

**CHAPTER 7820**  
**PUBLIC UTILITIES COMMISSION**  
**UTILITY CUSTOMER SERVICE**

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**CUSTOMER INFORMATION AND COMPLAINTS**

**7820.0200 CUSTOMER INFORMATION.**

The utility is responsible for informing its customers of the following information as prescribed by the following provisions:

A. A sign or notice, which shall be approved by the commission, posted prominently and conspicuously at all utility office locations open to the general public. The sign or notice shall state where, when, and to whom a complaint is to be directed, and the address of the Public Utilities Commission and its availability for mediation upon written request.

B. The utility shall, at its expense, publish customer information, that will be offered to each new customer, and upon request, to any existing customer. This customer information must be submitted to the commission for approval. This customer information must, at a minimum, include the following:

(1) The utility's own customer policies governing the following areas: bill collections; notice of disconnection; disconnection of service; reconnection of service; deposit and guarantee requirements; and meter reading procedures.

(2) The rate schedule pertaining to the customers of that area. The current rate schedule as required by part 7820.3200 may be attached to the information to meet this requirement.

(3) The title, addresses, and phone numbers of the department(s) of the utility to which complaints should be directed, including a telephone number for customers to call in emergency situations or a concise statement as to where such information can be obtained.

(4) The information contained in parts 7820.0300 and 7820.2700 to 7820.3000.

(5) This statement: "The Minnesota Public Utilities Commission regulates this utility and is available for mediation upon written request," and the address of the Minnesota Public Utilities Commission.

C. The utility's billing statements to its customers must contain this information:

(1) This statement: "Register any inquiry or complaint at ..." (and list the address and telephone number of the utility, designating where the customer may initiate an inquiry or a complaint, or a concise statement as to where such information can be obtained).

(2) A notice to customers of the availability upon request of the customer information.

**Statutory Authority:** *MS s 216B.08; 216B.09*

#### **7820.0300 COMPLAINT PROCEDURES.**

The utility shall establish such procedures whereby qualified personnel shall be available during regular business hours to receive and, if possible, resolve all customer inquiries, requests, and complaints.

If any complaint cannot be promptly resolved, the utility shall contact the customer within five business days and at least once every 14 calendar days thereafter, and advise the customer regarding the status of its investigation until: the complaint is mutually resolved; or the utility advises the customer of the results of its investigation and final disposition of the matter; or the customer files a written complaint with the Public Utilities Commission or the courts.

When the Public Utilities Commission forwards a customer complaint to the utility, the utility shall notify the commission within ten business days regarding the status or disposition of the complaint.

**Statutory Authority:** *MS s 216B.08; 216B.09*

#### **7820.0400 COMPLAINT RECORDS.**

Each utility shall keep a record of complaints received by it from its customers which shall be classified as directed by the Public Utilities Commission. The record shall show the name and address of the complainant, the date and nature of the complaint, and its disposition and the date thereof. The utility shall keep records of customer complaints in such a manner that will enable it to review and analyze its procedures and actions.

**Statutory Authority:** *MS s 216B.08; 216B.09*

#### **7820.0500 REPORTING REQUIREMENT.**

Each utility shall file an annual report on or before May 1 with the Public Utilities Commission containing the following information:

A. The total numbers of resolved and unresolved complaints by class of service and type of complaint.

B. The total number of customers in each class of service and the total number of customers who initiated service during the past year.

C. The names, addresses, and telephone numbers of personnel designated and authorized to receive and respond to the requests and directives of the Public Utilities Commission regarding customer inquiries, service requests, and complaints. The utility shall keep this information current and if changes occur, the utility must inform the commission immediately of these changes.

This report will be an official document and all information must be verifiable and available for inspection and investigation by commission staff. The utility must provide, upon notice by the commission, an up-to-date report of this type prior to any hearing before the commission, or upon any official request of the commission. The commission shall initially mail copies of the type of form to be used for this report to all utilities regulated hereunder.

