

EL PASO ELECTRIC COMPANY  
FOURTH REVISED RULE NO. 4  
CANCELLING THIRD REVISED RULE NO. 4

NEW MEXICO  
PUBLIC REGULATION  
COMMISSION  
FILED

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X

DEPOSITS AND ESTABLISHMENT OF CREDIT 2013 JAN 15 PM 4 47

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RESIDENTIAL X

The Company may require from any residential customer or prospective residential customer a deposit intended to guarantee payment of bills for service. X  
X

The Company may not require a security deposit or other guarantee of payment as a condition of new or continued service to a residential customer except in the case of service:

1. To a residential customer who has not previously had utility service with the Company and who has not established an acceptable credit rating;
2. To a residential customer who has on three (3) or more occasions, within a twelve (12) month period, received a final notice; X  
X
3. As a condition for reconnection of service following discontinuance of service by the Company; and X
4. To a residential customer who in an unauthorized manner has interfered with or diverted the service of the Company situated on or about or delivered to the residential customer's premises.

A deposit for a residential customer will not exceed an amount equivalent to one-sixth (1/6) of that customer's established annual billings. The Company shall base its billing estimates for purposes of calculating a deposit upon the most recent available prior twelve (12) month corresponding period at the same service location; or, if there is not a comparable period of service at the same service location, the deposit shall be based upon consumption of similar units in the same area. X  
X  
X

Simple interest at a rate not less than the minimum rate required by law will be accrued annually on deposits to the residential customer's credit for the time the deposit is held by the Company. The deposit shall cease to draw interest on the date service is terminated, on the date it is returned, or on the date the refund is sent to the residential customer's last known address.

Each residential customer posting a security deposit shall receive in writing at the time of tender of deposit or with the first bill following, a receipt as evidence thereof. The receipt will contain the following minimum information:

1. Name of customer
2. Date of payment
3. Amount of payment
4. Statement of the terms and conditions governing the payment, retention, interest and return of deposits.

**EFFECTIVE**


FEB - 1 2013

REPLACED BY NMPRC

BY Final Order Case No. 11-00385-UT

Advice Notice No. 227

Signature/Title



David G. Carpenter

Sr Vice President-Chief Financial Officer

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CANCELLING THIRD REVISED RULE NO. 4

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DEPOSITS AND ESTABLISHMENT OF CREDIT

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The Company will ensure that a customer entitled to a return of deposit will not be deprived of the deposit refund even though the customer may be unable to produce the original receipt for the deposit, provided the customer is entitled to a refund of the deposit and can produce adequate identification.

Any residential customer who has not been chronically delinquent for the twelve (12) month period from the date of deposit or guarantee shall promptly receive a credit or refund in the amount of the deposit together with accrued interest due or shall be permitted to terminate any guarantee. If the amount of the deposit exceeds the amount of the current bill, the residential customer may request a refund in the amount of the excess if such excess exceeds twenty-five dollars (\$25). If the residential customer fails to qualify for a refund on the first anniversary date of the deposit, that account shall be reviewed at least annually, and the amount of the deposit shall be credited if the residential customer has not been chronically delinquent during the preceding twelve (12) months. A residential customer may request a refund at any time after twelve (12) months payment history, which refund shall be promptly paid if the residential customer has not been chronically delinquent during the prior twelve (12) month period, or the Company may pay such refund in the absence of a request within a reasonable period of time.

X  
X  
X  
X

In determining whether a residential customer who has not previously had utility service with the Company has an acceptable credit rating, the Company shall consider the following:

1. Documentation that the residential customer owns or is purchasing the residence served;
2. Documentation that the residential customer has an adequate income;
3. Documentation that the residential customer has an adequate credit reference from a utility where the residential customer had prior utility service;
4. Documentation obtained by the Company from a commercial credit source; or
5. Any other reasonable documentation.

