

§ 144-19. Deposits for electric service. [Added 7-11-1932; last amended 12-5-2005 by Ord. No. 1201, approved 12-5-2005]

- A. Electric service customers shall be required to make a security deposit with the Borough in order to obtain electric service as outlined in this § 144-19 under conditions outlined herein. This deposit is designed to guarantee against a default in payment by an electric customer. A security deposit, if required, shall not be considered as being made in lieu of a regular required payment.
- B. The following residential customers are required to make a security deposit with the Borough:
 - (1) New residential customers;
 - (2) Previous residential customers who have not had an electric service account with the Borough for 30 days or more;
 - (3) Existing residential customers who have bad pay history with the Borough. For purposes of this § 144-19, "bad pay history" is defined as any one of the following:
 - (a) A residential customer who has had a delinquent electric account balance in excess of \$50 for more than 90 days over the course of the account history; or
 - (b) A residential customer who has presented the Borough with at least two checks, electronic fund transfers, or other methods of payment which were not honored by the customer's bank or financial institution; or
 - (c) A residential customer who has had his or her service terminated for nonpayment.
- C. All commercial customers shall be required to place a security deposit with the Borough.
- D. All security deposits shall be held separate from other funds of the Borough, and shall bear interest at the rate of 1% per annum.
- E. Security deposits may be returned to a residential customer:
 - (1) After 12 months, provided that the customer does not have a bad pay history or has made no delinquent payments or insufficient funds payments during the previous 12

months; or

- (2) Following assignment of the account to a successor and payment of the final electric bill. In the event that the final electric bill is not paid in full, the security deposit shall be retained and applied to the unpaid balance. Any portion of the security deposit remaining after application against amounts owed shall be returned.
- F. Any customer whose service is terminated and, as a result, is required to make a security deposit, shall be required to do so prior to the reactivation of the terminated electric service. Failure, or inability, to make the required security deposit shall, in all cases, prohibit Borough staff from reestablishing electric service.
- G. Security deposits for commercial customers shall only be returned following the assignment of the account to a successor and settlement of the final bill.
- H. Returned deposits shall be paid only to the customer of record or his or her heirs, executors or administrators.
- I. The Borough reserves the right, but shall not be required, to apply said deposit, in whole or in part, to payment of all current or other service charges, or any other fees, taxes, penalties, or charges, due to the Borough, by the service customer.
- J. Residential security deposits shall be \$50. Commercial security deposits shall be calculated at the rate of \$1 per ampere of service (example: i.e., 400 ampere service = \$400 deposit).
- K. The Borough reserves the right to allow security deposits to be made in the form of cash, credit card drafts, or electronic fund transfers.