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(15) Rules governing the procedure followed in disconnecting and reconnecting service.

(16) Notice by customer required for having service discontinued.

(17) Rules covering temporary, emergency, auxiliary and stand-by service.

(18) Rules covering the type of equipment which may or may not be connected, including rules such as those requiring demand-limiting devices or power-factor corrective equipment.

History: Cr. Register, July, 2000, No. 535, eff. 8-1-00.

PSC 113.0402 Deposits residential. (1) NEW RESIDENTIAL SERVICE. (a) A utility may not require a cash deposit or other guarantee as a condition of new residential service unless a customer has an outstanding account balance with any Wisconsin electric utility or cooperative which accrued within the last 6 years and for which there is not agreement or arrangement for payment being honored by the customer and at which time the request for new service remains outstanding and not in dispute, as defined in s. PSC 113.0407. To request a deposit under this section, utilities must comply with requirements in sub. (2).

(b) A deposit under this section shall not be required if the customer provides the utility with information showing that his or her gross quarterly income is at or below 200% of federal income poverty guidelines.

(c) A utility shall inform the customer of his or her right to enter into a deferred payment agreement for payment of the deposit amount and of his or her right to appeal any deposit request or amount required under this section to the public service commission.

(2) DEFERRED PAYMENT. The utility shall inform the customer that in lieu of cash deposit or guarantee, an applicant for new residential service who has an outstanding account balance accrued within the last 6 years with the same utility shall have the right to receive service from that utility under a deferred payment agreement, as defined in s. PSC 113.0404, for the outstanding account. A customer who defaults on the deferred payment agreement may be required by the utility to furnish a deposit.

(3) GUARANTEE TERMS AND CONDITIONS. (a) A utility may accept, in lieu of a cash deposit for new or existing residential service, a contract signed by a guarantor satisfactory to the utility whereby payment of a specified sum not exceeding the cash deposit requirement is guaranteed, or whereby the guarantor accepts responsibility for payment of all future bills. If the guarantor accepts responsibility for payment of future bills, the utility shall notify the customer in writing of the agreement and of the customer's right to refuse such an agreement. The term of the contract shall be for no longer than one year, but it shall automatically terminate after the residential customer has closed his or her account with the utility, or on the guarantor's request upon 30 days' written notice to the utility.

(b) Upon termination of a guarantee contract, or whenever the utility deems the guarantee insufficient as to amount of surety, a cash deposit or a new or additional guarantee may be required upon 20-day written notice to the customer. The service of any customer who fails to comply with these requirements may be disconnected upon 10 days' written notice.

(c) The utility shall mail the guarantor copies of all disconnect notices sent to the customer whose account has been guaranteed, unless the guarantor waives such notice in writing.

(4) EXISTING RESIDENTIAL SERVICE. (a) A utility may require a cash deposit or other guarantee as a condition of residential service if any of the following circumstances apply.

1. The utility has disconnected the customer's service within the last 12-month period for violation of the utility's filed rules or for nonpayment of a delinquent service account not currently in dispute.

2. Subsequent credit information indicates that the initial application for service was falsified.

3. The customer has the ability to pay for the utility service but, during the cold weather disconnections rules period, had an arrears amount incurred during that period that was 80 days or more past due. The utility may request a deposit under this section even if the customer's service has not been disconnected.

4. A new residential customer accrues charges for electric service that become 60 days or more past due within the first 8 months of service.

(b) A deposit under this section shall not be required if the customer provides the utility with information showing that his or her gross quarterly income is at or below 200% of the federal income poverty guidelines.

(c) When the utility requests a deposit of an existing residential customer, the customer shall be informed of his or her right to provide the deposit, guarantee, or to establish a deferred payment agreement. The customer shall be given 30 days to provide the deposit, guarantee, or enter into a deferred payment agreement for the deposit amount.

(5) WRITTEN EXPLANATION. A utility shall provide a written explanation of why a deposit or guarantee is being required for a residential account. The explanation shall include notice of the customer's right to appeal any deposit request or amount required under this section to the public service commission.

(6) REASONABLENESS OF DEPOSIT. When requesting a deposit from a residential customer, the utility shall consider the customer's ability to pay in determining the reasonableness of its request, including the following factors:

(a) Size of the delinquent account.

(b) Customer's payment history.

(c) Time that the debt has been outstanding.

(d) Reasons why the debt has been outstanding.

(e) Any other relevant factors concerning the circumstances of the customer, as household size, income and expenses.