**Statutory Authority:** *MS s 216B.08; 216B.09*

#### **7820.0600 INSPECTION.**

The utility shall permit authorized Public Utilities Commission staff to inspect, during regular business hours, all of the utility's operations and records relating to customer service.

**Statutory Authority:** *MS s 216B.12*

### **TEMPORARY AND EXTENDED SERVICE**

#### **7820.0700 DEFINITIONS.**

Subpart 1. **Customer.** "Customer" means any person, firm, association or corporation, or any agency of the federal, state, or local government, being supplied with service by a utility, subject to the jurisdiction of this commission.

Subp. 2. **Disconnection of service.** "Disconnection of service" means an involuntary cessation of utility service to a customer.

Subp. 3. **Temporary disconnection.** "Temporary disconnection" means a voluntary cessation of utility service and applies specifically to part 7820.1200. This is not a permanent termination of service.

**Statutory Authority:** *MS s 216B.08; 216B.09*

#### **7820.0800 EXTENSION OF SERVICE.**

No electric utility shall extend service beyond its service area to customers who require a connected load less than 2,000 kilowatts. Extension of service outside of a utility's service area shall in all cases be governed by Minnesota Statutes, sections 216B.39 to 216B.42, 216B.43, and 216B.44.

Extension of any electric service outside of a utility's service area, but which does not extend into another utility's service area, shall be as directed by the commission.

Each utility shall file a plan in its tariff application for the installation of extensions to main and service lines where such facilities are in excess of those included in the regular rates for service and for which the customer shall be required to pay all or part of the costs.

**Statutory Authority:** *MS s 216B.08; 216B.09*

#### **7820.0900 TEMPORARY SERVICE.**

A customer taking temporary service shall pay the regular rates applicable to the class of service rendered. The rates charged shall provide a reasonable rate of return for the utility.

When a utility renders a temporary service to a customer, it may require that the customer bear the cost of installing and removing the service in excess of any salvage realized.

The utility may require the customer to make an advance payment sufficient to cover the estimated cost of service as is used above.

**Statutory Authority:** *MS s 216B.08; 216B.09*

### DISCONNECTION OF SERVICE

#### 7820.1000 PERMISSIBLE SERVICE DISCONNECTION WITH NOTICE.

With notice a utility may disconnect service to any customer for any reason stated below. Notice must comply with the requirements of part 7820.2400:

A. for failure of the customer to pay a bill for utility service, but only when the amount of the customer's outstanding bill equals or exceeds the amount of the customer's deposit;

B. for failure of the customer to meet the utility's deposit and credit requirements;

C. for failure of the customer to make proper application for service;

D. for customer's violation of any of the utility's rules on file with the commission;

E. for failure of the customer to provide the utility reasonable access to its equipment and property;

F. for customer's breach of the contract for service between the utility and the customer;

G. for failure of the customer to furnish such service, equipment, and/or rights-of-way necessary to serve the customer as shall have been specified by the utility as a condition of obtaining service;

H. when determined by the commission as prescribed by relevant state or other applicable standards or after individual hearing upon application of any person that customer is willfully wasting service through improper equipment; or

I. when necessary for the utility to comply with any order or request of any governmental authority having jurisdiction.

**Statutory Authority:** *MS s 216B.08; 216B.09*

#### 7820.1100 PERMISSIBLE SERVICE DISCONNECTION WITHOUT NOTICE.

Without notice a utility may disconnect service to any customer for any reason stated below:

A. in the event of an unauthorized use of or tampering with the utility's equipment; or

B. in the event of a condition determined to be hazardous to the customer, to other customers of the utility, to the utility's equipment, or to the public.

**Statutory Authority:** *MS s 216B.08; 216B.09*

#### 7820.1200 TEMPORARY DISCONNECTION OF SERVICE.

A utility may temporarily disconnect service to a customer otherwise entitled to disconnect service, upon written request by said customer. Temporary disconnection of service for this reason does not require refund of deposit nor interruption of interest.

