



## THUNDER BAY HYDRO DEPOSIT POLICY INFORMATION

Thunder Bay Hydro's Deposit Policy is available to Thunder Bay Hydro customers for their inspection upon request. Please visit our office or phone our Customer Accounts Department at 343-1131.

Applicants for electrical service will complete a customer information form or provide personal information (with their authorized consent) for the purpose of collecting information. Based on this information, Thunder Bay Hydro will request an Account Security Deposit from all applicants who are unable to demonstrate a good payment history.

Thunder Bay Hydro may require a Security Deposit, unless the Customer has a good payment history of:

- 1 year - *in the case of a residential customer.*
- 5 years - *in the case of a non-residential customer in a <50 KW demand rate class.*
- 7 years - *in the case of a non-residential customer in a >50KW demand rate class.*

The time period that makes up the good payment history must be the most recent period of time (*as listed above*) and some of that time period must have occurred within the previous two (2) years.

The Customer is deemed to have a good payment history unless, during the time period listed above:

- *the Customer has received more than one disconnection notice from a Distributor, or*
- *more than one cheque given to a distributor has been returned for insufficient funds, or*
- *more than one pre-authorized payment has been returned for insufficient funds, or*
- *a disconnect / collect trip by a distributor has occurred.*

Thunder Bay Hydro shall not require a Security Deposit where:

- *The Customer provides a letter from another Electricity Distributor, or Gas Distributor, in Canada confirming a good payment history with that Distributor for the most recent relevant time period set above where some of the time period which makes up the good payment history has occurred in the previous 24 months, or*
- *the Customer, other than a customer in a >5000 kW demand rate class, provides a satisfactory credit check made at the Customer's expense from a Credit company such as Equifax, TransUnion or Dun & Bradstreet.*

The maximum amount of a Security Deposit which Thunder Bay Hydro may require a Customer to pay shall be calculated, and billed for, in the following manner:

A billing cycle factor x the estimated bill, based on the Customer's average (or highest \*), load with Thunder Bay Hydro during the most recent 12 consecutive months and within the past two (2) years.

Where relevant usage information is not available for the Customer for 12 consecutive months within the past two years, the Customer's average, or highest, monthly load shall be based on a reasonable estimate made by Thunder Bay Hydro.

*"New" TBH Customer - Residential Service (RS) \**

A bi-monthly billing cycle factor of **1.75** x estimated bimonthly bill - based on the Customer's average monthly load at the service location.

*"New" TBH Customer - Commercial Service \**

A monthly billing cycle factor of **2.5** x estimated monthly bill - based on the Customer's average monthly load at the service location.

*\* Where a Customer has a payment history which discloses more than one disconnection notice in a relevant 12 month period, Thunder Bay Hydro may use that Customer's highest (actual or estimated) monthly load for the most recent 12 consecutive months within the past two (2) years for the purposes of making the calculation of the maximum amount of Security Deposit.*

At the discretion of the Customer, or such other form as is acceptable to Thunder Bay Hydro, the form of payment of a Security Deposit for a residential Customer shall be cash or cheque(s). The form of payment of a security deposit for a non-residential Customer shall be as follows:

- *Cash, Certified Cheque(s), Money Order(s) - which may be made in installments.*
- *Cheque(s) - which may be made in installments, if acceptable to Thunder Bay Hydro.*
- *An Irrevocable Letter of Credit from a chartered Canadian Bank or Credit Union.*
- *Government of Canada or Ontario Bearer Bonds.*
- *Band Council Resolution Guarantee.*
- *A Personal Guarantee signed by the Company Director(s) or Director of the Parent Company – this option is subject to credit approval by Thunder Bay Hydro.*

Thunder Bay Hydro will review the Security Deposit at least once in a calendar year to determine whether the entire amount of the Security Deposit is to be returned to the Customer account.

Based on this review, the amount of the Security Deposit is to be adjusted (*amount may decrease or increase*) based on a re-calculation of the maximum amount of the Security Deposit.

A Customer may, no earlier than 12 months after the payment of a Security Deposit, may request in writing that Thunder Bay Hydro review their account to determine whether the Security Deposit is to be returned to the Customer's account.

Interest shall accrue monthly on Security Deposits commencing on receipt of the total deposit required by Thunder Bay Hydro. The interest rate shall be at the Prime Business Rate as determined by the Bank of Canada less two (2) percent, updated quarterly.

Thunder Bay Hydro shall promptly return any Security Deposit received from the Customer upon closure of the Customer's account, the Security Deposit may be applied to the final bill or refunded as required.