If a residential customer or prospective residential customer can demonstrate to the Company that the residential customer does not have adequate financial resources to pay the security deposit and the residential customer meets the qualifications of LIHEAP, or is subject to other special circumstances, the Company shall give special consideration to such a residential customer in determining whether or in what amount a security deposit will be charged or if payment by an installment agreement is

X

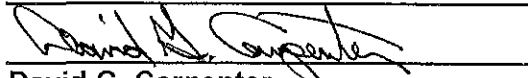
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**DEPOSITS AND ESTABLISHMENT OF CREDIT**

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appropriate. In making such determination, the Company shall accept documentation from the administering authority that such residential or prospective residential customer meets the qualifications of LIHEAP. X

If a prospective residential customer cannot establish an acceptable credit rating but previously received utility service under the name of a spouse, the Company may consider prior utility service to that spouse in determining whether and in what amount a security deposit will be charged.

NON-RESIDENTIAL X

The Company may require from non-residential and temporary installations a deposit intended to guarantee payment of bills for service. X  
X

The Company may not require a security deposit or other guarantee of payment as a condition of new or continued service to a non-residential customer except in the case of service: X  
X  
X

1. To a non-residential customer who has not previously had utility service with the Company and who has not established an acceptable credit rating; X  
X
2. To a non-residential customer that has on three (3) or more occasions, within a twelve (12) month period, received a final notice; X  
X
3. As a condition for reconnection of service following discontinuance of service by the Company; or X  
X
4. To a non-residential customer that in an unauthorized manner has interfered with or diverted the service of the Company situated on or about or delivered to the customer's premises. X  
X  
X

In determining whether a non-residential customer who has not previously had utility service with the Company has an acceptable credit rating, the Company shall consider the following: X  
X  
X

1. Documentation that the customer has an adequate credit reference from a utility where the customer had prior utility service; X  
X
2. Documentation obtained by the Company from a commercial credit source; or X
3. Any other reasonable documentation. X

A deposit for a non-residential customer will not exceed an amount equivalent to one-sixth (1/6) of the non-residential customer's estimated annual billings. The Company will base its deposit criteria upon the most recent available prior twelve (12) month corresponding period at the same service location; or, if there is not a comparable period of service at the same service location, the deposit will be based upon consumption of similar units in the same area. X  
X  
X  
X  
X  
X

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Simple interest at a rate not less than the minimum rate required by law will be accrued annually on deposits to the customer's credit for the time the deposit is held by the Company. The deposit shall cease to draw interest on the date service is terminated, on the date it is returned, on the date service is terminated, or on the date the refund is sent to the non-residential customer's last known address. X  
X  
X  
X  
X

Each non-residential customer posting a security deposit shall receive in writing at the time of tender of deposit or with the first bill following, a receipt as evidence thereof. The receipt will contain the following minimum information: X  
X  
1. Name of customer X  
2. Date of payment X  
3. Amount of payment X  
4. Statement of the terms and conditions governing the payment, retention, interest, and return of deposits. X  
X

The Company will ensure that a non-residential customer entitled to a return of deposit will not be deprived of the deposit refund even though the customer may be unable to produce the original receipt for the deposit, provided the customer is entitled to a refund of the deposit and can produce adequate identification. X  
X  
X  
X

Any non-residential customer who has not received a final notice for the twelve (12) month period from the date of deposit or guarantee will promptly receive a credit or refund in the amount of the deposit together with accrued interest due or shall be permitted to terminate any guarantee. If the amount of the deposit exceeds the amount of the current bill, the customer may request a refund in the amount of the excess if such excess exceeds twenty-five dollars (\$25). If the customer fails to qualify for a refund on the first anniversary date of the deposit, the account shall be reviewed at least annually, and the amount of the deposit will be credited if the customer has not received a final notice during the prior twelve (12) month period. X  
X  
X  
X  
X  
X  
X  
X  
X

Any non-residential customer may request a refund at any time after twelve (12) months payment history, which refund shall promptly be paid if the customer has not received a final notice during the prior twelve (12) month period, or the Company may pay such refund in the absence of a request within a reasonable period of time. X  
X  
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X

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