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COMMISSION
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Ohio Administrative Code

Rule 4901:1-10-14 Establishment of credit for nonresidential applicants and customers.

Effective: April 8, 2024

(A) Each electric utility shall establish written procedures to determine creditworthiness of nonresidential applicants and customers for service based solely on the customer's or applicant's creditworthiness.

(B) Upon request, each electric utility shall provide applicants/customers with the following information:

(1) Their credit history with that company.

(2) A copy of this rule, the commission's website and the toll-free and TTY numbers of the commission's call center.

(C) An applicant shall be deemed creditworthy if one of the following criteria is satisfied:

(1) The electric utility verifies that the applicant is a creditworthy property owner or verifies the applicant's creditworthiness in accordance with legally accepted practices to verify credit.

(a) The company may request the applicant's social security or tax identification number in order to obtain credit information and to establish identity, however if the applicant elects not to provide his/her social security number or tax identification number, the utility company may not refuse to provide service.

(b) If the applicant declines the utility company's request for a social security or tax identification number, the utility company shall inform the applicant of other options for establishing creditworthiness.

(2) The applicant had a prior account with an electric utility for the same class of service within two years before the date of application, and the applicant provides proof of the prior account, unless during the final year of prior service one of the following occurred:

(a) The company disconnected applicant for nonpayment.

(b) The applicant failed to pay its bill by the due date at least two times.

(c) The company disconnected the applicant for a fraudulent practice, tampering, or unauthorized reconnection.

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(3) The applicant furnishes a reasonably safe guarantor, who is a customer of that electric utility, to secure payment of bills in an amount sufficient for a sixty-day supply for the service requested.

(4) The applicant makes a cash deposit as set forth in this rule.

(D) Unless otherwise provided in paragraph (G) of this rule, when an electric utility fails to demand security within thirty calendar days after initiation of service, it may not require security for that service.

(E) Deposit to establish tariffed service; review of deposit upon customer request.

(1) An electric utility may require an applicant who fails to establish creditworthiness to make a deposit, not to exceed one hundred thirty per cent of the estimated annual average monthly bill for the customer's tariffed service for the ensuing twelve months.

(2) Upon the customer's request, the amount of the deposit paid is subject to adjustment, when the deposit paid differs by twenty per cent or more from the deposit which would have been required, based upon actual usage for three consecutive billing periods while taking into account seasonal variations in usage.

(F) Each electric utility which requires a cash deposit shall communicate to the applicant/customer:

(1) The reason(s) for its decision.

(2) Options available to establish credit (including a guarantor to secure payment).

(3) The applicant/customer's right to contest the electric utility's decision and to demonstrate creditworthiness.

(4) The applicant/customer may appeal the electric utility's decision to the staff.

(5) The commission's website and the toll-free and TTY telephone numbers of the commission's call center.

Upon request of the applicant/customer, the information in this rule shall be provided in writing.

(G) Deposit to reestablish creditworthiness for tariffed service.

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(1) An electric utility may require a customer to make a deposit, not to exceed one hundred thirty per cent of the estimated annual average monthly bill for the customer's tariffed service for the ensuing twelve months, on an existing account, as set forth in this rule, to reestablish creditworthiness for tariffed service based on the customer's credit history on that account with that electric utility.

(2) A deposit may be required if the customer meets one of the following criteria:

(a) After considering the totality of the customer's circumstances, a utility company may require a deposit if the customer has not made full payment or payment arrangements for any given bill containing a previous balance for regulated service provided by that utility company.

(b) The customer has had service disconnected for nonpayment, a fraudulent practice, tampering, or unauthorized reconnection during the preceding twelve months.

(H) Upon acceptance of a deposit, each electric utility shall furnish a receipt to the applicant or customer which shows:

(1) The name of the applicant.

(2) The address of the premises currently served or to be served.

(3) The billing address for service.

(4) The amount of the deposit.

(5) A statement as to the interest rate to be paid and the length of time the deposit must be held to qualify for interest.

(6) The conditions for refunding the deposit.

(I) Each electric utility shall:

(1) Review each nonresidential account after the first two years of service, and then annually thereafter, for which a deposit is being held, and shall promptly refund the deposit or credit the nonresidential customer's account, plus interest accrued, if during the preceding twenty-four months, or during the preceding twelve months for annual reviews, all of the following are true:

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(a) The customer's service was not disconnected for nonpayment, a fraudulent practice, tampering, or unauthorized reconnection.

(b) The customer had not more than three past due bills.

(c) The customer is not delinquent at the time of review.

(2) Upon customer request, but not more than annually, review each nonresidential account after the first two years of service for which a deposit is being held, and shall promptly refund the deposit or credit the customer's account, plus interest accrued, if, with regard to the preceding twelve months, all of the following are true:

(a) The customer's service was not disconnected for nonpayment, a fraudulent practice, tampering, or unauthorized reconnection.

(b) The customer had not more than two past due bills.

(c) The customer is not delinquent at the time of review.

(J) Each electric utility shall pay interest on a deposit of not less than three per cent per annum, provided the company has held the deposit for at least six consecutive months.

(K) When service is terminated or disconnected, each electric utility shall promptly:

(1) Apply the deposit and interest accrued to the final bill for service.

(2) Refund any amount in excess of the final bill to the customer, unless the amount of the refund is less than one dollar.

A transfer of service from one premise to another premise within the electric utility's certified territory or service area shall not be deemed a disconnection under this paragraph.

(L) Deposits for customers leaving bundled or standard offer services.

When a customer who has previously paid a deposit to the electric utility switches to a competitive retail electric service provider and is no longer served under an electric utility's bundled service or standard offer service, the electric utility shall apply the electric utility's generation service portion of the deposit and the accrued interest to the amounts due and payable on the next bill and refund any amount remaining to the customer, unless the amount of the refund is less than one dollar.

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(M) Each electric utility shall retain records of customer deposits for at least one year after the deposit, including interest, is returned and/or applied to the customer's bill.