

ATTACHMENT A
A-020405

Chapter 480-70 WAC Solid Waste and/or Refuse Collection Companies

WAC 480-70-411 Establishing credit and deposits. Prepayments made to secure temporary drop-box service are not subject to the provisions of this rule. Refer to WAC 480-70-416 for provisions related to prepayments.

(1) **Establishing credit - residential service.** A company ~~must~~ may not collect a security deposit if an applicant for residential service can establish satisfactory credit by any one of the following:

(a) The applicant had prior service with the company or another solid waste collection company for at least six of the twelve months before the application date and:

(i) Service was not canceled for nonpayment;

(ii) The customer received no more than one delinquency notice; and

(iii) References with the other company (if applicable) can ~~may be~~ quickly and easily be checked. A The company may request that the references from the previous company be in writing.

(b) The applicant had consecutive employment during the prior twelve months with no more than two employers and is currently employed or has a regular source of income.

(c) The applicant owns or has a legal interest in the premises being served.

(d) The applicant can furnish a satisfactory guarantor who will be responsible for payment of solid waste bills in the event of cancellation or default by the customer, in a specified amount, not to exceed the amount of the ~~required~~ cash deposit required.

(e) The applicant personally produces at the company's business office two major credit cards, or other credit references that the company ~~may~~ can quickly and easily check, that demonstrate a satisfactory payment history.

(2) **Establishing credit - commercial service.** ~~An~~ A company may require an applicant for commercial service ~~may be required~~ to demonstrate that ~~it~~ the applicant is a satisfactory credit risk by reasonable means appropriate under the circumstances.

(3) **Deposit requirements.** A company may require a deposit ~~when~~ if:

(a) The applicant has failed to establish a satisfactory credit history as outlined in subsections (1) and (2) of this section;

(b) The applicant's service from another solid waste company was canceled for failure to pay amounts owing when due during the twelve months before the application date;

(c) The applicant has an unpaid, overdue balance owing for similar service from the solid waste company to which application is being made or from any other solid waste company;

(d) Two or more delinquency notices have been served on the applicant by any solid waste company during the prior twelve months; ~~and~~ or

(e) The application is ~~to begin or continue~~ for beginning or continuing service to a residence where a prior customer still lives and owes a past due bill to the ~~solid waste~~ company.

(4) ~~Amount of deposit~~ **Deposit amount.** Deposits required for a customer or location must not exceed:

Company billing period:

Monthly

Maximum ~~deposit~~
amount allowed:

~~Two twelfths~~ of the

	estimated annual billing
Bimonthly	Three twelfths of the estimated annual billing
Trimonthly (quarterly)	Four twelfths of the estimated annual billing.

- (a) Two-twelfths of the estimated annual billings for companies billing monthly;
- (b) Three-twelfths of estimated annual billings for companies billing bimonthly;
- (c) Four-twelfths of estimated annual billings for companies billing trimonthly.

(5) **Transfer of deposit.** When a customer moves to a new address within the company's service territory, the deposit, plus accrued interest, less any outstanding past-due balance owing from the old address, must be transferred to the new address or refunded.

(6) **Interest on deposits.** ~~Interest on deposits collected from applicants or customers must:~~

~~(a) Accrue at the rate calculated as a simple average of the effective interest rate for new issues of one year treasury bills, computed from December 1 of each year, continuing through November 30 of the following year. The commission will advise the water company each year of the specific rate by mail.~~

~~(b) Earn the calculated interest rate during January 1 through December 31 of the subsequent year.~~

~~(c) Be computed from the time of deposit to the time of refund or total application of the deposit and must be compounded annually.~~

Companies that collect customer deposits must pay interest on those deposits calculated:

(a) For each calendar year, at the rate for the one-year Treasury Constant Maturity calculated by the U.S. Treasury, as published in the Federal Reserve's Statistical Release H.15 on January 15 of that year. If January 15 falls on a non-business day, the company will use the rate posted on the next following business day; and

(b) From the date of deposit to the date of refund or when applied directly to the customer's account.

