



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 bill, the two (2) consecutive months with the greatest total billing will serve as the basis for the determination of the initial deposit requirement. Exception: For seasonal accounts, the two (2) highest consecutive months during the last twelve (12) months will serve as the basis.

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 policy amount by ten percent (10%) and by fifty dollars (\$50.00) or more, a refund will 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 policy amount exceeds the original deposit amount by fifteen percent (15%) and by fifty dollars (\$50.00) or more, 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 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 within the fifteen (15) consecutive months of an account's business expansion resulting in the account's electrical consumption increasing by twenty-five percent (25%) or more. If the recomputed deposit amount exceeds the original deposit amount by twenty-five percent (25%) and by one hundred dollars (\$100.00) or more, 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 of one hundred dollars (\$100.00) or more 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 be placed in the custody of the Marquette Board of Light and Power. 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 unless otherwise requested by the customer. The 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 eighteen (18) months or less are subject to a deposit review and an additional deposit may be required. The additional deposit plus the account's present deposit will approximate two (2) months billing.

The deposit review computation procedure will be the same as employed in **2. Transferring Existing Accounts**, and as follows:

- When the two (2) consecutive months total five hundred dollars (\$500.00) or less, an additional deposit will be required if the additional deposit computation exceeds the current deposit by fifty dollars (\$50.00) or more. The additional deposit computation will be rounded down to the nearest ten dollar (\$10.00) increment.
- When the two (2) consecutive months total is over five hundred dollars (\$500.00), an additional deposit will be required if the additional deposit computation is one hundred-fifteen percent (115%) or more of the current deposit. This additional deposit computation will be rounded down to the nearest one hundred dollar (\$100.00) increment.

If a customer requests progress payments 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.

9. Noncompliance

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