

APR 30 2018

MORA-SAN MIGUEL ELECTRIC COOPERATIVE, INC.
ORIGINAL RULE NO. 18NM PUBLIC REGULATION COMM
RECORDS MANAGEMENT BUREAU**ELECTRIC SERVICE SECURITY DEPOSITS – ALL CUSTOMERS**

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Objective:

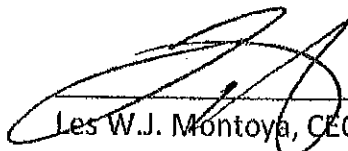
In the interest of preventing losses from the sale of electric services to its Members/Consumers, MSMEC requires an Electric Service Security Deposit. The General Manager is authorized to enforce a Security Deposit Policy through its Finance Manager and Utility Billing Supervisor. The Electric Service Security Deposit shall be required of all electric customers who have been serviced by MSMEC in their name or where credit has not been satisfactorily established. Upon determination by MSMEC and after 12 months of good credit established with MSMEC, the Security Deposit in accordance with Revised Rate No. 7, plus any interest earned as provided by the law, shall be returned to the consumer upon request or applied to the customer's bill.

Policy Content:

1. **Consumers/Members other than residential customers - greater than 50KVA:**
 - A. Consumers requesting electricity under Industrial Power Services shall provide a security deposit in an amount and upon such terms and conditions as the General Manager, MSMEC and the Consumer mutually agreed upon.
 - B. Consumers requesting electricity under Commercial Service shall provide an Electric Service Security Deposit evidenced by one or more of the following, as determined by the Cooperative;

ADVICE NOTICE 62**EFFECTIVE**

MAY 30 2018

REPLACED BY NMPRC
BY Rule No. 210

Les W.J. Montoya, CEO/General Manager
Mora-San Miguel Electric Cooperative, Inc.

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- a. An irrevocable letter of credit on such terms and conditions and executed by a financial institution as approved by the Cooperative;
 - b. A mortgage on real estate as approved by the Cooperative;
 - c. Cash deposit based on installed KVA capacity;
 - d. Individual guarantee of payment; or
 - e. Such other security as the Cooperative and the consumer agree upon
- C. If after such security deposit is established, the consumer becomes delinquent in payment of a monthly statement, the Finance Manager shall, as a condition of furnishing additional electric service, require an additional security deposit in one or more of the forms as set forth above.
- D. A consumer utilizing electrical service under Commercial Service (Schedule CS) shall execute a Commercial Electric Power Agreement in the form then on file with the New Mexico Public Regulation Commission.

2. Residential Member/Customer – Less than 50KVA:


- A. The member/Consumer has not had prior service from the Cooperative in his/her name and has not established an acceptable credit rating;
- B. The consumer has been “chronically delinquent” in the payment of his/her account. A “Chronically Delinquent” residential consumer is one who during the prior twelve (12) months has had his or her service discontinued for nonpayment, or who during the prior twelve (12)

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- month has not paid a bill by the date that a subsequent bill is rendered on three (3) or more occasions.
- C. As a condition of reconnection following discontinuance of service by MSMEC for nonpayment.
 - D. The member/consumer has interfered with or diverted service on, or about, or delivered to the member's/consumer's premise.
 - E. The required security deposit shall not exceed an amount equivalent to one-sixth (1/6) of the members/consumers estimated annual billing or not more than one and one-half (1 ½) times the consumer's estimated maximum monthly bill as allowed for Revised Rate No. 7.
 - F. In determining whether a Residential Member/Consumer has established an acceptable credit rating, the Cooperative shall consider whether the member/consumer:
 - a. Owns or is purchasing a home
 - b. Is and has been regularly employed at a full-time basis for at least one (1) year
 - c. Can provide adequate credit references from a commercial credit source or utility where the member/consumer had prior utility service
 - d. Has a regular source of income
 - G. A residential member/consumer who has not been "chronically delinquent" for the twelve (12) month period following the date of the deposit, shall receive a credit for the deposit and accrued interest on consumer's next utility bill. If the residential member/consumer so

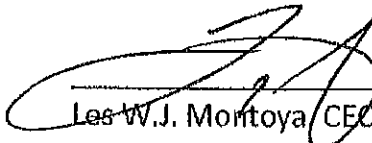
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requests, the amount of the deposit plus accrued interest may be refunded to the member/consumer.

- H. Cooperative shall maintain records of deposits and provide receipts for deposits as provided by the New Mexico Public Regulation Commission Rules.
- I. Administration of this policy shall fall with the Finance Manager and may be delegated to the Utility Billing and IT Supervisor and enforced by Member Service Representatives.
- J. Interest rates to apply to deposits shall be monitored by the Finance Manager and changes shall be administered by the Finance Manager as allowed by law (62-13-13, NMSA 1978).

[End of rule; space below intentionally left blank]

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