

Electric Deposit Resolution

WHEREAS, the City of Thief River Falls operates an electric power distribution system, and

WHEREAS, service is provided to owner-occupied property, to rental property, and to manufactured homes within the service area, and

WHEREAS, the ability of the City to recover payment of delinquent utility bills for service to all properties is limited and it is necessary that the City protect itself against loss,

NOW, THEREFORE, BE IT RESOLVED, that the City obtains a deposit in the following amounts as a condition for the future service to all rental property, manufactured homes, and owner-occupied property.

\$200.00 deposit for all residential rental units and manufactured homes.

\$350.00 deposit for all residential rental units and manufactured homes with electric heat.

NOTE: The \$200 and \$350 deposits apply only to new customers. All customers with current deposits will stay as they are now as long as prompt payment continues even if they relocate within the City.

1. There shall be no deposit required for service to owner-occupied property unless delinquency occurs in payment of accounts or customer does not have a completed application on file as provided for in paragraph 3 below.
2. The requirement to take a deposit on rental property may be waived for the following reasons:
 - A. Customer provides a satisfactory credit reference from the customer's former utility. Credit reference must be received within 5 working days.
 - B. The owner of the property agrees to be personally responsible for the utility bills of his tenants should they become delinquent by signing a contract agreement.
3. After a customer has been delinquent two times on any premises being served, a deposit will be required for up to two times the highest estimated monthly charge for the premises being served.

For any customer with an unpaid prior account or an account that was previously turned over for collection, the deposit required will be equal to the greater of a.) the regular deposit amount, b.) the amount previously owed/turned over, c.) up to two times the highest estimated monthly charge for the premises.

Any customer, owner or tenant, without a fully completed application will pay a deposit equal to up to two times the highest estimated monthly charge for the premises.
4. For businesses that rent, the deposit will be equal to up to two times the highest estimated monthly charge for the premises served. The maximum deposit will be \$5,000.
5. Interest will be paid on deposits following the Minnesota State Statutes.
6. All deposits are applied to the customer's final billing. Any balance due customer is refunded by check.