

ARTICLE 500

Residential Customer Deposit Policy

501–Deposit Policy. Mansfield Municipal Electric Department (MMED) requires a security deposit for all residential accounts at the time of establishing service or moving from one location to another. The value of such security deposit shall be in the amount as stated in the table below:

Type of Account	Amount
Small Electric Account	\$150.00
Typical Electric Account	\$300.00
Known Electric Heating Account	\$500.00
Note: MMED's Business Manager will determine, at the time the account is set up and based on prior billing of the account, which accounts will qualify as "small" and "typical".	

- 1) Collection of the security deposit value can be waived only under the following conditions:
 - a. Applicant for service is identical to the recorded owner of property. Proof of ownership is the responsibility of applicant requesting service.
 - b. Applicant for service is an existing customer of record with excellent payment history over the most recent 24 months (no overdue arrears)
- 2) Deposits will be collected in the form of cash, check or credit card payments.
- 3) If the deposit is made by check the account will not be considered active until the check clears. If the check is returned for insufficient funds, the electric service, if already activated, will be shut off until a cash deposit is collected from the customer. In addition to the cash deposit, a returned check fee will be charged to the Customer, see Section 907 - Returned Check in this policy manual for the returned check fee.
- 4) All existing security deposits collected will be held until the Customer of record no longer has active service with MMED.
- 5) All accounts shall accrue interest, which will be credited to the account annually, in accordance with the provisions of M.G.L. Chapter 164, Section 58A.
- 6) If a customer moves from one rental unit to another rental unit within the town, the deposit that the customer held on the old account will be transferred to the new account. If the class of service is not comparable (i.e. if the customer moves into an electric heat unit but was not in one previously, etc.), an additional deposit may be required or a portion of the deposit may be returned, depending on the amount of deposit previously held and the amount of deposit required on the new unit.
- 7) After one year of service, the Customer of record may appeal to MMED to have the amount held as a security deposit reduced. MMED will examine the Customer's 12 months prior usage and compute 3 months of average charges on the particular account. MMED, at its sole discretion, shall determine if the 3 month average billing of a Customer's consumption warrants a reduction in the amount held as a security deposit for that Customer.
- 8) If the Customer of record dies and the account is closed, the security deposit will be refunded to the estate of the Customer of record.

*Approved by Mansfield Board of Light Commissioners July 6, 2005
Revised By Mansfield Board of Light Commissioners October 16, 2006
Revised By Mansfield Board of Light Commissioners June 01, 2016*