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§ 225.1 Records

Each and every gas corporation and gas and electric corporation holding consumer deposits shall keep such records as will show, with respect to each deposit:

- (a) the name of the consumer making the deposit;
- (b) the address (including street and number) of each depositor, if known;
- (c) the date of receipt of the deposit;
- (d) the amount of the deposit;
- (e) the interest accrued upon the deposit to be entered biennially or more frequently;
- (f) all credits of interest made in reduction of amounts billed for service rendered, and the dates of such credits;
- (g) all payments of interest made on each deposit, and the dates of such payments; and
- (h) deductions representing sums due and unpaid to the corporation when depositor ceased to be a consumer, and the date thereof, together with such other information as any such corporation may deem necessary to make a complete record of each deposit.

§ 225.2 Index of consumers

Each and every gas corporation and gas and electric corporation holding consumer deposits shall keep, in addition to the records prescribed in section 225.1 of this Part, an index or indices, alphabetically or geographically arranged, which shall show at all times the name of each consumer from whom a deposit has been exacted, and whose said deposit or any part thereof remains unpaid, with appropriate reference in such index to the consumer's account.

§ 225.3 Interest

Each and every gas corporation and gas and electric corporation holding consumer deposits shall allow to each depositor simple interest on the amount deposited. The interest rate to be applied to the amount deposited shall be a composite yield of intermediate term, A-rated corporate bonds, as reported in financial publications, less costs of administering deposits of 1.75 per centum per annum. The rate shall be updated effective January 1st each year, based upon yield information available on the first Friday of October of the preceding year. The Commission will issue an advisory letter which publicizes the information to assure consistency. Each corporation shall credit such interest to each depositor whose deposit shall have been held for one year by paying such interest in cash or deducting it from the amount of a bill for gas service rendered such depositor thereafter, but not later than the next bill rendered after the next succeeding first day of October, and at each one-year interval thereafter.

§ 225.4 Application of deposit to unpaid bill

Each and every gas corporation and gas and electric corporation holding consumer deposits shall render to each depositor, when and as his deposit is applied to an unpaid bill or bills, a statement showing:

- (a) the bill or bills then due and unpaid;
- (b) the amount thereof;
- (c) the amount of the deposit, together with the interest accrued thereon and the period covered thereby; and
- (d) the balance of the bill or bills remaining unpaid or the balance of the deposit and interest thereon remaining to the credit of the depositor.

§ 225.5 Special provision for residential customers

(a) Definitions. For the purposes of this section, and when used in section 225.6 of this Part, the following definitions shall apply:

(1) Existing residential customer is a customer who receives gas service to a dwelling unit which such customer uses for his residential purposes and where business rates do not apply to the service. An existing residential customer includes an applicant for gas service who has transferred dwelling units within a utility's service territory and for whom there is a recent payment history.

(2) New residential customer is an applicant for gas service to a dwelling unit which such customer uses for his residential purposes and where business rates do not apply to the service, and who does not qualify as an existing residential customer.

(3) Delinquent in payment means, unless a more liberal standard is adopted by the utility, that a residential customer has not paid in full a duly rendered bill, or an agreed-upon partial payment, for gas service 25 days after the "to date" of the bill or within a longer period agreed to by the utility. A residential customer who has not paid in full a bill, or an agreed-upon partial payment, for gas service in circumstances where disconnection for nonpayment is precluded under utility complaint procedures established under section 275.8 of this Title or commission complaint procedures under Part 11 of this Title, shall not be considered delinquent in payment;

(4) Payment shall be considered accomplished on the date when the full amount of the bill or an agreed-upon partial payment is received by the gas corporation or gas and electric corporation or by any of such corporation's agents; provided, however, that if payment is mailed to such corporation or its agents, payment shall be considered accomplished as of the mailing by the consumer.

(b) Credit risk standards. (1) An existing residential customer may not be considered a bad credit risk unless such customer has been delinquent in payment two or more times within a recent 12-month period, or unless such customer's gas service has been discontinued for nonpayment during the preceding 12 months.

(2) A new residential customer may not be considered non-credit-rated unless such customer is unable to provide, to the satisfaction of the utility, affirmative answers to three or more of the six questions contained in Appendix 15-B of this Title. Each gas corporation and gas and electric corporation shall adopt procedures which provide for use of the six questions appearing in Appendix 15-B of this Title. A gas corporation or gas and electric corporation may determine whether to require a deposit from a new residential customer in accordance with the credit risk standards provided in paragraph (1) of this subdivision if sufficient information is available from a New York utility rendering comparable service to determine whether such customer is a bad credit risk as defined in paragraph (1) of this subdivision. If a new residential customer can establish prior satisfactory credit history with a utility rendering gas service at the customer's most recent address, the gas corporation may not obtain a security deposit from such new residential customer.

