

**APPALACHIAN ELECTRIC COOPERATIVE
SERVICE POLICIES**

POLICY NO. 1230

DEPOSITS - COMMERCIAL AND INDUSTRIAL

A deposit or suitable guarantee equal to the greater of twice the highest estimated monthly bill or twice the twelve month average monthly bill will be required of any member before electric service is supplied.

Twice the highest estimated monthly bill or twice the twelve month average monthly bill are based on:

- The buildings previous occupants consumption and billing history
- Consumption and billing history of similar size buildings with similar operations and loads
- A Cooperative approved load sheet stating anticipated demand and energy requirements completed and signed by the member.

Acceptable Deposit or suitable guarantees:

1. Cash - Interest will accrue monthly on a cash deposit held longer then twelve (12) months at the interest rate earned on the Cooperative's primary bank account and applied to the electric account annually on July 1 of each year.
2. Joint Certificate of Deposit (additional requirements must be met)
3. Irrevocable Letter of Credit (additional requirements must be met)
4. Surety Bond (additional requirements must be met)
5. TVPPA Deposit Insurance Program (underwriter requirements must be met)
6. TVA Deposit Assurance Program (TVA Qualifications to be completed and approved)

Deposits will be held until termination of electric service. At that time any retained deposit including earned interest will be applied against unpaid bills of the member and any remaining balance shall be refunded to the member.

The deposit balance including earned interest is subject to review by the customer and the Cooperative at any time.

Approved:

AEC Board: July 28, 2015
TVA: October 2, 2015