

**GENERAL RULES AND REGULATIONS**  
**DEPOSIT**

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**Deposit****A. General**

In accordance with the conditions listed below, a Customer or Applicant may be required to provide a deposit intended to guarantee payment of future bills. The amount of the deposit will be one sixth of the estimated annual billings for services provided by the Company, based on actual connected load, except for Agricultural Pumping Service where the amount of the deposit will not exceed the estimated ensuing season's billing for services provided by the Company. See Schedule 300.

In the event a Customer moves from one location to another location a supplemental deposit may be collected when the estimated deposit at the new location is greater than 20% of the existing deposit.

When a residential Customer or Applicant is required to pay a deposit, a residential Customer or Applicant shall pay the full amount or may enter into an installment agreement if eligible. The first installment is due immediately and the remaining installments are due with the subsequent two monthly billings after the first installment. If a residential Customer or Applicant fails to abide by the terms of a deposit installment agreement, the Company may disconnect service after providing a notice that allows at least 5 business days for payment. Residential Customers or Applicants who do not pay the full amount of any overdue charges related to a prior account, or who were disconnected for tampering or theft of service, are not eligible for a deposit installment agreement. In addition, non residential Customers or Applicants are not eligible for a deposit installment agreement.

If service is disconnected for nonpayment of a deposit, the Customer or Applicant shall be required to pay the full amount of the deposit plus any applicable reconnection fee, late payment charge, and one-half of any past due amount before service is restored.

In the event a Customer or Applicant's initial deposit payment is not honored by their financial institution the deposit will be deemed unpaid. The Company will attempt to notify the Customer or Applicant of the failed payment, and the Customer or Applicant will have one business day in which to make a valid payment. If a valid payment is not received, service may be discontinued without further notice. When a deposit is required as a condition of service and the initial deposit payment has been deemed unpaid by the Applicant's financial institution, the application for service will be denied and the Applicant will not have acquired Customer status.

A Customer or Applicant will not be required to pay a deposit to establish or reestablish service with the Company if the Customer or Applicant is verified as Low-Income. The establishment or reestablishment of credit under this rule shall not relieve a Customer or Applicant from complying with the rules and regulations of the Company on file with the Commission including, but not limited to, the prompt payment of bills and the discontinuance of service for nonpayment.

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**Deposit (continued)****B. Deposit Requirements for Residential Customers or Applicants**

1. A Customer or Applicant shall establish credit to the satisfaction of the Company. Satisfactory credit shall be deemed established if the Customer or Applicant demonstrates any of the following and a deposit is not required under section (2) below:
  - a. Received 12 months of continuous electric service during the preceding 24 months prior to application and the Customer or Applicant voluntarily terminated service and timely paid for all services rendered; or
  - b. The Customer or Applicant provides proof of ability to pay by either:
    - i. Submitting proof of employment during the entire 12 months previous to the application for service; or
    - ii. Submitting documentation from an income provider, which the Company can verify, confirming the Customer or Applicant receives a regular source of income.
2. A Customer or Applicant may be required to pay a deposit at the time of application for new or continued service when:
  - a. The Customer or Applicant is unable to establish credit as defined in section (1) above of this rule;
  - b. The Customer or Applicant received the same type of utility service from the Company or any regulated Oregon utility within the preceding 24 months and owed an account balance that was not paid in full when service was terminated or has been disconnected for nonpayment. This does not apply to Customers who register a dispute with the Commission within 60 days after service is terminated and promptly pay all undisputed amounts;
  - c. The Customer or Applicant was previously terminated for theft of service by any regulated Oregon utility, was found to have tampered with the meter or other utility facilities, or was otherwise found to have diverted utility service; or
  - d. The Customer or Applicant provided false information to establish an account and/or establish credit.

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**Deposit (continued)****B. Deposit Requirements for Residential Customers or Applicants (continued)**

In lieu of paying a deposit, a Customer or Applicant may provide a written surety agreement in the amount of an average two month billing, co-signed by a current Customer of the Company who has received service continuously for the preceding 12 months without late payment. The surety agreement will cease when the Customer establishes credit satisfactory to the Company. The surety agreement will also cease if the guarantor has been disconnected for non-payment, tampered with or diverted service, provided false information or no longer has service with the Company.

**C. Deposit Requirements for NonResidential Customers or Applicants**

Before an application for service is accepted, the Applicant shall establish credit to the satisfaction of the Company. Satisfactory credit shall be deemed established if the Applicant meets one of the following requirements:

1. Has received continuous service of the type applied for from a utility during the 12 month period prior to application without receiving more than two notices of disconnection.
2. Provides the Company with an irrevocable Letter of Credit issued by a creditworthy financial institution under terms acceptable to the Company.
3. Provides a surety (performance) bond or other form of guarantee acceptable to the Company.

