

**APPALACHIAN ELECTRIC COOPERATIVE
SERVICE POLICIES**

POLICY NO. 1230

DEPOSITS - COMMERCIAL AND INDUSTRIAL

A deposit or suitable guarantee will be required from all new commercial members and commercial members reestablishing service before electric service is supplied.

Deposit Determination:

The required deposit will be twice the highest estimated monthly bill or twice the twelve-month average monthly, determined by:

- The building's previous occupant's consumption and billing history
- Consumption and billing history of similar size buildings with similar operations and loads.
- A Cooperative approved load sheet (Form #258), stating anticipated demand and energy requirements completed and signed by the member.

Acceptable Deposit or suitable guarantees:

1. Cash - Interest accrues monthly on cash deposits held longer than twelve (12) months, at the rate earned on the Cooperative's primary bank account and is 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)

Deposits will be held until termination of electric service. At that time any retained deposit including the 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 the earned interest is subject to review by the member and the Cooperative at any time.

Approved:

AEC Board: July 28, 2015
TVA: October 2, 2015
AEC Board Revised: October 28, 2025