

Rule No. 7

DEPOSITS

A. Amount to Establish Credit

1. Metered Service

a. To establish credit by deposit, the amount for residential service will not exceed twice the estimated average monthly or bimonthly bill. (C)

b. To establish credit by deposit, the amount for all other service will be twice the estimated average periodic bill when bills are rendered monthly or bimonthly, but in any event not more than twice the estimated bimonthly bill nor less than the amounts set forth above.

2. Flat Rate Service

No deposit will be required, except as prescribed for temporary service In Rule No. 13.

B. Amount to Re-establish Credit

1. Former Customers

To re-establish credit for an applicant who previously has been a customer of the utility and during the last 12 months of that prior service has had service disconnected for nonpayment of bills, the amount will be twice the estimated average monthly or bimonthly bill to be rendered for the service requested.

2. Present Customers

To re-establish credit for a customer whose service has been discontinued for nonpayment of bills, the amount will be twice the average monthly or bimonthly bill to be rendered for that service.

C. Applicability to Unpaid Accounts

Deposits made under this rule will be applied to unpaid bills for service when such service has been discontinued.

(To be inserted by utility)

Advice Letter No. 206-W

Issued by

Timothy S. Guster

(To be inserted by Cal. P.U.C.)

Date Filed MAY 3 2011

NAME

General Counsel

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Rule No. 7

DEPOSITS
(continued)

D. Return of Deposits

1. Upon discontinuance of service, the utility will refund the balance of the customer's deposit in excess of unpaid bills for that service for which the deposit was made.
2. After the customer has, for 12 consecutive months, paid bills for service on the average within 15 days after presentation, the utility will refund the customer's deposit with interest as provided in Paragraph E of this rule.

E. Interest on Deposits

1. The utility will pay simple interest on deposits at the average monthly 90-day commercial paper rate per month for the first 12 consecutive months during which the customer has paid bills for service within an average period of 15 days after presentation, and for additional time thereafter up to the date of refund; provided, however, that no interest shall accrue after mailing to the customer or to the customer's last known address the refund or a notice that the refund is available. (C)
3. No interest shall be paid if service is discontinued within the initial 12-month period. (C)

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