~~(7) **Extended payment arrangement of deposits.** When an applicant or customer is required to pay a deposit but is unable to pay the entire deposit in advance of starting or continuing service, the company must allow the applicant or customer to pay on the following schedule:~~

- ~~• Fifty percent of the deposit must be paid before service;~~
- ~~• Twenty five percent must be paid in each of the next two months.~~

Deposit payment arrangements. The company must allow an applicant or customer the option of paying fifty percent of the deposit prior to service, and paying the remaining balance in equal amounts over the next two months, on the dates mutually agreed upon between the applicant or customer and the company. The company and applicant or customer may make other mutually acceptable deposit payment arrangements.

(8) **Receipt for deposit.** A company must furnish a receipt to each applicant or customer for the amount deposited.

(9) **When Rrefund of deposits is required.** A company must refund deposits plus accrued interest when there has been satisfactory payment, as defined in (a) of this subsection, or when service is terminated.

(a) "Satisfactory payment" means a customer has paid for service for twelve consecutive months in a prompt and satisfactory manner as evidenced by the following:

(i) The company has not started a cancellation process against the customer; and

(ii) The company has ~~issued~~ sent no more than two delinquency notices ~~of delinquency~~ to the customer.

(b) Termination of service. When service is ~~anceled~~ terminated, the company must return to the customer the ~~amount then on deposit~~ amount plus accrued interest, less any amounts due ~~to the company by the customer~~.

(10) ~~Refund of deposits, manner~~ **How deposits are refunded.** ~~A~~ The company must refund any deposit, plus accrued interest, ~~in the manner chosen by~~ as indicated by the customer at the time of deposit, or as modified by the customer on a later date. ~~The customer must choose using~~ one of the following methods:

(a) A check issued and mailed to the customer no later than fifteen days following completion of twelve months of satisfactory payment, as described above; or

(b) A credit applied to the customer's account for service beginning in the thirteenth month.

(11) **Additional deposit.** ~~Nothing in this rule prevents the requiring of a larger deposit or a new deposit when conditions warrant. A company requiring a new or larger deposit must specify the reasons in writing to the customer. Any requirement for a new or larger deposit must comply with the standards in this rule. If a deposit or additional deposit amount is required after the service is established, the reasons must be specified to the customer in writing. Any request for a deposit or additional deposit amount must comply with the standards outlined in subsections (1) and (2) of this section. If the original deposit was secured by a guarantor and the guarantor does not agree to be responsible for the additional deposit amount, the customer will be held responsible for paying the additional deposit.~~

Chapter 480-90 WAC Gas Companies - Operations

WAC 480-90-113 Residential service deposit requirements. (1) **Deposit criteria for residential customers.** A gas utility may collect a deposit from its own customers for residential service only if:

- (a) At any time during the prior twelve months, the utility has sent the customer three or more delinquency notices;
- (b) The utility has disconnected the customer's residential service for nonpayment; or
- (c) There is a prior customer living at the residence who owes a past-due bill to the utility for service at that address.

(2) **Deposit criteria for residential applicants.** A utility may collect a deposit from an applicant for residential service only if:

- (a) The applicant has met any of the conditions described in subsection (1) of this section as a prior customer of the utility or as a customer of another natural gas utility;
- (b) The applicant is not able to demonstrate continuous employment during the prior twelve consecutive months and is neither is currently employed nor has a regular source of income;
- (c) The applicant does not own or is not purchasing the premises to be served;
- (d) There is a prior customer living at the residence who owes a past-due bill to the utility at that address; or
- (e) The applicant has an unpaid, overdue balance owing to any electric or gas utility for residential service.

(3) **Deposit amount.** ~~The utility may require a deposit not to~~ Deposits required for a customer or location must not exceed the amount of:

- (a) ~~For utilities billing monthly, two-twelfths of the service location's estimated annual usage~~ Two-twelfths of the estimated annual billings for utilities billing monthly; or
- (b) ~~For utilities billing bimonthly, three-twelfths of the service location's estimated annual usage~~ Three-twelfths of estimated annual billings for utilities billing bimonthly.

(4) **Deposit payment arrangements.** The utility must allow an applicant or customer the option of paying fifty percent of the deposit prior to service, and paying the remaining balance in equal amounts over the next two months, on the dates mutually agreed upon between the applicant or customer and the utility. The utility and applicant or customer may make other mutually acceptable deposit payment arrangements.

