

CONTINENTAL DIVIDE ELECTRIC COOPERATIVE, INC.  
SECOND REVISED RULE NO. 6  
CANCELLING FIRST REVISION RULE NO. 6

SECURITY DEPOSITS

X (NUMEROUS CHANGES)

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Deposits or other guarantee of payment as a condition of new or continued service to a Customer shall be required.

- A. A security deposit or other guarantee of payment for a Residential Customer shall be required per 17.5.410.16 NMAC in the case of:
1. A Residential Customer who has not previously had utility service with the Cooperative and who has not established an acceptable credit rating.
  2. A Chronically Delinquent Residential Customer of the Cooperative.
  3. A condition for reconnection of service following discontinuance of service by the Cooperative.
  4. A Residential Customer who, in an unauthorized manner, has interfered with or diverted the service of the Cooperative.
- B. Acceptable Credit Ratings: An acceptable credit rating may be established by a Residential Customer in any reasonable manner, as follows:
1. Customer owns or is purchasing a home.
  2. Customer is and has been regularly employed full time for at least one (1) year.
  3. Customer has an adequate ongoing source of income.
  4. Customer can provide adequate credit references from a commercial credit source or utility where the Customer had prior utility service.

If an acceptable credit rating cannot be established, but the Residential Customer can demonstrate inadequate financial resources to pay the security deposit because of low income, advanced age, disabled or other special considerations, the Cooperative can give consideration in determining whether, and in what amount a security deposit shall be charged.

When a person previously received service under the name of a spouse, but cannot establish an acceptable credit rating, the Cooperative may consider prior service to that spouse in determining the amount of a security deposit, if required.

ADVICE NOTICE NO. 69



Continental Divide Electric Cooperative, Inc.  
Robert E. Castillo, Chief Executive Officer

**EFFECTIVE**

November 1, 2024

Replaced by NMPRC

By: Operation of Law

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C. Amount of Security Deposit:

1. A security deposit for a Residential Customer or Small Commercial Customer will not exceed 1/6th of a Customer's estimated annual billing or more than 150% of the Customer's estimated monthly bill, as determined by the Cooperative.
2. Large Commercial and Industrial Service deposits will be calculated at two times the average monthly bill. Deposits for new service will be calculated based on the load forecast provided by the Customer. An Irrevocable Letter of Credit or a Surety Bond that renews annually can be provided in place of the security deposit.

D. Interest: A deposit bears simple interest at a rate as required by law. The deposit will bear interest to the date it is returned, or the date service is terminated.

E. Receipts:

1. If the Customer is unable to produce the original receipt and can provide adequate identification, the Customer shall not be deprived of a deposit refund according to the books and records of Continental Divide Electric Cooperative.
2. The residential customer posing a security deposit shall receive, before or with the first billing, a receipt containing: (1) the Customer's name, (2) date and amount of payment and (3) the terms and conditions governing the payment, retention, and interest and return of deposit.

F. Refund of Deposits, Determination of Guarantees:

1. A Customer who has not been Chronically Delinquent for twelve (12) months from the date of the deposit or guarantee shall receive a credit or refund for the deposit, plus interest or be permitted to terminate the guarantee. If the amount of the deposit exceeds the current bill by more than \$10.00, the Customer may request a refund of the excess.
2. If a Customer fails to qualify on the first anniversary date, the Cooperative shall review the account on each succeeding anniversary and shall credit the deposit if the Customer has not been delinquent during the preceding twelve (12) months.

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3. According to New Mexico law, deposits are presumed abandoned, if they remain unclaimed for more than ten (10) years after termination of service.

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