



**Southeastern Electric Cooperative, Inc.**  
**Consumer Deposit Policy**

**Policy:** It shall be the policy of Southeastern Electric Cooperative ("SEC"), Inc. to keep the collection of delinquent accounts to a minimum by requiring for payment from its members.

**Procedure:** No service will be rendered to an applicant that has a delinquent and unpaid debt to SEC, unless immediate payment is made or a satisfactory payment agreement has been reached. All other members who apply for service must provide a satisfactory credit history or pay a cash deposit as a condition of continued service.

1. **Residential Accounts:** For the purpose of this section, a "residential account" shall be defined as an account to a dwelling unit containing kitchen appliances, permanent sewer or septic facilities, water service and used by the member as their permanent residence.

**A. Deposits on Residential Accounts**

1. Existing Residential Unit: The amount of the deposit will be based on residential history usage and calculated as the highest monthly bill during the previous twelve (12) months, multiplied by two (2) or \$500.00 whichever amount is less.
2. New Residential Unit: The amount of deposit for a new residential unit with no history of usage will be as follows:

Permanent Homes	\$200
Doublewide Mobile Homes	\$200
Singlewide Mobile Homes	\$175
Boat Houses	\$125
Travel Trailers	\$100
Barns and Shops	\$100
Water Well	\$50

- a. A deposit required under this policy may be paid in installments at the option of SEC;
  - b. A member paying a deposit as a portion of an electric service bill, payment of such bill in full shall constitute the receipt of deposit;
  - c. If the deposit is not paid by the due date on such bill, the amount of the deposit shall become a part of the total past due amount and money paid on the past due account shall be applied to the oldest past due accounts until paid in full.
3. Waiver of Deposit: SEC may waive the deposit if the applicant can furnish a satisfactory letter of credit from another electric utility. The requirement for a

satisfactory letter of credit is a history of payments with no more than two (2) late payments made within a 12-month period.

SEC may also waive the deposit for an existing SEC member who has had a residential service for twelve (12) consecutive months of the last eighteen (18) months, who has not disconnected for non-payment at any time, who made no more than two (2) late payments during this twelve (12) month consecutive period and who have not had a check for payment dishonored.

4. Additional or Increased Deposit: An existing member may be required to post an additional or increased deposit based on the highest monthly bill during the previous twelve (12) months, multiplied by two, as a condition of continued service when:
  - a. Payment of undisputed charges is late more than two (2) of the previous twelve (12) month billing periods; or
  - b. Service has been disconnected for nonpayment; or
  - c. A payment made by check is subsequently dishonored; or
  - d. Tampering has been found to SEC's meter or other measuring equipment.
5. Late Payments: A payment is considered past due if it is received after the current due date set out on the bill or if a payment is made by check on or before the current due date and is subsequently dishonored.

## **B. Refund of Deposits**

1. SEC shall review each residential deposit on or about the one-year anniversary date of its posting and shall refund said deposit after twelve (12) months of satisfactory payments of undisputed charges. Satisfactory payment shall mean payments not late more than two (2) times, service was not disconnected for nonpayment or a check for payment dishonored.
2. Refunds on deposits shall be made:
  - a. if there are no disputed charges on the account in which the deposit is being secured or following the resolution of disputed charges;
  - b. by crediting the member's current billing charges on the first bill after the review of the twelve (12) month period;
  - c. by negotiable instrument, if requested by member who has no delinquent charges: and
  - d. to the member who posted the deposit with no accrued interest amount.
  - e. the original receipt for the deposit amount, if any, shall not be required for the refund of the deposit.

2. **NON-RESIDENTIAL ACCOUNTS:** For the purpose of this section, “non-residential” shall be all other accounts for service to a unit that is not used as a permanent residence, see above.

**A. Deposits**

1. SEC may require a cash deposit as a condition of new or continued service in an amount equaled to the perceived risks associated with the non-residential service.
2. SEC may accept a satisfactory letter of credit in lieu of a cash deposit.
3. An additional or increased deposit may be required, if it was previously waived, or an additional deposit amount may be required from current members, if:
  - a. SEC’s meters or other measuring equipment is found tampered with;
  - b. The account payment become delinquent one (1) time in any twelve (12) month period;
  - c. Service is terminated for non-payment of undisputed charges;
  - d. Payment made by check is subsequently dishonored; or
  - e. For good cause as determined by SEC.

**B. Refund of Deposit**

1. By crediting the member’s current billing charges on the first bill after the review of the twelve (12) month period;
2. Refund of deposits will be made if there are no disputed charges on the account in which the deposit is being secured or following the resolution of disputed charges.
3. Refund of deposits will have no accrued interest amount.
4. The amount of the deposit shall be applied to any unpaid charges.
5. Deposits will only be refunded after the non-residential account is paid in full.
6. Any credit balance thereafter will be returned to the member within thirty (30) days following the settlement of the non-residential account, either in person or by mailing to the last known address.
7. The original receipt of the deposit amount, if any, shall not be required for the refund of the deposit.

3. **RECORDS**

**A. Contents:** SEC shall keep records of the member deposits containing:

1. the name, account number and address of each deposit;
2. the amount of the deposit and the date received; and
3. each transaction regarding such deposit.

**B. Retention:** Such records shall be maintained for at least two (2) years after the deposit is made, refunded or applied to unpaid charges.

Date Adopted: June 21, 1979

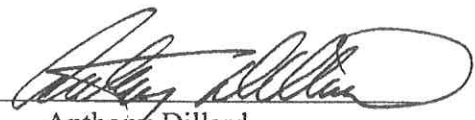


Date Amended: June 21, 1979  
September 20, 1979  
May 20, 1982  
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May 24, 1993  
September 27, 1993  
February 21, 2005

November 26, 2019



Jeff Willingham  
SEC Board President



Anthony Dillard  
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