



General Assembly

Substitute Bill No. 945

January Session, 2013



AN ACT CONCERNING THE PAYMENT OF SECURITY DEPOSITS TO MUNICIPAL UTILITIES FURNISHING ELECTRIC, GAS OR WATER SERVICE.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective from passage*) On or before January 1,
2 2014, each municipal utility furnishing electric, gas or water service
3 shall develop a security deposit plan for new and existing commercial
4 and industrial customers that shall include, but not be limited to,
5 requirements that such utility shall (1) accept an irrevocable letter of
6 credit as an alternative to a cash security deposit when any such
7 customer opens an account with such utility, and (2) if any such
8 customer provides a cash security deposit when opening an account
9 with such utility, accept an irrevocable letter of credit and refund such
10 deposit, provided such customer made nondelinquent payments on
11 such account for the previous seven years. A municipal utility
12 furnishing electric, gas or water service that has an existing security
13 deposit plan shall not be required to include in such plan any
14 requirement of subdivision (1) or (2) of this section if such requirement
15 is less favorable to the customer than a current requirement in such
16 plan.

This act shall take effect as follows and shall amend the following sections:

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| Section 1 | <i>from passage</i> | New section |
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Statement of Legislative Commissioners:

In subdivision (2), "on such account" was inserted for clarity.

ET *Joint Favorable Subst.*