(5) **Alternative to deposit.** The utility must allow any applicant or customer who indicates an inability to pay a deposit:

- (a) To prepay any service initiation fees and reasonably estimated regular service charges or budget billings at periods corresponding to the utility's regular billing periods for the length of time during which a deposit would ordinarily be required. The utility must then bill the applicant or customer in a normal fashion; or

- (b) To furnish a satisfactory guarantor. A guarantor must be considered satisfactory if the guarantor has at least established credit with the utility as outlined in this section. A utility may, at its discretion, accept a guarantor that does not meet the requirements of this section. If the customer has been disconnected, the guarantor is responsible for the amount stated on the disconnection notice, not to exceed the amount of the deposit as defined in subsection (3) of this section unless the guarantor has agreed to guarantee an additional amount as specified in subsection (7) of this section; or

(c) To notify the utility of the inability to pay a deposit as provided in WAC 480-90-143, Winter low-income payment program; or

(d) The opportunity to provide a reference from a similar utility that can be quickly and easily be checked if the conditions in subsection (1) of this section cannot be met.

(6) **Transfer of deposit.** When a customer moves to a new address within the utility's service territory, the deposit, plus accrued interest, ~~and~~ less any outstanding balance owing from the old address, must be transferred to the new address or refunded.

(7) **Additional deposit.** If a deposit or additional deposit amount is required after the service is established, the reasons must be specified to the customer in writing. Any request for a deposit or additional deposit amount must comply with the standards outlined in subsection (1) of this section. If the original deposit was secured by a guarantor and the guarantor does not agree to be responsible for the additional deposit amount, the customer will be held responsible for paying the additional deposit.

(8) **Deposit payment date.** Any deposit or additional deposit amount required after service is established is due and payable not earlier than 5:00 p.m. of the sixth business day after notice if the deposit requirement notice is mailed from within the states of Washington, Oregon, or Idaho, or the ninth business day if mailed from outside the states of Washington, Oregon, and Idaho. If the utility delivers the notice to the customer in person, the deposit or additional deposit amount is due and payable not earlier than 5:00 p.m. of the sixth business day from the date of delivery.

(9) **Interest on deposits.** ~~Interest on deposits collected from applicants or customers must:~~

~~(a) Accrue at the rate calculated as a simple average of the effective interest rate for new issues of one year treasury bills, computed from December 1 of each year, continuing through November 30 of the following year. The commission will advise the water company each year of the specific rate by mail.~~

~~(b) Earn the calculated interest rate during January 1 through December 31 of the subsequent year.~~

~~(c) Be computed from the time of deposit to the time of refund or total application of the deposit and must be compounded annually.~~

Utilities that collect customer deposits must pay interest on those deposits calculated:

(a) For each calendar year, at the rate for the one-year Treasury Constant Maturity calculated by the U.S. Treasury, as published in the Federal Reserve's Statistical Release H.15 on January 15 of that year. If January 15 falls on a non-business day, the utility will use the rate posted on the next following business day; and

(b) From the date of deposit to the date of refund or when applied directly to the customer's account.

(10) **When Rrefund of deposits is required.** ~~Deposits plus accrued interest must be applied to the customer's account or refunded at the customer's request when there has been satisfactory payment or upon termination of service. A utility must apply deposits plus accrued interest to the customer's account, or refund deposits plus accrued interest when there has been satisfactory payment, as defined in (a) of this subsection, or when service is terminated.~~

~~(a) "Satisfactory payment." Satisfactory payment is established when the means a customer has paid for service during for twelve consecutive months in a prompt and satisfactory manner as evidenced by the following:~~

~~(i) The utility has not initiated started a disconnection proceedings process against the customer; and~~

(ii) The utility has sent no more than two delinquency notices to the customer.

(b) Termination of service. ~~Upon termination of~~ When service is terminated, the utility must return to the customer the deposit amount plus accrued interest, less any amounts due the utility by the customer.

(11) **How deposits are refunded.** ~~Any deposit plus accrued interest must be made available to the customer not later than fifteen calendar days following completion of twelve months of satisfactory payment or the cancellation of service. Refunds must be:~~

~~(a) Applied to the customer's account for service beginning in the thirteenth month; or~~

~~(b) At the customer's request, paid in the form of a check either delivered by mail or given to the customer in person at the utility's local business office.~~

A utility must refund any deposit plus accrued interest as indicated by the customer at the time of deposit, or as modified by the customer on a later date, using one of the following methods:

(a) A check issued and mailed to the customer no later than fifteen days following completion of twelve months of satisfactory payment, as described above; or

(b) A credit applied to the customer's account for service beginning in the thirteenth month.

