



Marquette Board of Light and Power
Nonresidential Deposit Policy

Applicable Rate Schedules:
U3, U4, U5, U6, R3, R4, R5, and R6

The Marquette Board of Light and Power will require a deposit of each new account and/or each new meter installation. Governmental and non-profit organizations which maintain an acceptable payment record as determined by the Marquette Board of Light and Power shall not be required to establish a deposit.

1. New Account

The initial deposit requirement will be determined based on the consumption of an account of similar service in the same rate schedule class. The minimum initial deposit requirement of a new account at each meter location shall be fifty dollars (\$50.00). If a comparable account cannot be determined, the Marquette Board of Light and Power's Billing/Distribution Department shall make an estimate of two (2) months consumption based on pertinent consumption data to be furnished by the customer if requested by the utility.

2. Transferring Existing Account (to new owner, same service and rate schedule class, similar consumption)

Account billing during the last twelve (12) months (billing periods) is reviewed. Disregarding the month with the highest billing and the month with the lowest billing, the deposit will be calculated as a two (2) month average of the remaining billing amounts.

3. Initial Deposit Review

After the first twelve (12) months of electrical service, a new or transferred account customer can request a review of their account's initial deposit requirement. The account will be reviewed by the Marquette Board of Light and Power and if the initial deposit exceeds the recomputed deposit amount by fifteen percent (15%), a refund may be made to the customer.

The Marquette Board of Light and Power reserves the right to review for adequacy a new or transferred deposit within the first fifteen (15) consecutive months of permanent, normal account service. If the recomputed deposit amount exceeds the original deposit amount by fifteen percent (15%), the Marquette Board of Light and Power may require the customer to increase the account's deposit by the difference between the original deposit amount and the recomputed deposit amount. All commercial accounts will be eligible for deposit review annually, or in the event of a Marquette Board of Light and Power rate schedule change.

The Marquette Board of Light and Power reserves the right to review for adequacy an existing deposit. If the recomputed deposit amount exceeds the original deposit amount by twenty-five percent (15%), the Marquette Board of Light and Power may require the customer to increase the account's deposit by the difference between the current deposit amount and the recomputed deposit amount.

4. Deposit Interest Earnings

Cash deposits may earn interest if the rate of earnings on the customer deposits held by the Marquette Board of Light and Power exceeds the costs of administering customer deposits. Interest will be evaluated annually and, if applicable, will begin accruing October 1st of each calendar year. Any accrued interest earned during the previous year will be applied as a credit to the customer account after October 1st of each year.

5. Form of Deposit

Deposits may be in the form of a Bank Certificate of Deposit. The Certificate of Deposit must be issued in the following form: "Marquette Board of Light and Power Escrow Deposit for (insert name of account)." The certificate must include a collateral message on the CD stating "no withdrawal without authorization from the Marquette Board of Light and Power". A copy of the certificate must be provided to the MBLP to assure that a collateral message is included. Certificate interest earnings must be paid directly to the customer.

6. Interim Application of Deposit Toward Unpaid Account Balance

Retention of the deposit by the Marquette Board of Light and Power, prior to final settlement, shall not be considered as payment or partial payment of any bill for service. The Marquette Board of Light and Power may apply the deposit against unpaid bills for service; in such case, the customer will be required to restore deposit to an amount determined by the Marquette Board of Light and Power.

7. Final Disconnection of Service

Upon final disconnection of service, the Marquette Board of Light and Power shall have a reasonable time to read and remove its meter(s) and to ascertain that the obligations of the customer have been fully performed before refunding or returning a deposit. Upon final discontinuance of service any deposit will be applied to the customer's unpaid account balance. The remaining deposit balance (if any) will be returned to the customer.

8. Additional Deposit Requirement

Accounts that have been on the utility's Collection List at least twice during the last twelve (12) months or less are subject to a deposit review and an additional deposit may be required.

The deposit review computation procedure will be the same as employed in **2. Transferring Existing Accounts**, with the additional deposit amount equaling the difference between the original deposit amount and the recomputed deposit amount.

If a customer requests a payment arrangement on an additional deposit and the request is approved by the utility, the customer must fully execute a Marquette Board of Light and Power Financial Arrangement Agreement Form. Failure to comply with the terms of a Financial Arrangement may result in disconnection of service.

Repeated occurrences of payment with a non-sufficient funds check may result in a deposit being required.

9. Noncompliance

Failure to comply with the Marquette Board of Light and Power Deposit Policy will result in refusal to connect or potential disconnection of electric service.