A deposit will be required when an Applicant does not satisfy the above criteria, or when a Customer or Applicant has been disconnected for nonpayment within the last 12 months, was previously terminated for theft of service by any Oregon utility, was found to have tampered with the meter or other utility facilities, was found to have diverted utility service or has provided false information to establish credit.

In the case of a Customer with an average or estimated monthly electric service bill of \$10,000 or more; the Company may require a security deposit at any time when credit cannot be established and/or information is disclosed which the Company believes will impact the Customer's ability to pay its electric service bills. Such an event would include, but not be limited to public disclosure of significant financial losses; inability to make scheduled debt payments; disclosure that the Customer is considering filing for bankruptcy; foreclosure of the Customer's assets by secured creditors or sale of the Customer's assets in order to fulfill secured credit obligations.

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**Deposit (continued)****D. Deposit Requirements for Agricultural Pumping Customers or Applicants**

Before an application for service is accepted, an Applicant for any service which is billed under the Company's filed tariffs for agricultural pumping, shall establish credit to the satisfaction of the Company. Satisfactory credit shall be deemed established if the Applicant meets one of the following requirements:

1. Has received continuous service of the type applied for from a utility during the 12-month period prior to application without receiving more than two notices of disconnection.
2. Provides the Company with an irrevocable Letter of Credit issued by a creditworthy financial institution under terms acceptable to the Company.
3. Provides a surety (performance) bond or other form of guarantee acceptable to the Company.

A deposit will be required when an Applicant does not satisfy the above criteria, or when a Customer or Applicant has been disconnected for nonpayment within the last 12 months, was previously terminated for theft of service by any Oregon utility, was found to have tampered with the meter or other utility facilities, was found to have diverted utility service or has provided false information to establish credit.

**E. Direct Access Service Deposit Requirements**

When an Applicant applies for Cost Based Service, Standard Offer Service or Emergency Default Service, either by default or choice, credit shall be established to the satisfaction of the Company. Satisfactory credit shall be deemed established if the Applicant meets one of the following requirements:

1. Has received continuous service of the type applied for from a utility during the 12-month period prior to application without receiving more than two notices of disconnection,
2. Provides the Company with an irrevocable Letter of Credit issued by a creditworthy financial institution under terms acceptable to the Company.
3. Provides a surety (performance) bond or other form of guarantee acceptable to the Company.
4. Demonstrated its creditworthiness based on a credit review by the Company.

A deposit will be required when the Applicant does not satisfy the above criteria, or when an Applicant or Customer has been disconnected for nonpayment within the last 12 months, was previously terminated for theft of service by any Oregon utility, was found to have tampered with the meter or other utility facilities, was found to have diverted utility service or has provided false information to establish credit.

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**Deposit (continued)****F. Interest**

The Company shall pay interest on deposits at a rate prescribed by order of the Public Utility Commission of Oregon. Interest on a deposit shall accrue annually and shall be credited to the Customer's account on the first statement following the anniversary or the accrual date. Interest on deposits held for less than a full year will be prorated.

**G. Refund of Deposit**

Upon discontinuance of service, the Company will apply the deposit plus accrued interest to the balance and refund any excess. Deposits will be refunded to a Customer when the following conditions are met:

1. Residential, Direct Access and Non Residential Service Less than \$10,000 Monthly Billing

Under the provisions of this rule, credit shall be considered to be established or re-established after a residential, direct access or non residential Customer, as described above, has paid service bills for 12 consecutive months, and the following conditions are met:

- a. The account is current,
- b. Not more than two final notices of disconnection were issued to the Customer during the previous 12 months,
- c. The Customer was not disconnected for non-payment, and
- d. The Customer did not engage in theft of service, diversion of energy service or tampering with the Company's equipment during the previous 12 months.

2. Non Residential Service Greater Than \$10,000 Monthly Billing

When the Company has determined that the material adverse condition which necessitated the deposit no longer impacts the Customer's creditworthiness or the Customer's ability to meet its obligations in a timely manner, the deposit with accrued interest will be refunded to the Customer.

3. Agriculture Pumping Service

Deposits will be refunded if the Company has received payments for all irrigation season billings by the due date on the final bill.

4. Low-Income Residential Service

If a Residential Customer is identified as Low-Income after paying all or a portion of a deposit, the Company will return the deposit within two billing cycles. The deposit will first be applied to any outstanding balance on the residential customer's account. If there are any remaining funds, they will be applied to the Customer's account or returned by electronic payment or check mailed directly to the Customer's last known address. If a Low-Income Customer's account is current, the deposit will be applied to the Customer's account or returned by electronic payment or check mailed directly to the Customer's last known address.