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§ 402.1 Records

Each and every steam 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;

(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.

§ 402.2 Index of consumers

Each and every steam corporation holding consumer deposits shall keep, in addition to the records prescribed in section 402.1 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.

§ 402.3 Interest

Each and every steam 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 steam 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.

§ 402.4 Application of deposit to unpaid bill

Each and every steam 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.

§ 402.5 Refund

Each and every steam corporation holding consumer deposits shall render to each depositor, when his deposit is refunded, a statement showing the amount of the deposit and the date thereof; the amount of unpaid interest accrued thereon to date of the refund and the period covered thereby; and the amount of deposit and interest refunded. Each depositor upon becoming entitled thereto, either by reason of nondelinquency for one year or upon ceasing to be a consumer, 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 the payment of bills rendered.

§ 402.6 Certificate of deposit

Each and every steam 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 moneys 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.

§ 402.7 Refund without certificate of deposit

Each and every steam 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.

§ 402.8 Circular containing terms of deposit

Each and every steam 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. Every such corporation, prior to or upon exacting a deposit, shall furnish a copy of said circular to the consumer or applicant for service from whom a deposit is demanded.

§ 402.9 Special rule for residential customers who transfer dwelling units

No steam corporation may require a deposit of a residential customer where such customer transfers residences within such corporation's service territory and continues service with such corporation if the residential customer was not required to post a security deposit or had a security deposit returned pursuant to section 117 of the Public Service Law.