WAC 480-90-118 Nonresidential services deposit requirements. (1) **Deposit criteria for nonresidential customers.** ~~An A utility may require an applicant for nonresidential service may be required to demonstrate that # the applicant is a satisfactory credit risk by reasonable means appropriate under the circumstances.~~

(2) **Deposit amount.** ~~The utility may require a deposit not to~~ Deposits required for a customer or location must not exceed the amount of:

(a) ~~For utilities billing monthly, two twelfths of the service location's estimated annual usage~~ Two-twelfths of the estimated annual billings for utilities billing monthly; or

(b) ~~For utilities billing bimonthly, three twelfths of the service location's estimated annual usage~~ Three-twelfths of estimated annual billings for utilities billing bimonthly.

(3) **Transfer of deposit.** When a customer moves to a new address within the utility's service territory, the deposit, plus accrued interest, ~~and~~ less any outstanding balance owing from the old address, must be transferred to the new address or refunded.

(4) **Additional deposit.** ~~Nothing in this section will prevents the requirement of a larger deposit, a new deposit, or other alternative forms of a deposit when conditions warrant. Should a new, larger, or alternative form of deposit be required, the reason must be specified in writing to the customer. If a deposit or additional deposit amount is required after the service is established, the reasons must be specified to the customer in writing. Any request for a deposit or additional deposit amount must comply with the standards outlined in subsection (1) of this section. If the original deposit was secured by a guarantor and the guarantor does not agree to be responsible for the additional deposit amount, the customer will be held responsible for paying the additional deposit.~~

(5) **Deposit payment date.** Any deposit or additional deposit amount required after service is established is due and payable not earlier than 5:00 p.m. of the sixth business day after notice if the deposit requirement notice is mailed from within the states of Washington, Oregon, or Idaho, or the ninth business day if mailed from outside the states of Washington, Oregon, and Idaho. If the utility delivers the notice to the customer in person, the deposit or additional deposit amount is due and payable not earlier than 5:00 p.m. of the sixth business day from the date of delivery.

(6) **Interest on deposits.** ~~Interest on deposits collected from applicants or customers must:~~

(a) ~~Accrue at the rate calculated as a simple average of the effective interest rate for new issues of one year treasury bills, computed from December 1 of each year, continuing through November 30 of the following year. The commission will advise the water company each year of the specific rate by mail.~~

(b) ~~Earn the calculated interest rate during January 1 through December 31 of the subsequent year.~~

(c) ~~Be computed from the time of deposit to the time of refund or total application of the deposit and must be compounded annually.~~

Utilities that collect customer deposits must pay interest on those deposits calculated:

(a) For each calendar year, at the rate for the one-year Treasury Constant Maturity calculated by the U.S. Treasury, as published in the Federal Reserve's Statistical Release H.15 on January 15 of that year. If January 15 falls on a non-business day, the utility will use the rate posted on the next following business day; and

(b) From the date of deposit to the date of refund or when applied directly to the customer's account.

(7) **When Rrefund of deposits is required** ~~Deposits plus accrued interest must be~~

~~applied to the customer's account or refunded at the customer's request when there has been satisfactory payment or upon termination of service. A utility must apply deposits plus accrued interest to the customer's account, or refund deposits plus accrued interest when there has been satisfactory payment, as defined in (a) of this subsection, or when service is terminated.~~

(a) "Satisfactory payment." ~~Satisfactory payment is established when the~~ means a customer has paid for service ~~during~~ for twelve consecutive months in a prompt and satisfactory manner as evidenced by the following:

(i) The utility has not ~~initiated~~ started a disconnection ~~proceedings~~ process against the customer; and

(ii) The utility has sent no more than two delinquency notices to the customer.

(b) Termination of service. ~~Upon termination of~~ When service is terminated, the utility must return to the customer the deposit amount plus accrued interest, less any amounts due the utility by the customer.