(7) AMOUNT OF DEPOSIT. (a) The maximum deposit for a new residential account shall not exceed the highest estimated gross bill for any 2 consecutive billing periods selected by the utility.

(b) Except as provided in par. (c), the maximum deposit for an existing residential account shall not exceed the highest actual gross bill for any 2 consecutive months within the preceding 12 month review period, as determined by the utility.

(c) If, during the cold weather disconnection rules period, a customer had an arrears amount incurred during this period that was 80 days or more past due and had the ability to pay for utility service, the deposit may not exceed the highest actual gross bills for any 4 consecutive months within the preceding 12 months review period, as determined by the utility.

(8) REFUSAL OR DISCONNECTION OF SERVICE. Residential service may be refused or disconnected for failure to pay a deposit request subject to the rules pertaining to disconnection and refusal of service, as provided in s. PSC 113.0301.

(9) INTEREST. (a) Deposits for residential accounts shall bear interest payable from the date a deposit is made to the date it is applied to an account balance or is refunded.

(b) The interest rate to be paid shall be subject to change annually on a calendar year basis. The commission shall determine the rate of interest to be paid on deposits held during the following calendar year and notify utilities of that rate by December 15 of each year. The rate shall be equal to the weekly average yield of one-year United States treasury securities adjusted for constant maturity for the week ending on or after December 1 made available by the federal reserve board, rounded to the nearest tenth of one percent.

(c) The rate of interest set by the commission shall be payable on all deposits. Utilities shall calculate the interest earned on each deposit at the time of refund and at the end of each calendar year.

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The interest rate in a calendar year shall apply to the amount of the deposit and to all interest accrued during the previous year(s), for the fraction of the calendar year that the deposit was held by the utility.

(10) REFUND. The utility shall refund the deposit of a residential customer after 12 consecutive months of prompt payment.

(11) REVIEW. The utility shall not continue to require a cash deposit for a residential account unless a deposit is permitted under the provisions of sub. (4) or (10).

(12) METHOD OF REFUND. Any deposit or portion thereof refunded to a residential customer shall be refunded by check unless both the customer and the utility agree to a credit on the regular billing, or unless sub. (14) applies.

(13) REFUND AT TERMINATION OF SERVICE. On termination of residential service, the utility shall credit the deposit, with accrued interest, to the customer's final bill and return the balance within 30 days of issuing the final bill.

(14) ARREARAGES. An arrearage owed by a residential customer may be deducted from the customer's deposit under any of the following conditions:

(a) Except as provided in par. (c), a deposit may be used by the utility only to satisfy an arrearage occurring after the deposit was made.

(b) If the utility deducts an arrearage from a customer deposit, it may require the customer to bring the deposit up to its original amount. Failure of the customer to do so within 20 days of mailing a written request for payment is a ground for disconnection.

(c) When a deposit is refunded to the customer, the utility may first deduct any arrearage owed by the customer, whether the arrearage arose prior to or after the date of the deposit.

(15) APPLICABILITY. The provisions in subs.(2) and (3) are not applicable to deposits or guarantees made in connection with the financing of extensions or other equipment.

History: Cr. Register, July, 2000, No. 535, eff. 8-1-00; CR 02-027: am. (3) (b), Register December 2002 No. 564, eff. 1-1-03.

PSC 113.0403 Deposits for commercial and farm service.

(1) DEPOSIT REQUEST. If the credit of an applicant for commercial and farm service has not been established satisfactorily to the utility, the utility may require the applicant to post deposit. The utility shall notify the applicant within 30 days of the request for service as to whether a deposit will be required. The 30-day period shall begin from the date the applicant provides all requested relevant information to the utility. If no request for a deposit is made within this period, no deposit shall be required, except under the provisions of the sub. (5). If a request for a deposit is made, the applicant must be given at least 30 days to provide payment, or guarantee, or to establish an installment payment agreement.

(2) CONSIDERATIONS FOR DEPOSIT. In determining whether an applicant for commercial or farm service has satisfactorily established its credit, the utility shall inform the customer that it will consider any or all of the following factors, if provided by the customer, before requiring a security deposit.

(a) Credit information from credit reporting services.

(b) Letter of credit from a financial institution or another utility.

(c) Applicant's business characteristics, such as type of business, length of time the applicant has operated, the applicant's business experience and knowledge and estimated size of the applicant's bills;

(d) Assets of the business.

(e) The financial condition of the business, as indicated in a financial statement.

(3) INSTALLMENT PAYMENT AGREEMENT. A commercial or farm customer or applicant for commercial or farm service of which a deposit is requested shall have the right to receive service under an installment payment agreement.

