

RULES & REGULATIONS
Rules, Regulations or Extension Policy

IV. SECURITY DEPOSITS, SERVICE CHARGES AND FEES, TERMS OF PAYMENT, BUDGET BILLING, AND IDLE SERVICES (1)
(D)

A. Security Deposits (1)

1. Gunnison County Electric Association (GCEA) shall, at the time the application for service is made or any time thereafter, require a cash deposit, unless exempted by this Rule. Such deposit is not an advance payment or pre-payment of any bill for service. The deposit serves as security for payment of bills for service to be applied against unpaid bills only in the event service is discontinued. (1)

2. All deposits are in addition to any advance, contribution or guarantee in connection with construction of lines or facilities, as provided in GCEA's extension policy on file with the Colorado Public Utilities Commission. (1)

3. Deposit Requirements: (1)

a. GCEA shall keep a record of all such deposits as follows: (1)

i) The name of the member making the deposit;

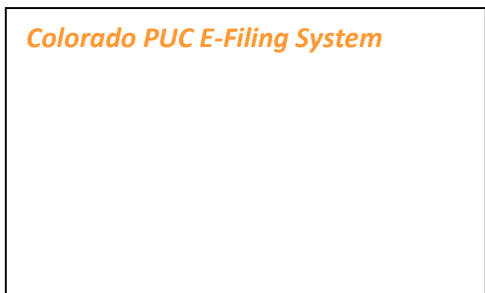
ii) The premise(s) occupied by the member at the time the deposit is made and each successive premise(s) occupied while GCEA retains the deposit;

iii) The amount and date of the deposit; and

iv) A record of all transactions affecting the deposit, including accrued interest, interest paid, refunds, etc. (D)

b. If a new member applies for service by mail, the deposit shall be paid within ten (10) days from date of service to allow time for mailing. If the deposit is not paid within ten (10) days, the meter may be disconnected and service discontinued immediately. The member must pay GCEA all outstanding amounts due plus applicable service charges and fees before GCEA reconnects the meter and provides service. (1)

c. If a new member cannot pay the entire deposit prior to receiving service, GCEA may, in its discretion, allow the member to pay one-half of the meter deposit at the time of application for service and one-half of the meter deposit by the payment due date of the following month. If the deposit is not paid in full by the due date of the following month, (1)



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/ Mike McBride /
Signature of Issuing Officer

Cancels: May 1, 2014
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Authority No. _____

Chief Executive Officer Effective Date: September 30, 2014

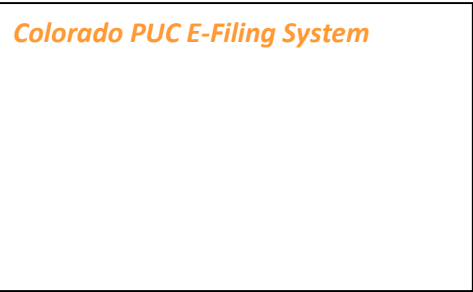
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the meter may be disconnected and service discontinued immediately. The member must pay GCEA all outstanding amounts due plus applicable service charges and fees before GCEA reconnects the meter and provides service.

- d. GCEA may require a member to provide a new or supplemental cash deposit in the event the member's credit history with GCEA is no longer in good standing and/or the member has received more than one (1) Past Due Notice in the preceding (twelve) 12 months. If the new or supplemental cash deposit is not paid to GCEA, the meter may be disconnected and service discontinued immediately. The member must pay GCEA all outstanding amounts due plus applicable service charges and fees before GCEA reconnects the meter and provides service.
- e. If it becomes necessary for GCEA to disconnect service for non-payment, the member must pay GCEA a deposit equivalent to the highest estimated billing over a ninety (90) day period, plus full payment of all past-due billing plus applicable service charges and fees before service is restored.
- f. Deposits held shall accrue simple interest at the rate as computed and published annually by the Colorado Public Utilities Commission. Interest shall be paid upon return of the deposit or annually upon request.
- g. Deposits will be refunded or applied against any unpaid bills after service is terminated.
- h. A deposit may be assigned to another member at the same location as long as the assignor agrees to the assignment in writing.
- i. If an applicant for new service is in default of payment of any bill for any service previously rendered, a settlement of the old account or arrangements satisfactory to GCEA for its settlement, will be required before new service is provided.
- j. Residential Deposit Requirements – 50 kW or less
 - i) **Single phase service with usage history of at least twelve (12) months** – the greater of \$100.00 or an amount equal to two (2) times the highest monthly billing for electric service during the previous twelve (12) month period.