Chapter 480-100 WAC Electric Companies - Operations

WAC 480-100-113 Residential services deposit requirements. (1) **Deposit criteria for current residential customers.** An electric utility may collect a deposit from its own customers for residential service only if:

- (a) At any time during the prior twelve months, the utility has sent the customer three or more delinquency notices;
- (b) The utility has disconnected the customer's residential service for nonpayment; or
- (c) There is a prior customer living at the residence who owes a past-due bill to the utility for service at that address.

(2) **Deposit criteria for residential applicants.** A utility may collect a deposit from an applicant for residential service only if:

- (a) The applicant has met any of the conditions described in subsection (1) of this section as a prior customer of the utility or as a customer of another electric utility;
- (b) The applicant is not able to demonstrate continuous employment during the prior twelve consecutive months and neither is currently employed nor has a regular source of income;
- (c) The applicant does not own or is not purchasing the premises to be served;
- (d) There is a prior customer living at the residence who owes a past-due bill to the utility at that address; or
- (e) The applicant has an unpaid, overdue balance owing to any electric or gas utility for residential service.

(3) **Deposit amount.** ~~The utility may require a deposit not to~~ Deposits required for a customer or location must not exceed the amount of:

- (a) ~~For utilities billing monthly, two twelfths of the service location's estimated annual usage~~ Two-twelfths of the estimated annual billings for utilities billing monthly; or
- (b) ~~For utilities billing bimonthly, three twelfths of the service location's estimated annual usage~~ Three-twelfths of estimated annual billings for utilities billing bimonthly.

(4) **Deposit payment arrangements.** The utility must allow an applicant or customer the option of paying fifty percent of the deposit prior to service, and paying the remaining balance in equal amounts over the next two months, on the dates mutually agreed upon between the applicant or customer and the utility. The utility and applicant or customer may make other mutually acceptable deposit payment arrangements.

(5) **Alternative to deposit.** The utility must allow any applicant or customer who indicates an inability to pay a deposit:

(a) To prepay any service initiation fees and reasonably estimated regular service charges or budget billings at periods corresponding to the utility's regular billing periods for the length of time during which a deposit would ordinarily be required. The utility must then bill the applicant or customer in a normal fashion; or

(b) To furnish a satisfactory guarantor. A guarantor will be considered satisfactory if the guarantor has at least established credit with the utility as outlined in this section. A utility may, at its discretion, accept a guarantor that does not meet the requirements of this section. If the customer has been disconnected, the guarantor is responsible for the amount stated on the disconnection notice, not to exceed the amount of the deposit as defined in subsection (3) of this section unless the guarantor has agreed to guarantee an additional amount as specified in subsection (7) of this section; or

(c) To notify the utility of the inability to pay a deposit as provided in WAC 480-100-

143, Winter low-income payment program; or

(d) The opportunity to provide a reference from a similar utility that can be quickly and easily checked if the conditions in subsection (1) of this section cannot be met.

(6) **Transfer of deposit.** When a customer moves to a new address within the utility's service territory, the deposit, plus accrued interest, and less any outstanding balance owing from the old address, must be transferred to the new address or refunded.

(7) **Additional deposit.** If a deposit or additional deposit amount is required after the service is established, the reasons must be specified to the customer in writing. Any request for a deposit or additional deposit amount must comply with the standards outlined in subsection (1) of this section. If the original deposit was secured by a guarantor and the guarantor does not agree to be responsible for the additional deposit amount, the customer will be held responsible for paying the additional deposit.

(8) **Deposit payment date.** Any deposit or additional deposit amount required after service is established is due and payable not earlier than 5:00 p.m. of the sixth business day after notice; if the deposit requirement notice is mailed from within the states of Washington, Oregon, or Idaho, or the ninth business day if mailed from outside the states of Washington, Oregon, and Idaho. If the utility delivers the notice to the customer in person, the deposit or additional deposit amount is due and payable not earlier than 5:00 p.m. of the sixth business day from the date of delivery.