**Statutory Authority:** *MS s 216B.08; 216B.09*

#### 7820.1300 NONPERMISSIBLE REASONS TO DISCONNECT SERVICE.

A utility may not disconnect service to any customer for any reason stated below:

A. delinquency in payment for services rendered to a previous customer who occupied the premises unless the customer continues to occupy the premises;

B. failure to pay for merchandise, appliances, or services not approved by the commission as an integral part of the utility service;

C. failure to pay for a different class of service;

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D. failure to pay for a bill based on concurrent charges from another meter;  
or

E. failure to pay for a bill to correct a previous underbilling due to an inaccurate meter or billing error if the customer agrees to payment over a reasonable period of time.

**Statutory Authority:** *MS s 216B.08; 216B.09*

## 7820.1400 LANDLORD-TENANT RULE.

In situations where the service is rendered at an address different from the mailing address of the bill, or where the utility has reason to know that a landlord-tenant relationship exists and that the landlord is the customer of the utility; and where the landlord as customer would otherwise be subject to disconnection of service; the utility may not disconnect service until the following actions have been taken:

A. Where it is feasible to so provide service the utility, after providing notice as required in these rules, shall offer the occupant the opportunity to subscribe for service in her or his own name. If the occupant then declines to so subscribe, the utility may disconnect service pursuant to the rules.

B. A utility shall not attempt to recover from a tenant, or condition service to a tenant with the payment of any outstanding bills or other charges due upon the outstanding account of the landlord.

**Statutory Authority:** *MS s 216B.08; 216B.09*

## DISCONNECTION DURING COLD WEATHER

### 7820.1500 PURPOSE AND AUTHORITY.

Parts 7820.1500 to 7820.2300 are prescribed by the commission pursuant to Minnesota Statutes, chapter 216B, in its entirety and in particular Minnesota Statutes, sections 216B.01, 216B.02, 216B.026, 216B.08, 216B.09, 216B.095, 216B.17, and 216B.23, and the Public Utilities Regulatory Policies Act of 1978, United States Code, title 15, sections 3201 et seq. and United States Code, title 16, sections 2601 et seq. to prohibit disconnection of a residential utility customer who is unable to pay for utility service during cold weather months. Parts 7820.1500 to 7820.2300 do not relieve a residential customer's responsibility for utility bills.

**Statutory Authority:** *MS s 216B.08; 216B.09; 216B.095*

**History:** *14 SR 2714*

### 7820.1600 DEFINITIONS.

Subpart 1. **Scope.** For the purposes of parts 7820.1500 to 7820.2300, the following definitions shall apply.

Subp. 1a. **Calendar days.** "Calendar days" means Mondays through Sundays, including legal holidays. When calculating a period of time under parts 7820.1500 to 7820.2300, if the last day of the period falls on a legal holiday, that day shall be omitted from the computation.

Subp. 2. **Cold weather months.** "Cold weather months" means the period beginning October 15 and continuing through April 15 of the following year.

Subp. 2a. **Financial counseling provider.** "Financial counseling provider" means an entity that provides budget counseling and:

A. is affiliated with the National Foundation on Consumer Credit Counseling or the Counsel on Accreditation of Services for Families and Children, Inc.;

B. is licensed with the Minnesota Department of Commerce to offer a debt prorating plan; or

C. has licensed social workers or staff registered with the Board on Unlicensed Mental Health Providers.

Subp. 2b. **Household income.** "Household income" means the income, as defined in Minnesota Statutes, section 290A.03, subdivision 3, of a residential customer and all persons residing with the residential customer. Household income does not include any amount received for energy assistance.

Subp. 2c. **Local energy assistance provider.** "Local energy assistance provider" means a subgrantee for the purposes of implementing the low-income home energy assistance block grant as provided by Public Law Number 97-35, as amended.

