

## **YOUR RIGHTS AS A MEMBER**

### **Residential Deposit**

The Cooperative will require a new applicant for residential service or an existing residential member to establish and maintain satisfactory credit as a condition of providing service. Satisfactory credit does not relieve the member from prompt payment of bills.

Membership and Establishment Fees: Membership in the Cooperative is required for service. Membership fees will be set by the Cooperative's Board of Directors and will be held until the last service connection for a member is terminated. Termination of membership does not release a member or a member's estate from debts owed the Cooperative. Additionally, a non-refundable \$75 establishment fee will be assessed for connecting service and/or transferring account information. All fees assessed, membership, establishment and any required deposit, must be collected before service is connected.

Identity Validation: To prevent identity theft, abuse of our application process, and to reduce uncollectible debt, valid identification will be required when applying for new service, when requesting payment extension or arrangements, when a check is returned, when meter tampering is charged, and when service is reconnected after non-payment. Requiring legitimate identification protects our members and our Cooperative.

In the event the applicant or existing member fails to provide complete, accurate and verifiable identification information as requested by the Cooperative, and, in the event an applicant fails to provide a letter of credit history from their previous electric utility for the same type of service, each will be required to pay a deposit.

Satisfactory credit: For existing members, satisfactory credit can be established by clearing any unpaid or delinquent balances prior to re-establishing service with the Cooperative, meeting and adhering to the Cooperative's payment policies and having no more than one late payment in the most recent twelve (12) months of service.

For applicants, satisfactory credit can be established by providing the Cooperative with documentation from another electric utility from within the last two (2) years, and not having been delinquent more than once in the most recent twelve (12) consecutive months of service.

Deposits: New applicants or existing members will be required to pay a fixed deposit in the amount of \$150 in the event that they fail to provide verifiable identification information as requested. For applicants, documentation of satisfactory credit at their former utility will also be required to avoid a deposit.

The Cooperative may require a deposit sufficient to reasonably protect it against the assumed risk for temporary or seasonal service, or weekend residences, as long as the policy is applied in a uniform and non-discriminatory manner.

Existing members applying for additional electric service will also be required to pay a deposit if:

- They are late paying their bill more than once during the most recent twelve (12) consecutive months of service.
- They are re-establishing service after disconnection for non-payment.
- They fail to satisfactorily demonstrate to the Cooperative their creditworthiness.
- They otherwise neglect to fulfill membership obligations, such as (but not limited to) failure to meet the obligations of their deferred payment agreement, return of a check for insufficient funds, theft of service, meter tampering, safety code violations or fraud.

If the member has already paid a fixed deposit, they may be required to pay an additional deposit up to a total deposit amount not to exceed one-sixth of their annual estimated bill.

The Cooperative may refuse to provide service if the requested deposit is not paid by an applicant or member at the initiation of service.

Interest on deposits: The Cooperative will pay interest on any required deposit at an annual rate at least equal to that set by the Public Utility Commission of Texas on December 1<sup>st</sup> of the preceding year. If a deposit is refunded within thirty (30) days of payment, no interest will accrue. Payment of interest on the deposit will be made annually, or at the time the deposit is returned or credited to the member's account.

Refunding deposits: If service is not connected or is disconnected, the Cooperative will promptly refund the deposit plus accrued interest on the balance, if any, in excess of the unpaid bills for service.

When the member has paid their electric bills for twelve (12) consecutive months without having service disconnected for non-payment of a bill and without having been delinquent in payment more than once, the Cooperative will promptly refund the deposit plus accrued interest to the member, or credit the deposit plus accrued interest to the member's account.

The deposit shall cease drawing interest on the date it is returned or credited to the member's account.

If the member does not meet these refund criteria, or the requested identification information is invalid, the deposit will be retained.

Re-establishing service after disconnection for non-payment: A member whose service has been disconnected for non-payment of bills, theft of service (meter tampering or bypassing meter) will be required, before service is reconnected, to pay all amounts due the Cooperative, including reconnection and other applicable fees and deposits.

Records of deposits: The Cooperative will keep records to show the name and address of each depositor, the amount and date of each deposit, and each transaction concerning the deposit

The Cooperative will issue a receipt of deposit to each applicant paying a deposit and will provide means for a depositor to establish a claim if the receipt is lost.

The Cooperative will make a reasonable effort to return unclaimed deposits.