

Rule No. 7

DEPOSITS

- A. Amount of Deposit. Pursuant to California Public Utilities Commission (CPUC) Decision 22-08-037, residential customers are not required to pay deposits in order to establish or reestablish credit. The following applies to deposits prior to the issuance of CPUC requirements prohibiting Liberty from requiring any residential customers to pay establishment of credit deposits for new service or reestablishment of service and all customer classes excluding domestic service. The amount of deposit required to establish or reestablish credit is twice the estimated average monthly bill, but in no case may the amount of deposit be less than \$50.00. (N)
- B. Return of Deposit. (N)
1. Upon discontinuance of service, the Utility will refund the Customer's deposit or the balance in excess of the unpaid bills for service.
 2. A deposit is refundable when the periods covered by bills paid before becoming past due, as prescribed in Rule No. 11.A., are equal to one year.
 3. The Utility may return the deposit at any time upon request provided the Customer's credit may otherwise be established in accordance with Rule No. 6.

Interest on Deposit. The Utility will pay interest on the deposit on a monthly basis at the rate of 1/12 of the most recent month's interest rate on commercial paper (prime, 3 months), published in the Federal Reserve Statistical Release, H.15. The interest on the deposit shall be applied monthly to the depositor's service account.

No interest will be paid for periods covered by bills paid after becoming past due, as prescribed in Rule No. 11. No interest will be paid if service is temporarily or permanently discontinued for nonpayment of bills.