

utility, the full amount of the calculated difference between the amount paid and the recalculated amount shall be refunded to the customer. The refund to an existing customer may be in cash or as credit on a bill. If a refund is due a person no longer a customer of the utility, a notice shall be mailed to the last known address and the utility shall, upon request made within 3 months thereafter, refund the amount due.

(5) Where a meter in service is found not to register or is found to have an average percent registration of less than 97, the utility may bill the customer for the amount the test indicates has been undercharged for the period of inaccuracy, which period shall not exceed the last 6 months the meter was in service unless otherwise authorized by the commission after investigation. This limitation does not apply in the case of wholesale customers. No back bill will be sanctioned if the customer has called to the company's attention his doubts as to the meter's accuracy and the company has failed within a reasonable time to check it.

(6) Subject to the utility's rules setting forth the method of determining a reduced rate herein authorized, if a leak unknown to the customer is found in an appliance or the plumbing, the utility may estimate the water so wasted and bill for it at a reduced rate not less than the utility's cost thereof. No such adjustment shall be made for water supplied after the customer has been notified and has had an opportunity to correct the condition.

(7) Where, because of some deficiency in the utility's portion of the facilities and at the request of the utility, a customer permits a stream of water to flow to prevent freezing of the service or main the utility shall adjust his bill for the excess consumption which results.

(8) A classified record shall be kept of the number of refunds and charges made because of inaccurate meters, misapplication of rates, and erroneous billing. A summary of the record for the previous calendar year shall, upon request, be submitted to the commission by April 1.

History: Cr. Register, May 1972, No. 197, eff. 6-1-72.

PSC 185.36 Deposits. (1) **NEW RESIDENTIAL SERVICE.** A utility shall not require a cash deposit or other guarantee as a condition of new service unless a customer has an outstanding account balance with any Wisconsin water utility which accrued within the last 6 years, and which at the time of the request for new service remains outstanding and not in dispute. (See PSC 185.39.)

(2) **EXISTING RESIDENTIAL SERVICE.** A utility shall not require a cash deposit or other guarantee as a condition of continued service unless either or both of the following circumstances apply:

(a) The utility has shut off or discontinued the service of the customer within the last 12-month period for violation of the utility's filed rules or for non-payment of a delinquent service account not currently in dispute.

(b) Subsequent credit information indicates that the initial application for service was falsified or incomplete to the extent that a deposit would be required under this section.

(3) **NON-RESIDENTIAL SERVICE.** (a) In the case of non-residential service if the credit of an applicant for water service has not been estab-

lished satisfactorily to the utility, he may be required to deposit a sum not exceeding the estimated gross bills for all water service, both billed and unbilled, which can be supplied before the utility's filed disconnect rule becomes applicable. The amount to be deposited may be a minimum of \$1 per month for each class of water service furnished.

(b) The deposit shall be refunded after 24 consecutive months of prompt payment. In no case, however, will a deposit be refunded if the customer's credit standing is not satisfactory to the utility.

(c) Payment shall be considered "prompt" if it is made prior to notice of disconnection for nonpayment not in dispute.

(4) **CONDITIONS OF DEPOSIT.** The maximum deposit for a new or existing residential account shall not exceed the estimated gross bills for all water service, both billed and unbilled, which can be supplied before the utility's filed disconnect rule becomes applicable. The amount to be deposited may be a minimum of \$1 per month for each class of water service furnished.

(5) **INTEREST.** (a) Deposits shall bear interest payable from the date a deposit is made to the date it is applied to an account balance or is refunded.

(b) The interest rate to be paid shall be subject to change annually on a calendar year basis. The commission shall determine the rate of interest to be paid on deposits held during the following calendar year and notify utilities of that rate by December 15 of each year. The rate shall be equal to the weekly average yield of one-year United States treasury securities, adjusted for constant maturity, for the week ending on or after December 1, as made available by the federal reserve board, rounded to the nearest tenth of one percent.

Note: Subsection (5) takes effect August 1, 1989, for deposits held at that time and any subsequent deposits. The commission will determine the interest rate for 1989, based on the December 1988 calculations.

(c) The rate of interest set by the commission shall be payable on all deposits. Utilities shall calculate the interest earned on each deposit at the time of refund and at the end of each calendar year. The interest rate in a calendar year shall apply to the amount of the deposit, and to all interest accrued during the previous year (s), for the fraction of the calendar year that the deposit was held by the utility.

(6) **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.

(7) **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 sub. (2).

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

(9) 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.

(10) GUARANTEE. A utility shall not require any 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.

(11) SERVICE REFUSAL. 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 185.37).

(12) 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 no longer than 2 years, but shall automatically terminate after the customer has closed his 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 or surety, a cash deposit or a new or additional guarantee may be required upon reasonable 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.

(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.

(13) DEFERRED PAYMENT. In lieu of cash deposit or guarantee, an applicant for new service who has an outstanding account accrued within the last 6 years with the same utility shall have the right to receive service from the utility under a deferred payment agreement as defined in s. PSC 185.38 for the outstanding account.

(14) APPLICABILITY. The rules in subs. (12) and (13) are not applicable to deposits or guarantees made in connection with the financing of extensions or other equipment.

History: Cr. Register, May, 1972, No. 197, eff. 6-1-72; emerg. r and recr., eff. 1-21-75; r. and recr. Register, January, 1975, No. 229, eff. 2-1-75; renum. (6) to (13) to be (7) to (14), cr. (6), Register, April, 1985, No. 352, eff. 5-1-85; am. (1), r. and recr. (5), Register, June, 1989, No. 402, eff. 7-1-89.

PSC 185.37 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.

(b) At least 8 calendar days prior to disconnection, the utility shall give written disconnect notice upon a form which must be in the tariff of

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the utility filed with the public service commission and which conforms to the requirements of sub. (9) unless excepted elsewhere.

(c) When a customer, either directly or through the public service commission, disputes a disconnection notice, the utility shall investigate any disputed issue and shall attempt to resolve that issue by negotiation. During this investigation and negotiation, utility service shall not be disconnected over this matter.

(d) If a disputed issue cannot be resolved pursuant to s. PSC 185.39 (1), the utility shall inform the customer of the right to contact the public service commission.

(2) Utility service may be disconnected or refused for any of the following reasons:

(a) Failure to pay a delinquent account or failure to comply with the terms of a deferred payment agreement. (See s. PSC 185.38).

(b) Failure to comply with deposit or guarantee arrangements as specified in s. PSC 185.36.

(c) Diversion of service around the meter.

(d) Refusal or failure to permit authorized utility personnel to read the meter at least once every 6 months where the utility bills monthly or bimonthly, or at least once every 9 months where the utility bills quarterly or less frequently than quarterly. The 6 month or 9 month period begins with the date of the last meter reading.

(3) A utility may disconnect utility service without notice where a dangerous condition exists for as long as the condition exists.

(4) Service may be discontinued with a written 24-hour notice for non-payment of a bill covering surreptitious use of water if so provided in the filed tariff of the utility.

(5) Utility service may not be disconnected or refused for any of the following reasons:

(a) Nonpayment of a delinquent account over 6 months old where collection efforts have not been made within that period of time unless the passage of additional time results from other provisions herein or from good faith negotiations or arrangements made with the customer.

(b) Delinquency in payment for service by a previous occupant of the premises to be served other than a member of the same household residing at the same premises.

(c) Failure to pay for merchandise or charges for non-utility service billed by the utility.

(d) Failure to pay for a different type or class of utility service.

(e) Failure to pay the account of another customer as guarantor thereof.

(f) Failure to pay charges arising from any underbilling occurring more than one year prior to the current billing and due to any mis-application of rates.

(g) Failure to pay charges arising from any underbilling occurring more than one year prior to the current filing and due to faulty metering.

(h) Failure to pay an estimated bill other than a bill rendered pursuant to an approved bimonthly meter reading plan unless the customer upon request refuses to permit the reading of the meter during normal business hours.

(6) A utility shall not disconnect any residential service without notifying the county department of health and social services at least 5 calendar days prior to the scheduled disconnection, if the customer or responsible person has made a written request for this procedure to the utility. The customer shall be appraised of this right upon application for service.

(7) Notwithstanding any other provision of this section, a utility may not disconnect service to a residential customer if disconnection will aggravate an existent medical emergency of the customer, a member of his family or other permanent resident of the premises where service is rendered and if the customer conforms to the procedures described in paragraph (a) below.

(a) A utility shall postpone the disconnection of service for 21 days to enable the customer to arrange for payment, if the customer produces a licensed Wisconsin physician's statement or notice from a public health or social service official which identifies the medical emergency and specifies the period of time during which disconnection will aggravate the circumstances. The postponement may be extended once by renewal of the certificate or notice. No further extension of time shall be granted except upon a showing by the customer of the existence of extraordinary circumstances and further that he has exercised due diligence in meeting

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