(D)

Single phase service with no usage history – the greater of one (1) dollar per ampere of service size or an amount equal to two (2) times the highest estimated monthly usage for a twelve (12) month period.



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ii) **Three phase service with usage history of at least twelve (12) months** – the greater of \$150.00 or an amount equal to two (2) times the highest monthly billing for electric service during the previous twelve (12) month period.

Three phase service with no usage history – the greater of one and one-half (1 1/2) dollars per ampere of service size or an amount equal to two (2) times the highest estimated monthly usage for a twelve (12) month period.

iii) Any member billed under a residential rate, who formerly received electric service from GCEA within the previous twelve (12) months, and whose account was not delinquent during a minimum period of twelve (12) consecutive months while on service, shall be exempt from deposit requirements.

iv) In lieu of a deposit, GCEA may allow an acceptable payment history from another utility showing no delinquent payments in the last twelve (12) months.

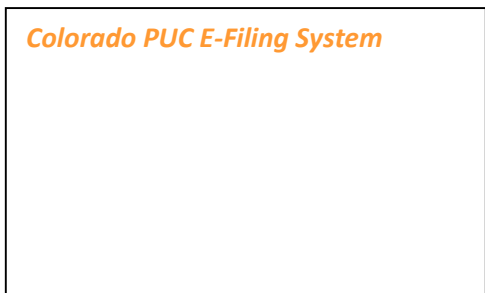
v) Under special circumstances, GCEA, at the discretion of management, may allow a member to sign a “First Time Delinquent” form, in lieu of a deposit. This form will require the payment of the deposit the first time the account becomes delinquent.

vi) GCEA may allow a member to sign up for automatic bank draft or re-occurring credit card payment in lieu of a deposit. A deposit may be required the first time the account becomes delinquent. A deposit may also be required the first time a bank draft is returned or a credit card is declined due to the fault of the member.

vii) All of the deposit exemptions listed above shall not apply to residential multiplex services in which one owner is responsible for more than three (3) services.

viii) GCEA will review residential deposits monthly, and if the member’s billing account has consistently been paid on time without being delinquent, GCEA may return the deposit after twelve (12) consecutive non-delinquent bill payments from the deposit receipt date.

k. Commercial Deposit Requirements – 50 kW or less



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i) **Single phase service with usage history of at least twelve (12) months** – the greater of \$100.00 or an amount equal to two (2) times the highest monthly billing for electric service during the previous twelve (12) month period.

Single phase service with no usage history – the greater of one (1) dollar per ampere of service size or an amount equal to two (2) times the highest estimated monthly usage for a twelve (12) month period.

ii) **Three phase service with usage history of at least twelve (12) months** – the greater of \$150.00 or an amount equal to two (2) times the highest monthly billing for electric service during the previous twelve (12) month period.

Three phase service with no usage history – the greater of three (3) dollars per ampere of service size or an amount equal to two (2) times the highest estimated monthly usage for a twelve (12) month period.

iii) Deposits for Commercial Rate Classes shall not be refundable until the service is discontinued and the account closed.

iv) An irrevocable letter of credit or surety bond may be accepted, in lieu of cash, for deposits exceeding \$1,000 upon approval of the irrevocable letter of credit or surety bond by GCEA.

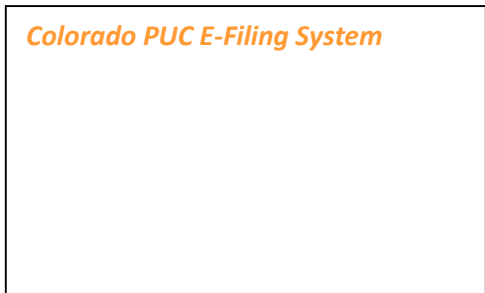
1. Residential, Commercial and Industrial Deposit Requirements – 50 kW or more

i) **Single phase service with usage history of at least twelve (12) months** – the greater of \$600.00 or an amount equal to two (2) times the highest monthly billing for electric service during the previous twelve (12) month period.

Single phase service with no usage history – the greater of three (3) dollars per ampere of service size or an amount equal to two (2) times the highest estimated monthly usage and demand for a twelve (12) month period.

ii) **Three phase service with usage history of at least twelve (12) months** – the greater of \$1,000.00 or an amount equal to two (2) times the highest monthly billing for electric service during the previous twelve (12) month period.

