

(b) In determining whether an applicant for service has satisfactorily established its credit, the utility shall consider the following factors before requiring a security deposit.

1. Credit information from credit reporting services;
2. Letter of credit from a financial institution or another utility;
3. Applicant's business characteristics, such as type of business, length of time the applicant has operated, the applicant's business experience and knowledge, and estimated size of the applicant's bills;
4. Assets of the business;
5. The financial condition of the business, as indicated in a financial statement.

(c) The utility shall notify the applicant within 30 days of the request for service as to whether a deposit will be required. The 30-day period shall begin from the date the applicant provides all requested relevant information to the utility. If no request for a deposit is made within this period, no deposit shall be required, except under the provisions of sub. (4) (a). If a request for a deposit is made, the applicant must be given at least 20 days to provide payment, or guarantee, or to establish an installment payment agreement.

(d) The deposit of a commercial customer shall be refunded after 24 consecutive months of prompt payment. Payment is considered prompt if made prior to notice of disconnection for nonpayment not in dispute.

(4) EXISTING COMMERCIAL SERVICE. (a) An existing commercial customer may be required to furnish a deposit if the customer has not made prompt payment of all bills within the last 24 consecutive months.

(b) When the utility requests a deposit of an existing commercial customer, the customer shall have 20 days to provide the deposit, guarantee, or to establish an installment payment agreement.

(c) Refund of the deposit of an existing commercial customer shall be made in accordance with s. PSC 113.131 (3) (d).

(5) CONDITIONS OF DEPOSIT. The maximum deposit for a new commercial or residential account shall not exceed the highest estimated gross bill for any 2 consecutive billing periods selected by the utility.

The maximum deposit for an existing commercial or residential account shall not exceed the highest actual gross bill for any 2 consecutive months within the preceding 12 month review period as determined by the utility.

(6) INTEREST. Deposits for commercial or residential service shall bear interest of at least 8% payable from the date of deposit to the date of refund or discontinuance of service, whichever is earlier.

(7) ARREARAGES. An arrearage owed by a customer may be deducted from the customer's deposit under the following conditions:

(a) A deposit may be used by the utility to satisfy an arrearage occurring after the deposit was made.

(b) If the utility deducts an arrearage from a customer deposit, it may require the customer to bring the deposit up to its original amount. Failure of the customer to do so within 20 days of mailing a written request for payment is ground for disconnection.

(c) When a deposit is refunded to the customer, the utility may first deduct any arrearage owed by the customer, whether the arrearage arose prior to or after the date of the deposit.

(8) REVIEW. The utility shall review the payment record of each residential utility customer with a deposit on file at 12-month intervals. The utility shall not require or continue to require a cash deposit unless a deposit is required under the provisions of s. PSC 113.131 (2).

(9) REFUND. Any deposit or portion thereof refunded to a commercial or residential customer shall be refunded by check unless both the customer and the utility agree to a credit on the regular billing, or unless sub. (10) applies.

(10) ACCRUED INTEREST. Upon termination of service, the deposit, with accrued interest, shall be credited to the final bill and the balance shall be returned promptly to the customer.

(11) WRITTEN EXPLANATION. A utility shall not require any commercial or residential customer to pay a deposit or establish a guarantee in lieu of deposit without explaining, in writing if requested, why that deposit is being required.

(12) REFUSAL OF SERVICE. Commercial or residential service may be refused or disconnected for failure to pay a deposit request subject to the rules pertaining to disconnection and refusal of service. (s. PSC 113.132).

(13) GUARANTEE TERMS AND CONDITIONS. (a) The utility may accept, in lieu of a cash deposit, a contract signed by a guarantor satisfactory to the utility whereby payment of a specified sum not exceeding the cash deposit requirement is guaranteed. The term of such contract shall be for no longer than 2 years, but shall automatically terminate after the commercial or residential customer has closed its account with the utility, or at the guarantor's request upon 30 days' written notice to the utility.

(b) Upon termination of a guarantee contract or whenever the utility deems same insufficient as to amount of surety, a cash deposit or a new or additional guarantee may be required upon reasonable 20-day written notice to the customer. The service of any customer who fails to comply with these requirements may be disconnected upon 8 days' written notice, subject to sub. (14) for a residential customer or the establishment of an installment payment agreement for a commercial customer.

(c) The utility shall mail the guarantor copies of all disconnect notices sent to the customer whose account he has guaranteed unless the guarantor waives such notice in writing.

(14) DEFERRED PAYMENT. (a) In lieu of cash deposit or guarantee, an applicant for new residential service who has an outstanding account accrued within the last 6 years with the same utility shall have the right to receive service from that utility under a deferred payment agreement as defined in s. PSC 113.133 for the outstanding account.

(b) A commercial customer or applicant for commercial service of which a deposit is requested shall have the right to receive service under an installment payment agreement.

(15) **APPLICABILITY.** The rules in subs. (13) and (14) are not applicable to deposits or guarantees made in connection with the financing of extensions or other equipment.

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PSC 113.132 Disconnection and refusal of service. (1)(a) In no circumstances will the cumulative time before notice of disconnection be less than 20 days after the date of issuance of the bill and an account may be deemed delinquent for the purpose of disconnection after such period has elapsed.