(9) **Interest on deposits.** ~~Interest on deposits collected from applicants or customers must:~~

~~(a) Accrue at the rate calculated as a simple average of the effective interest rate for new issues of one-year treasury bills, computed from December 1 of each year, continuing through November 30 of the following year. The commission will advise the water company each year of the specific rate by mail.~~

~~(b) Earn the calculated interest rate during January 1 through December 31 of the subsequent year.~~

~~(c) Be computed from the time of deposit to the time of refund or total application of the deposit and must be compounded annually.~~

Utilities that collect customer deposits must pay interest on those deposits calculated:

(a) For each calendar year, at the rate for the one-year Treasury Constant Maturity calculated by the U.S. Treasury, as published in the Federal Reserve's Statistical Release H.15 on January 15 of that year. If January 15 falls on a non-business day, the utility will use the rate posted on the next following business day; and

(b) From the date of deposit to the date of refund or when applied directly to the customer's account.

(10) **When Refund of deposits is required.** ~~Deposits plus accrued interest must be applied to the customer's account or refunded at the customer's request when there has been satisfactory payment or upon termination of service. A utility must apply deposits plus accrued interest to the customer's account, or refund deposits plus accrued interest when there has been satisfactory payment, as defined in (a) of this subsection, or when service is terminated.~~

~~(a) "Satisfactory payment" —when means a customer has paid for service during for twelve consecutive months in a prompt and satisfactory manner as evidenced by the following:~~

~~(i) The utility has not initiated started a disconnection proceedings process against the customer; and~~

~~(ii) The utility has sent no more than two delinquency notices to the customer.~~

~~(b) Termination of service. Upon termination of When service is terminated, the utility~~

must return to the customer the deposit amount plus accrued interest, less any amounts due the utility by the customer.

~~(11) **How deposits are refunded.** Any deposit plus accrued interest must be made available to the customer no later than fifteen calendar days following completion of twelve months of satisfactory payment or the cancellation of service. Refunds must be:~~

~~(a) Applied to the customer's account for service beginning in the thirteenth month; or~~

~~(b) At the customer's request, paid in the form of a check either delivered by mail or given to the customer in person at the utility's local business office.~~

A utility must refund any deposit plus accrued interest as indicated by the customer at the time of deposit, or as modified by the customer on a later date, using one of the following methods:

(a) A check issued and mailed to the customer no later than fifteen days following completion of twelve months of satisfactory payment, as described above; or

(b) A credit applied to the customer's account for service beginning in the thirteenth month.

WAC 480-100-118 Nonresidential service deposit requirements. (1) **Deposit criteria for nonresidential customers.** ~~An~~ A utility may require an applicant for nonresidential service may be required to demonstrate that ~~it~~ the applicant is a satisfactory credit risk by reasonable means appropriate under the circumstances.

(2) **Deposit amount.** ~~The utility may require a deposit not to~~ Deposits required for a customer or location must not exceed the amount of:

(a) ~~For utilities billing monthly, two twelfths of the service location's estimated annual usage~~ Two-twelfths of the estimated annual billings for utilities billing monthly; or

(b) ~~For utilities billing bimonthly, three twelfths of the service location's estimated annual usage~~ Three-twelfths of estimated annual billings for utilities billing bimonthly.

(3) **Transfer of deposit.** When a customer moves to a new address within the utility's service territory, the deposit, plus accrued interest, ~~and~~ less any outstanding balance owing from the old address, must be transferred to the new address or refunded.

(4) **Additional deposit.** ~~Nothing in this section will prevent~~ the requirement of a larger deposit, a new deposit, or other alternative forms of a deposit when conditions warrant. Should a new, larger, or alternative form of deposit be required, the reason must be specified in writing to the customer. If a deposit or additional deposit amount is required after the service is established, the reasons must be specified to the customer in writing. Any request for a deposit or additional deposit amount must comply with the standards outlined in subsection (1) of this section. If the original deposit was secured by a guarantor and the guarantor does not agree to be responsible for the additional deposit amount, the customer will be held responsible for paying the additional deposit.

(5) **Deposit payment date.** Any deposit or additional deposit amount required after service is established is due and payable not earlier than 5:00 p.m. of the sixth business day after notice, if the deposit requirement notice is mailed from within the states of Washington, Oregon, or Idaho, or the ninth business day if mailed from outside the states of Washington, Oregon, and Idaho. If the utility delivers the notice to the customer in person, the deposit or additional deposit amount is due and payable not earlier than 5:00 p.m. of the sixth business day from the date of delivery.