Three phase service with no usage history – the greater of five (5) dollars per ampere of service size or an amount equal to two (2) times



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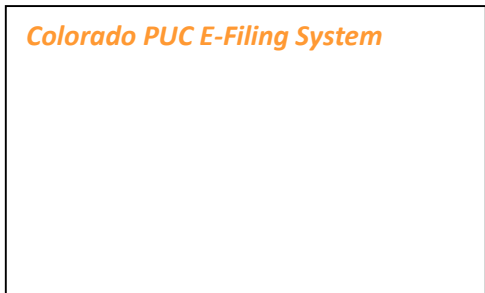
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the highest estimated monthly usage and demand for a twelve (12) month period.

- iii) Deposits for any large power service classified as an indeterminate service (such as, but not limited to, any mine or similar activity) shall be calculated on a case by case basis).
- iv) Deposits for Large Power Rate Classes shall not be refundable until the service is discontinued and the account closed.
- v) An irrevocable letter of credit or surety bond may be accepted, in lieu of cash, for deposits exceeding \$1,000 upon approval of the irrevocable letter of credit or surety bond by GCEA.

B. Service Charge and Fees

1. Initial Service Fee – New members who are establishing service with GCEA for the first time shall pay an initial \$30.00 service fee for each service requested before the service is supplied.
2. Service Transfer Fee – Existing members, both active and inactive, who have previously established service with GCEA, shall pay a \$20.00 service transfer fee for each service requested before the service is supplied.
3. Service Connect after Hours Charge – A fee of the actual cost involved, but not less than \$75.00, shall apply for all service connects made outside GCEA’s regular business hours.
4. Return Payment Charge – A charge of \$25.00 per item shall apply for all returned payments. GCEA shall only accept cash from a member who has incurred more than three (3) returned payments within a twelve (12) month period. The member will be notified of such action by certified letter.
5. Delinquent Fee – A delinquent fee of \$15.00 shall be charged at the time a disconnect (cut-off) notice is mailed to help recover the additional cost of handling the delinquent account.
6. Field Collection Charge – A charge of the actual costs involved, but not less than \$50.00, may be made for all calls to the member’s premises for collection. Such charges may apply for visits made from 8:00 a.m. to 4:00 p.m. on GCEA’s normally scheduled workdays. The minimum charge will be the actual costs involved, but not less than \$75.00, for collection calls made during all other hours or on Saturdays, Sundays and holidays.



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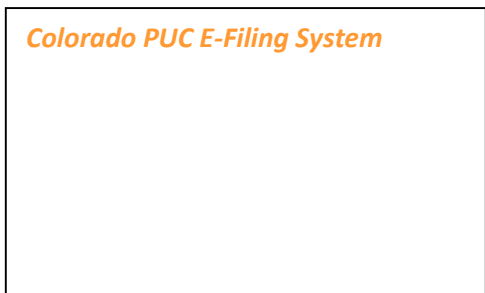
- 7. Reconnect Charge – A charge of the actual costs involved, but not less than \$50.00, may be made for all calls to the member’s premises to reconnect a service. Such charges may apply for visits made from 8:00 a.m. to 4:00 p.m. on normally scheduled workdays. The minimum charge to reconnect a service will be the actual costs involved, but not less than \$75.00, for service reconnection made during all other hours, Saturday, Sunday and holidays.

C. Terms of Payment

- 1. Bills shall be mailed to the address of the member appearing on the service agreement or to such other address as the member may from time to time request. When a member vacates the premises where the member is receiving service, the service agreement shall continue in effect until the member provides three (3) days’ notice to GCEA to cancel said agreement or until another member becomes responsible for service to the premises.
- 2. The payment due date shall be twenty (20) calendar days after the bills are mailed. Accounts that remain unpaid five (5) calendar days after the payment due date shall be considered delinquent and subject to a written disconnect notice. The disconnect notice shall be mailed at least fifteen (15) calendar days in advance of the disconnect date.
- 3. Failure to receive a bill or notice in no way exempts the member from payment.
- 4. Payments may be made by check, bank draft, money order, or any other GCEA approved payment method. GCEA will accept authorized credit/debit cards for the following transactions: (1)
 - a. Payments for electric service for all accounts classified in a revenue class with an estimated or metered load requirement of less than 750 kW; (N)
 - b. Payments for line extensions of less than 300’ for single unit residential services; (N)
 - c. Payments for GCEA sales of materials, supplies and appliances; and, (N)
 - d. Payments for retiree benefits. (N)

D. Budget Billing Plan

- 1. Members serviced under the Residential Rate Schedule may elect to pay monthly bills for service on a Budget Billing Plan subject to the following terms and conditions:
 - a. The Budget Billing Plan year shall run from July through June of each year. Members shall



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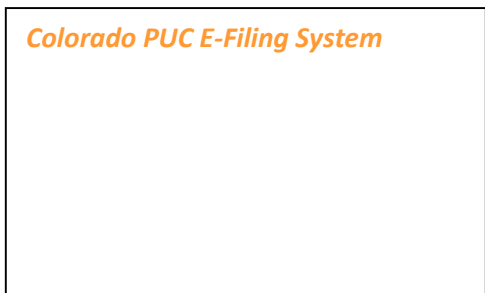
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be encouraged and allowed year-round entry into the Budget Billing Plan provided they meet the eligibility requirements below.

