthly bill for the service to be resumed. The estimated average monthly bill will be calculated based on the last 12 months of actual usage at the Premise.

b. Where a Deposit is assessed due to any other failure to maintain Satisfactory Credit as provided in Rule No. 1, the Deposit must not exceed 150 percent of the average monthly bill for all of the Customer's accounts with the Utility. The estimated average monthly bill will be calculated based on the last 12 months of actual usage at the Premise or Premises at which the Customer receives service.

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c. For Customers who are subject to termination of service for non-payment of bills and who request the resumption or continuation of service, a Deposit in addition to any other required Deposits shall be required only if any initial Deposit has been returned to the Customer or more than half of the Deposit has been applied to the account of the Customer. In no event may the amount of the Deposit held by the Utility exceed the amounts specified above.

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d. A Customer who is required to pay a Deposit must be permitted to enter into a written agreement with the Utility for payment of the Deposit in installments.

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i. If such an agreement is entered into the Customer may be required to pay:

(a) An amount equal to at least one-third of the Deposit, if the Deposit is more than \$50.00, before service is provided; and

(b) The remainder of the Deposit, in not more than two equal installments, not later than 30 and 60 days, respectively, after the date of the agreement; and

(c) Late fees on the Customer's past due balance. Funds paid by the Customer will be applied first to the Customer's Deposit and thereafter to the Customer's unpaid balance.

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(CONTINUED)

(T)

A. Deposit for Residential Service (Continued)

2. Deposits for Reestablishing Service (Continued)

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- ii. The agreement must:
 - (a) Specify the date on which each installment is due; and
 - (b) Contain a statement of the provisions of this section; and
 - (c) State in boldface type the right of the Utility to terminate the service of the Customer for any failure to pay the Deposit.
- iii. The service of the Customer may be terminated without notice for any failure to pay the Deposit in accordance with the agreement and, in such a case, the Customer may be required to pay the full amount of the Deposit, plus any other money owed the Utility, before service is restored.

e. Deposits for multiple types of Utility service must be calculated separately.

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3. Guarantor

- a. A Guarantor may be used in place of a Deposit.
- b. The Guarantor must be a Residential Customer of the Utility with Satisfactory Credit.
- c. The liability of a Guarantor to pay the bill or bills the Residential Customer fails to pay when due is limited to the amount of the Deposit that the Customer otherwise would have been required to pay and ceases after the date the Deposit otherwise would have been required to be returned.
- d. A Guarantor who is required to make a bill payment on behalf of a Residential Customer, up to the amount of the Deposit that the Residential Customer would otherwise have been required to pay, must pay the amount owed within a period of not more than 3 months. If payment is not made within that period, by either the Guarantor or the Customer, the Utility may terminate service to the Customer and the Guarantor without further notice.

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Rule No. 13
DEPOSITS
(CONTINUED)

B. Deposits for Non-Residential Service

1. Deposits for Establishing Service

Such Deposits must not exceed an amount equal to 200 percent of the estimated average monthly bill for all of the Customer's new accounts with the Utility. The estimated average monthly bill will be calculated based on the last 12 months of actual usage at the Premise or Premises at which the Customer will receive service.

2. Deposits for Reestablishing and Maintaining Service

a. Where a Deposit is assessed because of a termination of service for non-payment of bills or a returned payment or a Delinquent Bill, the Deposit must not exceed 200 percent of the average monthly bill for the Premise affected by the service termination or the returned payment or Delinquent Bill.

b. Where a Deposit is assessed due to any other failure to maintain Satisfactory Credit as provided in Rule No. 1, the Deposit must not exceed 200 percent of the average monthly bill for all of the Customer's accounts with the Utility. The estimated average monthly bill will be calculated based on the last 12 months of actual usage at the Premise or Premises at which the Customer receives service.

3. Payment Arrangement for Deposit

a. The Utility may permit a Non-Residential Customer who is required to pay a Deposit to enter into a written agreement with the Utility for payment of the Deposit in installments.

b. If the Utility enters into such a written agreement, the Utility may terminate the service of the Non-Residential Customer without notice for any failure to pay the Deposit as agreed and, in such a case, the Non-Residential Customer may be required to pay the full amount of the Deposit, plus any other money owed the Utility, before service is restored.

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C. General Conditions for All Deposits

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1. The Utility will pay interest on Deposits at the rate computed, as set forth in NRS 704.655(1), from the date the Deposit is fully paid until the date of settlement or withdrawal of the Deposit. Where the Deposit remains for a period of one year or more and the person making the Deposit continues to be a Customer, the interest on the Deposit shall be applied semi-annually and shall be either paid in cash to the depositor or applied to the depositor's account as the depositor may desire.
2. By posting a Deposit, the Customer agrees that the Deposit is a pledge to make future payments to the Utility and does not constitute a payment for future services that are furnished by the Utility
3. A Utility may apply the Deposit to any amounts on any of the Customer's Accounts which are outstanding at the time service is terminated or when discontinued at the request of the Customer.
4. A Customer Deposit may be combined with any arrearage, and the Customer may pay the Deposit and the arrearage pursuant to an agreement for deferred payment pursuant to Section A.2.d (for a Residential Customer) or Section B.3 (for a Non-Residential Customer) of this Rule No. 13.
5. Return of Deposit
 - a. Residential Customers
 - i. The Utility shall return any Deposit in full, plus interest, to the Residential Customer upon the Customer establishing or reestablishing Satisfactory Credit pursuant to Rule No.1.
 - ii. Notwithstanding any other provision in the Tariff Schedules, if the Residential Customer/Applicant does not pay an amount owed Utility for electric service or otherwise due the Utility under the Tariff Schedules or an agreement between Customer/Applicant and the Utility, then the Utility can offset the amount it owes Customer/Applicant against amounts Customer/Applicant owes the Utility.

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Rule No. 13
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(CONTINUED)

C. General Conditions for All Deposits (Continued)

5. Return of Deposit (Continued)

b. Non-Residential Customers

- i. For any deposit from a Non-residential Customer that resulted from a termination of service for non-payment of bills, a returned payment, or a Delinquent Bill within the previous 24 months, at the end of the twenty-four month period following receipt of the deposit, the Utility shall return the Deposit in full, plus interest, to the Non-residential Customer upon the Customer establishing or reestablishing Satisfactory Credit pursuant to Rule No. 1.
- ii. Any deposit from a Non-residential Customer that resulted from a material adverse change in its financial condition will be reviewed at the end of the twenty-four month period following receipt of the deposit and returned to the Non-Residential Customer, plus interest, if a determination is made that the adverse change that necessitated the deposit no longer impacts the Customer's ability to meet its obligations in a timely manner.
- iii. Notwithstanding any other provision in the Tariff Schedules, if the Non-Residential Customer/Applicant does not pay an amount owed the Utility for electric service or otherwise due the Utility under the Tariff Schedules or an agreement between Customer/Applicant and the Utility, then the Utility can offset the amount it owes Customer/Applicant against amounts Customer/Applicant owes the Utility.

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