

**RULE NO. 6**

**ESTABLISHMENT AND RE-ESTABLISHMENT OF CREDIT**

**A. ESTABLISHMENT OF CREDIT**

**1. Residential Service**

Each residential Applicant, before receiving service, may be required to satisfactorily establish credit. Credit will be deemed established if the Applicant makes a deposit to secure payment of bills for the service as prescribed in Rule No. 7.

**2. Nonresidential Service**

Each nonresidential Applicant, before receiving service, may be required to satisfactorily establish credit. Credit will be deemed established if the Applicant makes a deposit to secure payment of bills for the service as prescribed in Rule No. 7.

**B. RE-ESTABLISHMENT OF CREDIT**

**1. Residential Customer**

In addition to paying any outstanding unpaid residential electric bills due the Company, a residential Applicant or Customer may be required to re-establish credit by depositing a payment in the amount prescribed in Rule No. 7 if:

- a. during the last 12 months of the Applicant's or Customer's prior residential service with the Company, service was disconnected due to nonpayment of bills, or
- b. the Applicant or Customer owes an outstanding balance for prior residential service, or
- c. the Applicant or Customer was referred to a collection agency for collection, or
- d. the Applicant or Customer was disconnected due to unauthorized use, or
- e. the Customer fails to pay for residential electric bills before they become past due as prescribed in Rule No. 11, regardless of whether or not service has been discontinued for such nonpayment.

**2. Nonresidential Customer**

The Company may require at any time from a Nonresidential Customer a security deposit intended to guarantee payment of bills. The amount of such deposit shall be calculated in accordance with Rule No. 7.

(Continued)

**Issued by**

Advice Letter No.	<u>512-E</u>	<u>R. Bryce Dalley</u>	Date Filed	<u>December 10, 2014</u>
		Name		
Decision No.	<u>                    </u>	<u>VP, Regulation</u>	Effective	<u>January 9, 2015</u>
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**RULE NO. 6**

**ESTABLISHMENT AND RE-ESTABLISHMENT OF CREDIT (Continued)**

**B. RE-ESTABLISHMENT OF CREDIT (Continued)**

**3. Small Business Customer**

The Company may require at any time from a Small Business Customer, as defined in Rule No. 1, a security deposit intended to guarantee payment of bills. However, the Company may not require a Small Business Customer to pay a deposit to re-establish credit based on the Customer's failure to pay charges resulting from a billing adjustment. Prior to the Company assessing a deposit to a Small Business Customer to re-establish credit, the Company will provide a letter after at least one late payment to notify the Small Business Customer that a deposit to re-establish credit may be required if another late payment occurs within the same twelve-month period. The amount of such deposit shall be calculated in accordance with Rule No. 7.

**Issued by**

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