Subp. 2d. **Monthly income.** "Monthly income" means the actual monthly income of all persons residing in the household, as defined in Minnesota Statutes, section 290A.03, subdivision 3, of a residential customer. For a residential customer who is normally employed only on a seasonal basis and whose annual income is over 135 percent of the federal poverty level, as provided under Public Law Number 97-35, as amended, monthly income is the average monthly income of the residential customer computed on an annual calendar year basis added to the monthly income of all persons residing in the household. Monthly income does not include any amount received for energy assistance.

Subp. 3. **Notice of residential customer rights and possible assistance.** "Notice of residential customer rights and possible assistance" means a commission-approved, easy-to-understand explanation of the residential customer's rights and responsibilities under parts 7820.1500 to 7820.2300.

Subp. 3a. **185 percent of the federal poverty level.** "185 percent of the federal poverty level" means 185 percent of the federal poverty level, as provided by Public Law Number 97-35, as amended.

Subp. 4. **Payment schedule.** "Payment schedule" means any mutually acceptable agreement between the residential customer and utility that provides for the payment of the balance of any outstanding bills and future bills for estimated usage during the period covered by the payment schedule. Payment schedule also means a budget payment plan pursuant to Minnesota Statutes, section 325E.015. Payment schedule does not include the ten percent plan or a reconnection plan.

Subp. 4a. **Reasonably on time with payments.** "Reasonably on time with payments" means payment within seven calendar days of agreed-to payment dates.

Subp. 4b. **Reconnection plan.** "Reconnection plan" means a payment plan for an income eligible residential customer whose service remains disconnected as of October 15 pursuant to part 7820.2300.

Subp. 5. **Residential unit.** "Residential unit" means a primary dwelling which receives gas and/or electric service and is occupied by its owner or tenant, whether or not the occupant is the residential customer of the utility, during cold weather months.

Subp. 5a. **Ten percent plan.** "Ten percent plan" means payment by the residential customer to the utility of ten percent of the residential customer's monthly income or the full amount of the current month's utility bill, not including arrearages, pursuant to part 7820.1800, subpart 1, item B.

Subp. 6. **Third party notice.** "Third party notice" means a commission approved notice containing, at a minimum, the following information:

A. a statement that the notice is not a disconnect notice stated in block letters at the top of the first page;

B. a statement that the utility will send a copy of any future notice of proposed disconnection of utility service to a third party designated by the residential customer;

C. instructions on how to request this service;

D. a statement that the residential customer should contact the person he or she intends to designate as the third party contact before providing the utility with the party's name; and

E. a list of public agencies and community organizations which may be able to provide the residential customer with financial assistance.

Subp. 6a. **Utility.** "Utility" means a public utility as defined in Minnesota Statutes, section 216B.02, as modified by Minnesota Statutes, section 216B.026. Utility also means a cooperative electric association when a complaint is filed under Minnesota Statutes, section 216B.17, subdivision 6a. Utility also means a municipally owned gas or electric utility for nonresident consumers of the municipally owned utility when a complaint is filed under Minnesota Statutes, section 216B.17, subdivision 6.

Subp. 7. **Working days.** "Working days" means Mondays through Fridays excluding legal holidays. The day of receipt of any notice shall not be counted in calculating a period of time under parts 7820.1500 to 7820.2300.

**Statutory Authority:** *MS s 216B.08; 216B.09; 216B.095*

**History:** *14 SR 2714*

#### **7820.1700 STATEMENT OF RIGHTS; THIRD PARTY NOTICE.**

All utilities shall include a "third party notice" and a commission-approved, easy-to-understand general statement of the protections of parts 7820.1500 to 7820.2300 annually as a separate mailing or in the monthly billing mailed to residential customers immediately prior to the commencement of the billing cycle which includes October 15. These notices shall also be provided to all new residential customers when they are first provided service by the utility.

