

Rule 7  
DEPOSITS

Sheet 1

A. Amount of Deposit.

1. Establishment of Credit.

- (a) Effective October 1, 2010, until the effective date of SCE's next General Rate Case, the amount of deposit required to establish credit for a domestic service account maybe a maximum of twice the average monthly bill for SCE charges as calculated by SCE. (T)  
(T)
- (b) Effective October 1, 2010, until the effective date of SCE's next General Rate Case, all domestic customers who are required to establish credit with SCE may be eligible to enroll in SCE's Direct Pay program in lieu of paying a cash deposit.
- (c) The amount of deposit required to establish credit for a Small Business Customer, as defined in Rule 1, Definitions (or for a customer who certifies that it meets the California Government Code Section 14837 definition of "Micro-Business"), may be a maximum of twice the average monthly bill as estimated by SCE. For any other nondomestic service account, the deposit amount may be a maximum of twice the highest monthly bill as calculated by SCE. However, SCE may, at the time of application, take an estimated deposit amount which is subject to adjustment. For deposits established in CSS after 10/1/94, the deposit amount may be held at either the Customer Account or the Customer level but the amount of deposit will be determined either singly or collectively at the Service Account(s) level. (T)

2. Reestablishment of Credit.

- (a) Effective October 1, 2010, until the effective date of SCE's next General Rate Case, the amount of deposit required to reestablish credit for domestic service accounts may be a maximum of twice the average monthly bill for SCE charges as determined by SCE. (T)
- (b) The amount of deposit required to reestablish credit for a Small Business Customer, as defined in Rule 1, Definitions (or for a customer who certifies that it meets the California Government Code Section 14837 definition of "Micro-Business"), may be a maximum of twice the average monthly bill as calculated by SCE. For any other nondomestic service account, the deposit amount may be a maximum of twice the highest monthly bill as estimated by SCE. For deposits established in CSS after 10/1/94, the deposit amount will be determined and held as defined in Rule 7.A.1. (T)
- (c) SCE may not assess a reestablishment-of-credit deposit when a Small Business Customer, as defined in Rule 1, Definitions (or a customer who certifies that it meets the California Government Code Section 14837 definition of "Micro-Business") fails to pay a bill resulting in whole, or in part, from a back-bill.

(Continued)

(To be inserted by utility)

Advice 2591-E  
Decision \_\_\_\_\_

Issued by

Akbar Jazayeri  
Vice President

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Rule 7  
DEPOSITS

(Continued)

A. Amount of Deposit. (Continued) (N)

2. Reestablishment of Credit. (Continued)

(d) Before assessing a reestablishment-of-credit deposit on a Small Business Customer, as defined in Rule 1, Definitions (or on a customer who certifies that it meets the California Government Code Section 14837 definition of "Micro-Business"), SCE must send a warning letter after at least one late payment during any twelve-month period. The warning letter will inform that customer that a reestablishment-of-credit deposit may be assessed if there is another late payment within the same twelve-month period. (N)

Effective October 1, 2010, until the effective date of SCE's next General Rate Case, all domestic customers who are reestablishing credit following a disconnection of service may be eligible to enroll in SCE's Direct Pay program in lieu of paying a cash deposit. (L)

B. Return of Deposit.

1. When an application for electric service has been cancelled prior to the establishment of electric service, the deposit will be applied to any charges applicable in accordance with the tariff schedules and the excess portion of the deposit will be returned, and the applicant will be so advised.
2. When the customer's credit may be otherwise established in accordance with Rule 6, SCE may refund the deposit either upon the customer's request for return of the deposit or upon review by SCE.
3. Upon discontinuance of electric service, SCE will refund the customer's deposit or the balance in excess of unpaid bills for service. Deposits will not be used as payment for past due bills or Summary Bills to avoid discontinuance of service.
4. After the customer has paid bills or Summary Bills for electric service before becoming past due, as prescribed in Rule 11.A, for twelve months, SCE will refund the deposit by applying it to the customer account or by draft, provided that the customer's credit would, thereafter, be otherwise established under Rule 6. (L)

(Continued)

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 Advice 2540-E  
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 Resolution \_\_\_\_\_

Rule 7  
DEPOSITS

Sheet 3 (T)

(Continued)

C. Interest on Deposits.

1. Effective January 1, 1980, SCE will pay interest compounded monthly at the rate of 1/12 of the interest rate on Commercial Paper (prime, 3 months), published the prior month in the Federal Reserve Statistical Release, G.13. Should publication of the interest rate on Commercial Paper (prime, 3 months) be discontinued, interest will so accrue at the rate of 1/12 of the interest rate on Commercial Paper, which most closely approximates the discontinued rate, and which is published the prior month in the Federal Reserve Statistical Release, G.13, or its successor publication. Applicable interest commences on the date the deposit is received and earned interest will be paid at the time the deposit is applied to the customer's account or refunded.

For deposits established in CSS after 10/1/94, applicable interest commences on the date the deposit is paid in full. The deposit is not paid in full if any charges associated with the collection of the deposit, including, but not limited to, returned check charges are still outstanding. Earned interest will be paid only on the amount of the deposit and at the time the deposit is applied to the customer's account or refunded.

2. No interest will be paid for periods covered by bills paid after becoming past due, as prescribed in Rule 11.A. except for deposit established in CSS after 10/1/94, where interest will be paid when at least one Customer Account (Summary Bill), linked to several other Customer Accounts and secured by a deposit held at the Customer level, is paid on time. No interest will be paid if service is temporarily or permanently discontinued for nonpayment of bills. No interest will be paid if deposit is held less than full month increments.

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