

PSC No: 16 - Gas
Rochester Gas and Electric Corporation
Initial Effective Date: December 1, 2012

Leaf No. 24
Revision: 1
Superseding Revision: 0

GENERAL INFORMATION

2. HOW TO OBTAIN SERVICE (Cont'd)

B. CUSTOMER DEPOSIT (Cont'd)

(2) Deposit Calculations

Residential

Deposits from applicants and customers may not exceed two times the estimated average monthly bill for a calendar year, except in the case of space heating customers, where deposits may not exceed twice the estimated average monthly bill for the heating season to secure payment for services actually rendered, or for the rental of fixtures, instruments and facilities actually supplied.

Non-Residential

Deposits from applicants and customers may not exceed twice the average monthly bill, except in the case of customers whose usage varies widely such as space heating or cooling customers, or certain manufacturing and industrial processors, where the deposit will not exceed the cost of twice the average monthly usage for the peak season, except:

- (a) In the case of an existing customer who has 12 months or more of billing history, the amount of the deposit will be based on service used during the previous 12-month period as evidenced by the billing history.
- (b) In the case of a new customer or a customer with less than 12 months of billing history, the amount of the deposit will be based on one or more of the following, as available:
 - (1) the billing history of the customer;
 - (2) information provided in the application by the customer about the expected load and use of service;
 - (3) information contained in a load study of the premises prepared by the utility; and
 - (4) the billing history of the previous customer, provided there have been no significant changes in the load.

(3) Deposit Review

Non-Residential

The Company shall, at the first anniversary of the receipt of the deposit and at least biennially thereafter, review the billing history of every customer who has a deposit with the Company, to assure the amount of the deposit conforms with Rule 2.B.(2)(c). The Company reserves the right to review the deposit at any other time at the Company's option.

- (a) If a review shows that the deposit held falls short of the amount the Company may require by 25 percent or more, the Company may require the payment of a corresponding additional deposit amount from the customer.
- (b) If a review shows that the deposit held exceeds the amount the Company may lawfully require by 25 percent or more, the Company shall refund the excess deposit to the customer in accordance with Rule 2.B.7.

Upon request of a customer for a downward revision of the deposit, which request is substantiated by both the customers' billing history and by a permanent documented change in load and consumption, the Company shall refund any portion of the deposit in excess of the amount the utility may lawfully require in accordance with Rule 2.B.7 the amount to the customer.

(4) Deposit Alternatives

The Company shall accept deposit alternatives which provide a level of security equivalent to cash, such as irrevocable bank letters of credit and surety bonds, in the form specified by the Company.

ISSUED BY: James A. Lahtinen, Vice President Rates and Regulatory Economics, Rochester, New York