**Statutory Authority:** *MS s 216B.08; 216B.09; 216B.095*

**History:** *14 SR 2714*

#### **7820.1750 DEPOSITS AND DELINQUENCY CHARGES PROHIBITED.**

No utility shall charge a deposit or delinquency charge to a residential customer who has:

A. declared to the utility inability to pay and is income eligible, or, if appealed, been determined by the commission to be unable to pay; or

B. requested from the utility the ten percent plan and is income eligible, or, if appealed, been determined by the commission to be eligible for the ten percent plan.

**Statutory Authority:** *MS s 216B.08; 216B.095*

**History:** *14 SR 2714*

#### **7820.1800 COLD WEATHER DISCONNECTION RESTRICTION.**

Subpart 1. **Prohibited disconnection.** No utility shall disconnect the service of any residential unit during "cold weather months," notwithstanding any other customer service rule, except part 7820.1100, if the disconnection would affect in any way the primary heat source of the residential unit and:

A. The residential customer, or any designated third party, has declared inability to pay and is income eligible, as provided in part 7820.1900; or, if appealed, the commission has determined the residential customer is unable to pay. To declare inability, the residential customer must meet the following requirements: the residential customer expresses willingness to enter into a mutually acceptable payment schedule for the current cold weather months, pursuant to part 7820.2100; and the residential customer was fully paid up or was reasonably on time with payments under a payment schedule as of the billing cycle immediately preceding the start of the current cold weather months; or

B. The residential customer, or any designated third party, requests the ten percent plan and is income eligible, as provided in part 7820.1900; or, if appealed, the commission has determined the residential customer is eligible for the ten percent plan. To request the ten percent plan, the residential customer must pay the utility at least the lesser of the following amounts:

(1) ten percent of the residential customer's monthly income; or

(2) the full amount of the current month's utility bill not including arrearages.

Payment must be received within seven calendar days of the due date or regularly scheduled payment date or payment must be received by the date agreed upon by the utility and the residential customer; or

C. The residential customer has entered into a payment schedule and is reasonably on time with payments under the schedule.

Subp. 2. **Multiple utilities.** If a residential customer receives service from more than one utility, the ten percent amount in subpart 1, item B, subitem (1), must be prorated between utilities. The utility providing the major portion of the residential customer's total energy costs during the cold weather months shall receive 70 percent of the ten percent amount. Other utilities shall receive equal portions of the remaining 30 percent of the ten percent amount.

**Statutory Authority:** *MS s 216B.08; 216B.09; 216B.095*

**History:** *14 SR 2714*

#### **7820.1900 DECLARATION OF INABILITY TO PAY OR PLAN REQUEST.**

Subpart 1. **Notice before disconnection of service.** Prior to disconnecting the service affecting the primary heat source of any residential unit for failure to make payment for such service, the utility shall serve, personally or by first class mail, the following upon the residential customer and any designated third party:

A. a commission-approved notice of proposed disconnection;

B. a commission-approved notice of residential customer rights and possible assistance which must include:

(1) for each county served by the utility, a list of the names and phone numbers of local energy assistance providers, weatherization providers, conservation providers, and other entities that assist residential customers in reducing the consumption of energy;

(2) an explanation of no-cost and low-cost methods to reduce the consumption of energy, including, for example, lower thermostat and hot water heater settings, turn off lights and close off rooms not in use, reduce hot water usage, block drafts around doors, cover windows with plastic sheets, replace furnace filters, caulk, weather strip, install hot water heater wraps, and similar methods. The explanation shall also include, if applicable, a description of utility conservation services which could assist the residential customer in implementing these measures;

(3) an explanation of the residential customer's rights and responsibilities under part 7820.2010 and, for each county served by the utility, a list of the names and phone numbers of local energy assistance providers, financial counseling providers, and other entities from which the residential customer can receive budget counseling; and

(4) a written explanation of how utility payments will be prorated under the ten percent plan when the residential customer is served by multiple utilities;

C. a commission-approved, addressed, postage-prepaid form on which a residential customer, or any designated third party, shall state that the customer received budget counseling pursuant to part 7820.2010; and

D. a commission-approved, addressed, postage-prepaid form on which a residential customer, or any designated third party, may declare inability to pay or request the ten percent plan. The residential customer shall indicate on the form whether the customer receives any type of public assistance, including energy assistance, that uses household income eligibility of less than 185 percent of the federal poverty level. The residential customer shall provide on the form:

(1) written consent to the utilities' exchange of billing information when the residential customer is served by multiple utilities;

(2) acknowledgment that the residential customer has received, read, and understood the notice served under item B; and

(3) a declaration that the information provided is true and correct.