(4) GUARANTEE TERMS AND CONDITIONS. (a) The utility may accept, in lieu of a cash deposit for new or existing commercial or farm service, a contract signed by a guarantor satisfactory to the utility whereby payment of a specified sum not exceeding the cash deposit requirement is guaranteed. The term of such contract shall be for no longer than 2 years, but it shall automatically terminate after the commercial or farm customer has closed its account with the utility, or at the guarantor's request on 30 days' written notice to the utility.

(b) On termination of a guarantee contract, or whenever the utility deems the amount of surety insufficient, a cash deposit or a new or additional guarantee may be required on 20-day written notice to the customer. The service of a customer who fails to comply with these requirements may be disconnected on 10 days written notice, subject to the establishment of an installment payment agreement.

(c) The utility shall mail the guarantor copies of all disconnect notices sent to the customer whose account he or she has guaranteed, unless the guarantor waives such notice in writing.

(5) EXISTING COMMERCIAL OR FARM SERVICE. (a) The utility may require an existing commercial or farm customer to furnish a deposit if the customer has not made prompt payment of all bills within the last 24 months, or if the customer has the ability to pay for the utility service but, during the cold weather disconnection rules period, had an arrears amount incurred during that period that was 80 days or more past due.

(b) When the utility requests a deposit of an existing commercial or farm customer, the customer shall have 30 days to provide the deposit, guarantee, or to establish an installment payment agreement.

(6) WRITTEN EXPLANATION. (a) A utility shall provide a written explanation of why a deposit or guarantee is being required for commercial or farm service. The explanation shall include notice of the customer's right to appeal any deposit request or amount required under this section to the public service commission.

(b) The utility shall inform the customer at the time a deposit is provided that if, after 12 months of utility service, the deposit amount is greater than necessary based on actual consumption, the customer may request refund of the difference between the 2 amounts.

(7) REFUSAL OR INTERRUPTION OF SERVICE. Commercial or farm service may be refused or disconnected for failure to pay a deposit request, subject to the rules pertaining to disconnection and refusal of service.

Note: See s. PSC 113.0302.

(8) AMOUNT OF DEPOSIT. (a) The maximum deposit for a new commercial or farm account shall not exceed the highest estimated gross bill for any 2 consecutive billing periods selected by the utility. If after a 12-month period the deposit amount is shown to be greater than warranted based on actual consumption, the utility shall at the customer's request refund the difference between the 2 amounts, plus interest.

(b) Except as provided in par. (c), the maximum deposit for an existing commercial or farm account shall not exceed the highest actual gross bill for any 2 consecutive months within the preceding 12 months review period, as determined by the utility.

(c) If, during the cold weather disconnection rules period, a customer had an arrears amount incurred during this period that was 80 days or more past due and had the ability to pay for utility service, the deposit may not exceed the highest actual gross bill for any 4 consecutive months within the preceding 12-month review period, as determined by the utility.

(9) INTEREST. (a) Deposits for commercial or farm service shall bear interest from the date a deposit is made to the date it is applied to an account balance or refunded.

(b) The interest rate to be paid shall be subject to change annually on a calendar basis. The commission shall determine the rate of interest to be paid on deposits held during the following calen-

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dar year and notify the utilities of the rate by December 15 of each year. The rate shall be equal to the weekly average yield of one-year United-States treasury securities adjusted for constant maturity for the week ending on or after December 1 made available by the federal reserve board, rounded to the nearest tenth of one percent.

(c) The rate of interest set by the commission shall be payable on all deposits. Utilities shall calculate the interest earned on each deposit at the time of the refund and at the end of each calendar year. The interest rate in a calendar year shall apply to the amount of the deposit and to all interest accrued during the previous year(s), for the fraction of the calendar year that the deposit was held by the utility.

(10) TIME OF REFUND. The deposit of a commercial or farm customer shall be refunded after 24 consecutive months of prompt payment.

(11) METHOD OF REFUND. Any deposit or portion thereof refunded to a commercial or farm customer shall be refunded by check unless both the customer and the utility agree to a credit on the regular billing, or unless sub. (13) applies.

(12) REFUND AT TERMINATION OF SERVICE. Upon termination of commercial or farm service, the deposit, with accrued interest, shall be credited to the final bill and the balance shall be returned within 30 days of issuing the final bill.

(13) ARREARAGES. An arrearage owed by a commercial or farm customer may be deducted from the customer's deposit under the following conditions.

