

SOCORRO ELECTRIC COOPERATIVE, INC.
ORIGINAL RULE NO. 4
CANCELLING N.M.P.S.C. SHEET NO. 97

SECURITY DEPOSITS, GUARANTEES OF PAYMENT

Page 1 of 3

Residential Security Deposits or Guarantees:

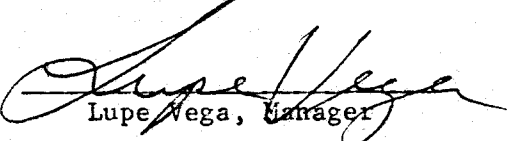
The Cooperative will not require a security deposit or other guarantee of payment as a condition of new or continued service to a residential member, except in the case of service a) to a residential member who has not previously had utility service with the Cooperative and who has not established an acceptable credit rating, b) to a chronically delinquent residential member of the Cooperative, c) as a condition for reconnection of service following discontinuance of service by the Cooperative, and d) to a residential member who, in an unauthorized manner has interfered with or diverted the service of the Cooperative situated on or about or delivered to the residential member's premises.

Methods to Establish Acceptable Credit Rating:

- A. A residential member or guarantor may establish an acceptable credit rating in any reasonable manner, such as the following:
1. Can provide adequate credit references from a commercial credit source or utility where the residential member had prior Cooperative service;
 2. Owns or is purchasing a home;
 3. Is and has been regularly employed on a full-time basis for at least one year;
 4. Has an adequate regular source of income.
- B. If a residential member or prospective residential member cannot establish an acceptable credit rating but can demonstrate to the Cooperative that the residential member does not have adequate financial resources to pay the security deposit because the residential member has a low income and is elderly, disabled, or subject to other special considerations, the Cooperative will give special consideration to such a residential member in determining whether and in what amount a security deposit will be charged.

SERVICES

Advice Notice No. 30


Lupe Vega, Manager

EFFECTIVE BY OPERATION OF LAW
SEC. 62-8-7 AND G. O. NO. 2, SEC. 20
DATE 5/30/85
NEW MEXICO PUBLIC SERVICE COMMISSION

SOCORRO ELECTRIC COOPERATIVE, INC.
ORIGINAL RULE NO. 4
CANCELLING N.M.P.S.C. SHEET NO. 97

SECURITY DEPOSITS, GUARANTEES OF PAYMENT

Page 2 of 3

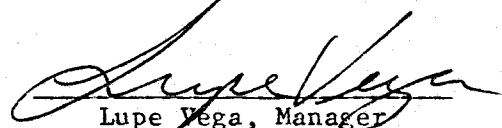
- C. If a prospective residential member cannot establish an acceptable credit rating but previously received utility service under the name of a spouse, the Cooperative may consider prior utility service to that spouse in determining whether and in what amount a security deposit will be charged.

Amounts of and Accounting for Security Deposits:

- A. Deposit for residential members are set forth in rate "Special Fees and Charges".
- B. Simple interest on deposits will accrue annually to the residential member's credit for the time it is held by the Cooperative. The deposit will cease to draw interest on the date it is returned, on the date service is terminated, or on the date the refund is sent to the residential member's last known address.
- C. Each residential member posting a security deposit will receive in writing at the time of tender of deposit, or with the first bill, a receipt as evidence thereof. The receipt will contain the following minimum information:
1. Name of residential member.
 2. Date of payment.
 3. Amount of payment.
 4. Statement of the terms and conditions governing the payment, retention, interest, and return of deposits.
- D. The Cooperative will provide means whereby a residential member entitled to a return of deposit is not deprived of the deposit refund even though the residential member may be unable to produce the original receipt for the deposit, provided the residential member can produce adequate identification to insure that the residential member is entitled to refund of the deposit.

SERVICE

Advice Notice No. 30


Lupe Vega, Manager

EFFECTIVE BY OPERATION OF LAW
SEC. 62-8-7 AND G. O. NO. 2, SEC. 20
DATE 5/30/85
NEW MEXICO PUBLIC SERVICE COMMISSION

SOCORRO ELECTRIC COOPERATIVE, INC.
ORIGINAL RULE NO. 4
CANCELLING N.M.P.S.C. SHEET NO. 97

SECURITY DEPOSITS, GUARANTEES OF PAYMENT

Page 3 of 3

- E. The Cooperative shall have a reasonable time in which to read and remove meters after receiving notice from the member and to ascertain that the obligations of the member, including all accounts due the Cooperative by the member, have been paid in full before the Cooperative shall be required to return any deposits.

Refund of Deposits, Termination of Guarantees:

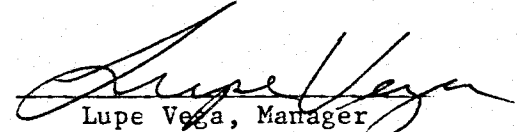
- A. Any residential member who has not been chronically delinquent for the twelve-month period from the date of deposit or guarantee shall promptly receive a credit or refund in the amount of the deposit together with accrued interest due or shall be permitted to terminate any guarantee. If the amount of the deposit exceeds the amount of the current bill, the residential member may request a refund in the amount of the excess if such excess exceeds ten dollars (\$10). If the residential member fails to qualify for a refund of the deposit on the first anniversary date of the deposit, that account will be reviewed on each next succeeding anniversary date of the deposit and the amount of the deposit shall be credited if the residential member has not been chronically delinquent during the preceding twelve (12) months. A residential member may request a refund at any time after twelve (12) months, which refund shall be promptly paid if the residential member has not been chronically delinquent during the prior twelve-month period, or the Cooperative may pay such refund in the absence of a request within a reasonable period of time.
- B. Unclaimed deposits shall be handled as provided by law.

Records of Deposits:

The Cooperative will keep records of deposits and issue receipts of deposits in accordance with the requirements of Subsections c., d., f., and g. of Section 19 of G.O. No. 5 and 6.

SERVICE

Advice Notice No. 30


Lupe Vega, Manager

EFFECTIVE BY OPERATION OF LAW
SEC. 62-8-7 AND G. O. NO. 2, SEC. 20
DATE 5/30/85
NEW MEXICO PUBLIC SERVICE COMMISSION