



GRAND RAPIDS
IT'S IN MINNESOTA'S NATURE

PUBLIC UTILITIES COMMISSION

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COMMISSION POLICY

Section: Administration	Category: Customer Policies
Policy Reference: A.1	Policy Title: Residential Customer Deposit Policy

PURPOSE:

With this policy, the Commission set forth deposits required of residential customers. This policy assists with ensuring collection of at least partial payment on delinquent accounts prior to being turned over to an outside agency for collection.

POLICY:

Effective October 1, 2017, Customer Service Representatives shall collect the deposits from residential customers in the following manner:

1. New Residential Customers

If a new customer applies for a residential account, a \$125 deposit shall be required to activate the account. The deposit may be waived if the new customer provides a letter of credit from their previous utility company showing no more than 2 late payment notices (over 7 days late) in the past 12 months. The letter is due prior to the date of the requested service.

2. Previous Residential Customers

If a customer who has a bad debt from a previously closed account with GRPU applies for a residential service, the past due balance of the previous account plus a \$125 deposit shall be required to activate the account.

3. Existing Residential Customers

- a. If an existing customer's service is disconnected for non-payment, the past due amount and the reconnection fee shall be required prior to the service being reconnected and a \$125 deposit shall be billed to the account.
- b. If an existing customer requests a transfer of service to another location, a \$125 deposit shall be required if the customer has had more than 2 late payment notices (over 7 days late) in the past 12 months.

4. Multiple Locations

If a customer has multiple location IDs (such as a duplex) a \$125 residential deposit shall be required for each location.

5. Refund of Deposit

The deposit shall be refunded to the customer after they have paid twelve (12) consecutive monthly bills in full by the due date. If the customer terminates service prior to the deposit being refunded, the deposit shall be applied to the customer's final bill. Any remaining balance shall be refunded to the customer.

6. Deposit Interest

The deposit shall generate monthly interest at the rate adopted by the Commission each year, but not less than the interest rate mandated by the laws of the State of Minnesota for such deposits.

POLICY HISTORY:

Adopted September 13, 2017