(c) Residential customer deposits. No gas corporation or gas and electric corporation may require a deposit from a residential customer unless such corporation shall establish that the residential customer is a bad credit risk or non-credit-rated in accordance with the definitions and standards prescribed in this section.

(d) No gas corporation or gas and electric corporation may require a deposit from a residential customer in excess of two times the estimated average monthly bill for a calendar year, except in the case of electric or gas space heating customers where deposits may not exceed two times the estimated average monthly bill for the heating season.

§ 225.6 Refunds

(a) Each gas corporation and gas and electric corporation holding consumer deposits shall render to each depositor, when and as his deposit is refunded, a statement showing the amount of the deposit, together with the amount of unpaid interest accrued thereon to the date of refund and the period covered thereby; and the amount of deposit and interest refunded. Any refund may be credited to the customer's account only to the extent of the current charges and the charges for the next succeeding month and any balance, or, at the election of such corporation, the full refund shall be made to the depositor. Each depositor, upon becoming entitled thereto by reason of nondelinquency for one year, upon ceasing to be a consumer or as provided by subdivision (b) of this section, may withdraw his deposit and all interest thereon which has not been refunded or credited against bills for service upon surrendering his deposit certificate (or submitting satisfactory proof of ownership of the deposit or of the right to receive the same) and the payment of all bills for which such deposit is security. The "prudent" period of deposit retention, referred to in Public Service Law section 117, may not exceed two years of nondelinquency in payment of bills rendered.

(b) Each gas corporation and gas and electric corporation shall, before April 1, 1976, review the accounts of all existing residential customers who have made deposits. Thereafter, each corporation shall review, on not less than an annual basis, the accounts of all existing residential customers who have made deposits. If a residential customer is not a bad credit risk, as defined in section 225.5(b)(1) of this Part, the utility shall promptly refund to such customer the amount of the deposit and the interest thereon.

§ 225.7 Certificate of deposit

Each and every gas corporation and gas and electric corporation holding consumer deposits shall issue to every consumer from whom a deposit may be exacted a certificate of deposit, for which shall be used a good quality of paper and on which certificate there shall be printed, in addition to the receipt for the money deposited, the substance of the following: **THIS RECEIPT IS NOT NEGOTIABLE OR TRANSFERABLE.** Interest will be allowed on this deposit so long as it shall remain with the corporation. When this deposit has been held for one year, interest thereon will be paid in cash or credited on a bill for service rendered the depositor thereafter, but not later than the first bill rendered after the next succeeding first day of October, and at the expiration of each succeeding one-year period. Preserve this receipt to be surrendered when deposit is returned.

§ 225.8 Refund without certificate of deposit

Each and every gas corporation and gas and electric corporation holding consumer deposits shall provide reasonable ways and means, in such manner as such corporation may elect, whereby a depositor who makes application for the return of his deposit and is entitled to the return thereof, but who is unable to produce the original certificate of deposit or receipt, may not be deprived of his rights.

§ 225.9 Circular containing terms of deposit

Each and every gas corporation and gas and electric corporation holding consumer deposits shall keep on hand for distribution to its consumers printed circulars, over its corporate or business name, which circulars shall be entitled "**TERMS AND CONDITIONS UPON WHICH CONSUMERS' DEPOSITS ARE COLLECTED, HELD, AND MAY BE WITHDRAWN**", and which shall contain a copy of this Part, a copy of Public Service Law section 117 (as added by L. 1976, ch. 557) and such other pertinent information as the corporation may elect. In lieu of providing a copy of section 117 of the Public Service Law and a copy of this Part, every such corporation may provide a circular approved by the commission containing the pertinent features of these requirements. Every such corporation shall furnish a copy of said circular or a summary of the pertinent features of these requirements to the consumer or applicant for service from whom a deposit is demanded when such corporation first informs said consumer that a deposit is required. Every such corporation shall post copies of such circular or summary in prominent places in each business office requested by consumers.

§ 225.10 Extension of service when deposit is disputed

Each and every gas corporation and gas and electric corporation shall extend service to any new applicant for service who has initiated a complaint on a deposit requested by such corporation and shall continue to supply service during the pendency of such complaint, provided that such applicant keep current on bills for service rendered and pay a reasonable amount as a deposit if the complaint challenges only the amount requested.