

Date Adopted: 06/24/82
Date Revised: 05/29/03, 01/26/12, 06/25/13
Date Reviewed:

SCENIC RIVERS ENERGY COOPERATIVE

Policy S.15 Billing Deposit

RESPONSIBILITY: CEO and Employees

New applicants for service, who have not previously been members of the Cooperative, or members whose service has been inactive for over two (2) years, will have their credit history evaluated. If their credit rating is 40% or above, they will be required to make a deposit of 4 (four) times the highest monthly bill before service is to be connected or changed into their name. If their credit rating is 25% - 39%, they will be required to make a deposit of two (2) times the highest monthly bill before service is to be connected or changed into their name. If their credit rating is insufficient, the Cooperative shall specify any required deposit before service is to be connected or changed into their name. An estimate will be calculated if no history is available to calculate a deposit or if a change has been made to the service. If the member or applicant requests to have more than one credit report and the Cooperative in its discretion agrees, the additional report or reports shall be at the requestor's expense

The deposit will be refunded after 24 consecutive months of payments in full on time.

Delinquent disconnects seeking reconnection shall pay all usage up to the point of disconnect, plus reconnect fees and may also be required to pay a deposit equal to four (4) times the highest monthly bill before reconnection. The CEO, CFO or another employee authorized by management may authorize the reconnection without prior full payment of all amounts owed and any required deposit provided that arrangements have been made for full payment before October 20th as a condition of reconnection. The deposit collected on any delinquent disconnected account will be held until such time as 24 consecutive months' bills have been paid in full on time.

Members filing for bankruptcy will be required to make a deposit in an amount, not exceeding four (4) times the highest monthly bills that in management's judgment will provide reasonable assurance of payment for service rendered following the bankruptcy filing. The deposit will be required to be paid within the statutory time frame (at least 20 days after bankruptcy filing date). Failure to do so will result in disconnection. The deposits collected due to a bankruptcy filing will be held until such time as 60 consecutive months' bills have been paid in full on time.

Upon receiving two (2) or more NSF checks within a two (2) year period, members may be required to make a deposit equal to their two (2) highest months' bills within the past year as a condition of continued service. The deposit will be refunded if all bills are paid in full on time for 24 consecutive months without another NSF check.

If the Cooperative has other indications that the future payment of an account may be questionable, at the discretion of the CEO a deposit up to four (4) times the highest monthly usage may be required in advance as a condition of continued service. At such time as the CEO concludes that future collection of payments is relatively secure, the deposit may be refunded.

If a member who has made a deposit is delinquent in paying the member's bill by more than 30 days past the due date, at the discretion of the CEO or CFO, the deposit may be applied to the outstanding bill and

S.15 Billing Deposit

Scenic Rivers Energy Cooperative

the member will be advised of this and be requested to reinstate their deposit within 10 days. If the member fails to maintain the full deposit, the account will be subject to disconnection.

No deposit shall bear interest. The Cooperative's decision to apply a deposit to a member's account shall not limit the Cooperative's other remedies available under the Bylaws or applicable law.

This policy supersedes and cancels all similar policies prior to this date.

Information contained in this Policy is subject to update or modification by the Cooperative at any time and at the sole discretion of the Cooperative. Such information includes (but is not limited to) policies, procedures, rates, tariffs and applications. Some information may change as a result of external factors such as new legislation or regulations. Prior to making use of the information contained herein, please check with appropriate Cooperative staff.

For the above reasons, the Cooperative requests that the recipient NOT reproduce or distribute this document, or rely solely on its contents to make any business or personal decisions.