

FORT LOUDOUN ELECTRIC COOPERATIVE
VONORE, TENNESSEE
Board Policy 306

SUBJECT: **MEMBER DEPOSITS; DISCONNECTS; METER TAMPERING;
POWER DIVERSION**

DEPOSITS:

A deposit equal to that stated in the below schedule may be required of any customer before electric service is supplied.

Deposits are to be required without regard to race, color, creed, sex, age, national origin, or marital status.

It is the policy to collect security deposits from all homeowners who do not meet the cooperative's credit requirements.

All residential applicants will be required to undergo a credit check and identity check and meet all other FLEC criteria before electricity will be put into their name. The identity check will be performed in accordance with the rules of the Red Flag FACT Act – FLEC Board policy 342.

A **property owner** who has provided proof of ownership, has undergone a credit and identity check, and has good credit based upon FLEC's criteria, will be required to pay a membership and meter set fee. The deposit may be waived. Proof of ownership must be an official document such as a property deed or other legal proof of ownership. A property owner whose credit check reveals less than good credit must pay a \$300.00 deposit in addition to the membership and meter set fees.

All **renters** will be required to pay a \$300.00 minimum deposit plus the membership and meter set fee. A rental agreement must be presented before electric service will be connected.

No guarantors for residential electric service will be accepted.

All **commercial** and **industrial** members whose estimated bill exceeds \$50.00 for one month shall be required to make a deposit in an amount equal to two (2) month's highest billing taken from the previous 12 month billing history. If there is no billing history or if the business type has changed and the usage is expected to be higher or lower, the deposit will be determined by the FLEC engineering department or by analyzing an already existing comparable FLEC account.

The Cooperative holds the right to evaluate the commercial and industrial accounts and at the Cooperative's discretion, may ask for additional security based upon deposit evaluation.

Residential and Commercial deposits will be refunded or applied only after termination of electric service.

DISCONNECTS:

If a customer does not have a deposit, has a bad payment history with Fort Loudoun Electric Cooperative, and has been disconnected for non-payment, the customer will be required to pay all collection fees, reconnection fees, past due amount **and** pay a \$300.00 deposit before reconnection.

If a customer has paid a former deposit and has been disconnected for non-payment, the customer will be required to pay all the collection fees, reconnection fees, past due amount **and** make up the difference between the old and new deposit.

RECONNECTION FEES:

A reconnection fee of \$30.00 shall be paid if the reconnection is performed during business hours.

After hour reconnection fee shall be \$100.00, plus all other fees and the past due amount.

METER TAMPERING AND POWER DIVISION FEE:

If a meter seal has been tampered with or cut, and is discovered by a Fort Loudoun Electric Cooperative employee, an investigation may occur and a \$100 tampering fee may be assessed. If power is diverted or there is tampering of a meter which results in the diversion of electricity, damages may be assessed against the member up to three (3) times the estimated loss, plus reasonable attorney fees and costs associated with the loss, pursuant to TCA 65-35-104.

Responsibility: CFO

Effective Date: June 25, 2009
(Supersedes policy dated: July 22, 2004)

Supersedes Board Policy Number: 318