(6) **Interest on deposits.** ~~Interest on deposits collected from applicants or customers must:~~

(a) ~~Accrue at the rate calculated as a simple average of the effective interest rate for new issues of one year treasury bills, computed from December 1 of each year, continuing through November 30 of the following year. The commission will advise the water company each year of the specific rate by mail.~~

(b) ~~Earn the calculated interest rate during January 1 through December 31 of the subsequent year.~~

(c) ~~Be computed from the time of deposit to the time of refund or total application of the deposit and must be compounded annually.~~

Utilities that collect customer deposits must pay interest on those deposits calculated:

(a) For each calendar year, at the rate for the one-year Treasury Constant Maturity calculated by the U.S. Treasury, as published in the Federal Reserve's Statistical Release H.15 on January 15 of that year. If January 15 falls on a non-business day, the utility will use the rate posted on the next following business day; and

(b) From the date of deposit to the date of refund or when applied directly to the customer's account.

(7) **When Rrefund of deposits is required** ~~Deposits plus accrued interest must be applied to the customer's account or refunded at the customer's request when there has been satisfactory payment or upon termination of service. A utility must apply deposits plus accrued interest to the customer's account, or refund deposits plus accrued interest when there has been satisfactory payment, as defined in (a) of this subsection, or when service is terminated.~~

(a) "Satisfactory payment." ~~Satisfactory payment is established when the~~ means a customer has paid for service during for twelve consecutive months in a prompt and satisfactory manner as evidenced by the following:

(i) The utility has not ~~initiated~~ started a disconnection proceedings process against the customer; and

(ii) The utility has sent no more than two delinquency notices to the customer.

(b) Termination of service. ~~Upon termination of~~ When service is terminated, the utility must return to the customer the deposit amount plus accrued interest, less any amounts due the utility by the customer.

Chapter 480-110 WAC Water Companies

WAC 480-110-335 ~~Establishment of~~ Establishing credit and deposits. (1) ~~Establishment of~~ **Establishing credit - residential**. A company ~~must~~ may not collect a security deposit if an applicant for residential ~~water~~ service can establish satisfactory credit by any one of the following factors:

(a) ~~Prior~~ The applicant had prior service with the water company or another water company for within the prior twelve months before the application date and:

(i) ~~At least twelve consecutive months with no more than one delinquency notice; and~~

(ii) ~~The service was not disconnected for nonpayment;~~

(ii) The customer received no more than one delinquency notice; and

(biii) ~~Prior residential water service~~ References with another water the other company, as demonstrated in (a) of this subsection, for which references may be (if applicable) can quickly and easily be checked. The water company may request that the references be in writing from the previous water company be in writing;

(eb) ~~Full-time~~ The applicant had consecutive employment during the prior twelve months with no more than two employers; and the applicant is currently employed or has a regular source of income;

(dc) ~~Ownership of~~ The applicant owns or has a legal interest in the premises being served;

(ed) ~~Furnishing~~ The applicant can furnish a satisfactory guarantor who will be responsible for payment of water service bills in the event of disconnection or default by the customer, in a specified amount, not to exceed the amount of the cash deposit required;

(fe) ~~Producing, in person~~ The applicant personally produces at the water company's business office, two major credit cards, or other credit references, that the company can quickly and easily check, that demonstrate a satisfactory payment history.

(2) ~~Establishment of~~ **Establishing credit - nonresidential**. ~~An~~ A company may require an applicant for nonresidential water service ~~may be required~~ to demonstrate that ~~it~~ the applicant is a satisfactory credit risk by reasonable means appropriate under the circumstances.

(3) **Deposit requirements**. ~~A deposit may be required~~ company may require a deposit if when:

(a) The applicant has failed to establish a satisfactory credit history as outlined in subsections (1) or (2) of this section;

(b) ~~During the prior twelve months, the applicant's service from another water company has been disconnected for failure to pay amounts owing when due~~ The applicant's service from another water company was disconnected for failure to pay amounts owing when due during the twelve months before the application date;

(c) ~~There is~~ The applicant has an unpaid, overdue balance owing for similar service from the water company to which application is being made or from any other water company;

(d) Two or more delinquency notices have been served ~~upon~~ the applicant by any water company during the prior twelve months; or

(e) The application is for ~~the initiation or continuation of~~ beginning or continuing service to a residence where a prior customer still lives and owes a past due bill to the ~~water~~ company.