- b. Any member electing to participate in the Budget Billing Plan shall pay a prorated monthly amount equal to a minimum of 110% of the previous twelve (12) months kWh usage monthly average multiplied by current rate for electric service plus the service availability charge and applicable taxes.
- c. If a member enters the Budget Billing Plan in a month other than July, GCEA shall calculate the current balance of the member's budget billing account as if the member had enrolled in July. If the proposed budget bill balance due exceeds payments made, GCEA may collect that amount from the member.
- d. The reconciliation month shall be June of each year. If the reconciled amount is a credit, GCEA will apply the credit to future billings or issue a check at the member's request. If the reconciled amount is a balance owed by the member, the total balance will be due and payable in the reconciliation month.
- e. Budget billing amounts shall be recalculated in June of each year for the following Budget Billing Plan year.
- f. To be eligible to participate in the Budget Billing Plan, a member shall have met the following requirements:
 - i) The member must have been served by GCEA at the member's current residence for a period of twelve (12) months;
 - ii) The member must have paid any required deposit;
 - iii) The member must owe no amounts to GCEA for electric service except the current bill; and
 - iv) The member shall execute a standard form Agreement for Budget Billing Plan.
- g. Normal collection procedures shall be applicable if a member fails to pay the budget billing amount in any month when due. If the member fails to pay the budget billing amount following payment due notice by GCEA, the member shall be removed from the budget billing plan and service may be discontinued.
- h. If service of a member on a Budget Billing Plan is terminated for any reason, the member



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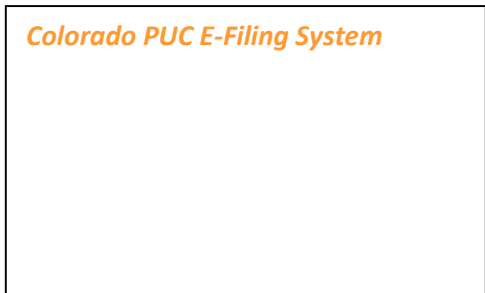
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shall be removed from the Budget Billing Plan, and the entire outstanding amount of the account shall be due and payable.

- i. The monthly budget billing amount may be adjusted, at the option of GCEA, for any increase in GCEA’s rates. The monthly budget billing amount may also be adjusted at the option of GCEA if the member’s use of electricity increases substantially.
- j. The member may elect to terminate the Budget Billing Plan at any time by notifying GCEA in writing and by paying in full the entire outstanding amount of the account.
- k. If a member is removed from the Budget Billing Plan for any reason, the member shall not be eligible to participate in the plan again until the beginning of the next Budget Billing Plan year.

E. Idle Services

- 1. In order for electric service facilities to be maintained to any premises, the owner of such premises, or any other person interested in doing so, must pay the applicable minimum bill. The minimum bill shall be the service availability charge plus applicable taxes unless otherwise defined in the tariff for the relevant rate class.
- 2. If the minimum is not paid when due, GCEA may, at its option, retire or remove the facilities. If at a later date, the owner who failed or declined to pay the applicable minimum in order to retain the facilities wishes them re-installed, the installation will be made only upon pre-payment to GCEA of the actual removal cost, the actual cost of re-installation of the electric meter and power facilities and all amounts owed in arrears.
- 3. When electric power facilities to any premises become idle, the owner of such premises shall be notified in writing, at the owner’s last known address, that if the owner wishes to have the electric power facilities remain available, it will be necessary for the applicable minimum bill to be paid. If the owner fails to reply to such notice within twenty (20) days, a final notice shall be mailed. Failure to receive a reply to the final notice and/or failure to pay the minimum within twenty (20) days from the date of such notice shall permit GCEA to salvage the power facilities as may be desirable by GCEA. In the event of a foreclosure or new owner of property, there will be a six month grace period to allow for a new member to be able to take over the responsibility of the service without having to pay reinstallation costs. Upon exhaustion of efforts by GCEA to locate a responsible party for the service, any or all power facilities shall be removed.



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