(a) Except as provided in par. (c), a deposit may be used by the utility only to satisfy an arrearage occurring after the deposit was made.

(b) If the utility deducts an arrearage from a customer deposit, it may require the customer to bring the deposit up to its original amount. Failure of the customer to do so within 20 days of mailing a written request for payment is a ground for disconnection.

(c) When a deposit is refunded to the customer, the utility may first deduct any arrearage owed by the customer, whether the arrearage arose prior to or after the date of the deposit.

(14) APPLICABILITY. The provisions of subs. (3) and (4) are not applicable to deposits or guarantees made in connection with the financing of extensions or other equipment.

History: Cr. Register, July, 2000, No. 535, eff. 8-1-00; CR 02-027: am. (4) (b), Register December 2002 No. 564, eff. 1-1-03.

PSC 113.0404 Deferred payment agreement.

(1) The utility is required to offer deferred payment agreements only to residential accounts and may offer such agreements to other customers.

(2) Every deferred payment agreement entered into due to the customer's inability to pay the outstanding bill in full shall provide that service will not be discontinued if the customer pays a reasonable amount of the outstanding bill and agrees to pay a remaining outstanding balance in installments.

(3) For purposes of determining reasonableness in sub. (2), the parties shall consider the customer's ability to pay, including the following factors:

(a) Size of the delinquent account.

(b) Customer's payment history.

(c) Time that the debt has been outstanding.

(d) Reasons why debt has been outstanding.

(e) Any other relevant factors concerning the circumstances of the customer, such as household size, income and expenses.

(4) A utility may require a written deferred payment agreement with the customer's signature. A written agreement offered by a utility shall state immediately preceding the space provided for the customer's signature in at least 12-point boldface print,

"RIGHT OF APPEAL

- If you are not satisfied with this agreement, DO NOT SIGN IT.
- You have the right to suggest a different payment agreement.
- If you and the utility can not agree on terms, you can ask the public service commission to review the disputed issues.
- If you sign this agreement, you agree that you owe the amount due under the agreement.
- Signing this agreement does not affect your responsibility to pay for your current service."

A utility that does not require a written deferred payment agreement shall communicate to the customer all points listed above except for the signature when making the arrangement with the customer. A utility must send written confirmation of a deferred payment agreement upon customer request. The commission may require a utility to use written deferred payment agreements.

(5) A delinquent amount covered by a deferred payment agreement shall not be subject to a late payment charge if the customer meets the payment schedule required by the agreement.

(6) A special payment agreement entered into by the customer and the utility through the utility's early identification program shall be given the force and effect of a deferred payment agreement for purposes of late payment charges.

(7) If a utility customer has not fulfilled the terms of a deferred payment agreement and there has not been a significant change in the customer's ability to pay since the agreement was negotiated, the utility may disconnect utility service pursuant to disconnection of service rules, ss. PSC 113.0301 and 113.0304 and shall not be required to negotiate a subsequent deferred payment agreement prior to disconnection.

(8) Payments made by a customer in compliance with a deferred payment agreement shall first be considered made in payment of the previous account balance with any remainder credited to the current bill.

(9) If a deferred payment agreement cannot be reached because the customer's offer is unacceptable to the utility, the utility shall inform the customer in writing why the customer's offer was not acceptable.

History: Cr. Register, July, 2000, No. 535, eff. 8-1-00.

PSC 113.0405 Meter readings and billing periods.

Readings of all meters used for determining charges to customers shall be scheduled no less frequently than once every two months. Utilities may offer quarterly or semiannual meter-reading plans to customers who elect such an option. An effort shall be made to read meters on corresponding days of each meter-reading period cycle. The meter-reading date may be advanced or postponed not more than 5 days without adjustment of the billing for the period. Bills for service shall be rendered within 40 days from the reading of the meter except as may be otherwise specifically authorized by the commission. The utility may permit the customer to supply the meter readings on a form supplied by the utility, or by telephone or electronic mail, provided a utility representative reads the meter at least once each 6 months and when there is a change of customer. The utility shall make reasonable efforts to read the meters of customers whose meters require access to a residence and who cannot be available during normal business hours.

History: Cr. Register, July, 2000, No. 535, eff. 8-1-00.

PSC 113.0406 Billing. (1) (a) Each bill, including the customer's receipt, provided by Madison Gas and Electric Company, Northern States Power Company, Superior Water, Light and Power Company, Wisconsin Electric Power Company, Wisconsin Power and Light Company, Wisconsin Public Service Corporation, or their successors, shall show for each meter the following information: