

PUBLIC SERVICE COMMISSION

PSC 165 373

out of order, appropriate adjustments or refunds shall be made to the customer. The refund to the customer shall be the pro rata part of the month's charge for the period of days that the portion of the service and facilities are rendered useless or inoperative. The refund may be accomplished by a credit on a subsequent bill for telephone service.

History: Cr. Register, October, 1968, No. 154, eff. 11-1-68; r. (2), renum. (3) to be (2), Register, November, 1975, No. 239, eff. 12-1-75; am. (1), Register, August, 1976, No. 248, eff. 9-1-76; am. (1), Register, December, 1979, No. 288, eff. 1-1-80; emerg. cr. (1) (c) 8., eff. 1-1-84; cr. (1) (c) 8., Register, August, 1984, No. 344, eff. 9-1-84.

PSC 165.051 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:

(a) Has an outstanding account balance with any Wisconsin telephone utility which accrued within the last 6 years, and at the time of the request for service remains outstanding and not in dispute, or

(b) Is attempting to receive service with intent not to pay for the same. Such intent may be inferred from all the circumstances surrounding the application, or

(c) Will clearly be unable to pay for service rendered at the time such payment is due.

(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 service of the customer has been disconnected by the utility once within the last 12-month period for nonpayment 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 of the code.

(3) **BUSINESS SERVICE.** (a) If the credit of an applicant for service has not been established satisfactorily to the utility, he may be required to provide a deposit or guarantee.

(b) The deposit shall be refunded after 24 consecutive months if the customer's credit standing is satisfactory to the utility.

(4) **CONDITIONS OF DEPOSIT.** (a) If the utility bills local and toll service and settles local and toll service disputes, the maximum deposit for a new account shall not exceed the bill for one month's exchange service, plus estimated toll charges for 2 months. Deposits for existing accounts may not exceed the bill for one month's local exchange service, plus the highest actual toll charges for 2 consecutive months within the preceding 12 months.

(b) If the utility bills toll service only, the maximum deposit for a new account may not exceed the bill for 2 month's estimated toll charges. Deposits for existing accounts may not exceed the highest actual toll charges for 2 consecutive months within the preceding 12 months.

(c) For all other utility billing arrangements, the maximum deposit for new or existing accounts may be one month's local service.

(5) **INTEREST ON DEPOSITS.** Deposits shall bear simple interest of at least the legal rate, payable from the date of deposit to the date of refund or application to a final account, whichever is earlier.

(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 OF PAYMENT RECORD.** 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 (2).

(8) **REFUND OF DEPOSIT.** 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. (8) 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) **FAILURE TO PAY.** Service may be refused or disconnected for failure to pay a deposit request subject to the rules pertaining to disconnection and refusal of service.

(11) **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 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 5 days' written notice.

(c) The guarantor shall receive copies of all disconnect notices sent to the customer whose account he has guaranteed if the guarantor requests such notice. The notice option shall be a part of the guarantee contract.

(12) **DEFERRED PAYMENT AGREEMENT.** 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 that utility under a deferred payment agreement as defined in s. PSC 165.0525 for the outstanding account.

(13) **EXPLANATION OF REQUIREMENT.** A utility shall not require any customer to pay a deposit or guarantee in lieu of deposit without explaining, in writing if requested, why that deposit is required.

History: Cr. Register, October, 1968, No. 154, eff. 11-1-68; r. and recr. Register, November, 1975, No. 239, eff. 12-1-75; emerg; r. and recr. (4), eff. 1-1-84; r. and recr. (4), Register, August, 1984, No. 344, eff. 9-1-84; renum. (6) to (12) to be (7) to (13), cr. (6), Register, April, 1985, No. 352, eff. 5-1-85.

PSC 165.052 Disconnection and refusal of service. (1) **GENERAL RULES.**
(a) A telephone utility service bill for purposes of these rules concerning disconnection and refusal of service is considered a delinquent account one day after issuance.