

RESOLUTION NO. 5-11-11-1

REQUIREMENT FOR DEPOSIT AND RECONNECTION  
CHARGE FOR COMMERCIAL ACCOUNTS

WHEREAS, The Public Utilities Commission of the City of Grand Rapids, Minnesota, hereinafter called "Commission" has heretofore required deposits upon the opening of a commercial account and believes that it is in the best interest of all of its consumers that such requirement continue;

NOW THEREFORE BE IT RESOLVED by the Commission:

1. All commercial accounts are subject to this resolution.
2. Utilities service shall not be provided by the Commission to a commercial consumer until a deposit as set forth herein is made with the Commission. However, a commercial consumer whose deposit has been released prior to the adoption of this resolution need not make a deposit unless the utilities service is disconnected after the adoption of this resolution for failure to timely pay for the utility service.
3. A commercial consumer shall deposit with the Commission an amount equal to 2 times the estimated average monthly Public Utility bill. The estimation shall be based upon the purposes for which the utility service will be used and the size of the premises or upon the record of consumption for similar purposes and premises or both. Such deposit shall bear interest at the rate for such deposits as prescribed by the laws of the State of Minnesota.
4. After twenty-four months of on time payments, the amount required to be on deposit shall be reduced by fifty percent (50%) and if cash, the amount returned to the deposit owner and if surety bond or letter of credit, the deposit owner will be notified of the reduced requirement. The Commission, according to the terms and conditions of this Resolution shall retain the balance of the deposit amount.
5. Under the following circumstance, the commercial deposit requirement will be waived for sole owners or legal entities with an established good credit history or

with a deposit on file with the Commission and opening a new commercial account under the established ownership or entity.

6. Customers with an established good credit history or with a deposit on file, opening a commercial account using a different entity name will be required to make a deposit, unless the owners sign the service application indicating they are personally responsible for the account.
7. If the premises being served are transferred, the deposit, less any amounts that the Commission decides to withhold for payment of current or delinquent sums shall be returned to the depositor upon written request and the transferee shall make a new deposit.
8. A deposit may be by bond, letter of credit or cash.
9. Failure to make a deposit, cancellation by the consumer of a deposit before it is released by the Commission, or failure to timely pay for utility services shall result in a disconnection of service.
10. Reconnection of a disconnected service may be accomplished upon full payment of the delinquent account, payment for the cost of making the reconnection, and remaking of the deposit as set forth in paragraph 3 above.

Adopted by the Public Utilities Commission of the City of Grand Rapids, Minnesota, this 11th day of May, 2011.

This resolution replaces resolution number 05-11-93-2 and any other resolution inconsistent with the provisions of this resolution.



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Stephen R. Welliver, President

ATTESTED TO:



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Glen D. Hodgson, Secretary