

Sewer Rule No. 7
DEPOSITS

A. Amount to Establish Credit

(N)

1. Metered Service

To establish credit by deposit, the amount will not exceed twice the estimated average monthly bill.

2. Flat Rate Service

To establish credit by deposit, the amount will not exceed the estimated average monthly bill for one month.

B. Amount to Re-Establish Credit

1. Former Customers

For an applicant who is a former customer and whose service was discontinued during the last 12 months of his or her former service for non-payment of bills, an amount equal to twice the estimated average monthly bill for the service desired.

2. Present Customers

For a customer whose service has been discontinued for non-payments of bills, an amount equal to twice his or her average monthly bill for that service.

C. Applicability to Unpaid Accounts

1. Deposits prescribed herein are applied to unpaid bills for water service when such service has been discontinued.

D. Return of deposits

1. When service has been for less than 12 consecutive months, upon customer's request for the discontinuance of service, the company will refund the customer's deposit or the balance of the deposit in excess of any unpaid bills for that service, and any interest payable under Section E of this rule

(N)

(Continued)

| (To be inserted by utility) | Issued By | (To be inserted by CPUC) |
|-----------------------------|-------------------------|------------------------------|
| Advice Letter <u>01-S</u> | <u>Greg A. Milleman</u> | Date Filed <u>09/20/2021</u> |
| Decision | <u>Vice President</u> | Effective <u>03/15/2022</u> |
| | | Resolution _____ |

Sewer Rule No. 7
DEPOSITS

(N)
(N)

D. Return of deposits (continued)

(N)

- 2. When service has been provided for 12 consecutive months during which at least ten of the bills have been paid within 15 days after presentation, and service has not been temporarily or permanently discontinued for nonpayment of bills during such period, the utility will automatically refund, as a credit to the customer’s account, the deposit and any interest payable under Section E of this rule.
- 3. Should the customer establish credit initially by deposit and subsequently by other means in accordance with Rule No. 6 and then request return the deposit with interest as provided in Section E of this rule.

E. Interest on Deposits

- 1. The Utility will pay simple interest on deposits at the average monthly 90 day commercial paper rate per month for the first 12 consecutive months (or shorter period if service is discontinued after less than 12 months) and for additional time thereafter up to the date of refund; provided, however, that no interest shall accrue (1) after mailing refund or notice that refund is due and payable to the customer at his last known address, and (2) if service is temporarily or permanently discontinued for nonpayment of bills.
- 2. No interest will be paid on deposits made for temporary service.

(N)