(4) ~~Amount of deposit~~ **Deposit amount**. ~~Required~~ Deposits required for a customer or location must not exceed:

(a) Two-twelfths of the estimated annual billings for ~~that customer or location~~ for companies billing monthly;

(b) Three-twelfths of estimated annual billings for companies billing bimonthly;

(c) Four-twelfths of estimated annual billings for companies billing trimonthly.

(5) **Transfer of deposit.** When a customer moves to a new address within the water company's service territory, the deposit plus accrued interest, must be transferable, less any outstanding past-due balance owing from the old address, must be transferred to the new address or refunded.

(6) **Interest on deposits.** ~~Interest on deposits collected from applicants or customers must:~~

~~(a) Accrue at the rate calculated as a simple average of the effective interest rate for new issues of one year treasury bills, computed from December 1 of each year, continuing through November 30 of the following year. The commission will advise the water company each year of the specific rate by mail.~~

~~(b) Earn the calculated interest rate during January 1 through December 31 of the subsequent year.~~

~~(c) Be computed from the time of deposit to the time of refund or total application of the deposit and must be compounded annually.~~

Companies that collect customer deposits must pay interest on those deposits calculated:

(a) For each calendar year, at the rate for the one-year Treasury Constant Maturity calculated by the U.S. Treasury, as published in the Federal Reserve's Statistical Release H.15 on January 15 of that year. If January 15 falls on a non-business day, the company will use the rate posted on the next following business day; and

(b) From the date of deposit to the date of refund or when applied directly to the customer's account.

~~(7) **Extended payment arrangement of deposits.** When an applicant or customer is required to pay a deposit but is unable to pay the entire deposit in advance of connection or continuation of service, the applicant or customer must be allowed to pay fifty percent of the deposit prior to service, with the remaining balance payable in equal amounts over the next two months. **Deposit payment arrangements.** The company must allow an applicant or customer the option of paying fifty percent of the deposit prior to service, and paying the remaining balance in equal amounts over the next two months, on the dates mutually agreed upon between the applicant or customer and the company. The company and applicant or customer may make other mutually acceptable deposit payment arrangements.~~

~~(8) **Cash payments.** When payment is made in person and in cash, a receipt must be furnished to each applicant or customer for the amount paid. **Receipt for deposit.** A company must furnish a receipt to each applicant or customer for the amount deposited.~~

(9) **When Rrefund of deposits when is required.** A company must refund deposits Deposits plus accrued interest must be refunded when there has been satisfactory payment, as defined in (a) of this subsection, or upon termination of service when service is terminated.

(a) "Satisfactory payment" —when means a customer has paid for service for twelve consecutive months in a prompt and satisfactory manner as evidenced by the following:

(i) The water company has not initiated started a disconnection proceedings process against the customer; and

(ii) No more The company has sent no more than two delinquency notices of delinquency have been made to the customer by the water company.

(b) Termination of service. ~~upon termination of~~ When service is terminated, the utility company must return to the customer the deposit amount then on deposit plus accrued interest, less any amounts due the utility company by the customer.

(10) ~~Refund of deposits method~~ **How deposits are refunded.** The company must refund Any any deposit, plus accrued interest, must be refunded to the customer in accordance with the preference as indicated by the customer at the time of deposit, or as modified by the customer on a later date, using one of the following methods:

(a) ~~In the form of a~~ A check issued and mailed to the customer no later than fifteen days following completion of twelve months of satisfactory payment, as described above; or

(b) ~~Applied~~ A credit applied to the customer's account for service beginning in the ~~13th~~ thirteenth month.

(11) **Additional deposit.** ~~Nothing in this rule prevents the requirement of a larger deposit or a new deposit when conditions warrant. Should a larger or new deposit be required, the reasons must be specified in writing to the customer. Any requirement for a new or larger deposit must comply with the standards set forth in this rule. If a deposit or additional deposit amount is required after the service is established, the reasons must be specified to the customer in writing. Any request for a deposit or additional deposit amount must comply with the standards outlined in subsections (1) and (2) of this section. If the original deposit was secured by a guarantor and the guarantor does not agree to be responsible for the additional deposit amount, the customer will be held responsible for paying the additional deposit.~~