Subp. 1a. **Notice to local energy assistance provider.** Upon receipt of a residential customer's declaration of inability to pay or request for the ten percent plan, the utility shall mail the following information to the local energy assistance provider:

A. the name and address of the residential customer;

B. the expiration date of the notice of proposed disconnection and the date of proposed disconnection; and

C. the amount due.

Subp. 1b. **Income verification and appeal.** If the residential customer does not receive any type of public assistance, including energy assistance, that uses household income eligibility of less than 185 percent of the federal poverty level, and the utility does not have information sufficient to determine income eligibility without income verification, the utility shall notify the local energy assistance provider. The local energy assistance provider shall verify to the utility that the residential customer's household income is less than 185 percent of the federal poverty level within 21 calendar days after the local energy assistance provider receives notification of the need to verify from the utility. The local energy assistance provider shall document its verification and, upon request, provide a copy to the commission. If the local energy assistance provider fails to verify income within 21 days, the utility may determine income eligibility based upon the information available to it.

If the local energy assistance provider or utility determines that the residential customer's household income is equal to or greater than 185 percent of the federal poverty level, the utility shall provide the residential customer and any designated third party with a commission-approved written notice of the right to appeal the local energy assistance provider or utility determination. Any appeal must be made within seven working days after the residential customer's receipt of personally served notice, or for ten working days after the utility has deposited first class mail notice in the United States mail. In determining an appeal, the procedures set forth in part 7820.2000 shall apply. The determination shall be based upon 185 percent of the federal poverty level.

The utility shall not disconnect service while an appeal is pending, or until any appeal involving income verification has been determined by the commission. If no appeal is made by the residential customer or designated third party, the utility may disconnect service pursuant to the procedures and requirements of parts 7820.1000 to 7820.1400, 7820.2400, and 7820.2500.

Subp. 2. **Disconnecting service after notice.** The utility shall not disconnect the service for seven working days after the residential customer's receipt of personally served notice, or for ten working days after the utility has deposited first class mail notice in the United States mail. If the utility has not received a response from the residential customer or any designated third party within the appropriate period, the service may be disconnected, pursuant to parts 7820.1000 to 7820.1400, 7820.2200, 7820.2400 and 7820.2500.

Subp. 3. **Appeal of customer's declaration or request.** If the local energy assistance provider does not need to verify income or if the utility appeals on other grounds, the utility has 14 working days after receipt of the form from the residential customer to file an appeal. An appeal must be in writing, on forms prescribed by the commission. The utility shall not prevent any residential customer or designated third party from making a declaration or request. If it appeals, a copy of the appeal, and a commission-approved letter explaining that the residential customer may have service terminated, shall be mailed by the utility to the local welfare agency and the local energy assistance provider on the same day as the utility mails its appeal to the commission.

**Statutory Authority:** *MS s 216B.08; 216B.09; 216B.095*

**History:** *14 SR 2714*

## **7820.2000 DETERMINING INABILITY TO PAY OR PLAN.**

Subpart 1. **Determination of appeal.** All appeals of declarations of inability to pay or eligibility for the ten percent plan shall be determined on an informal basis by the

commission within 30 calendar days after receipt of the utility's written appeal. The commission shall determine the residential customer's inability to pay or eligibility for the ten percent plan based upon the following: a finding that the residential customer is in compliance with part 7820.1800, and a finding that the residential customer's household income is less than 185 percent of the federal poverty level.

In making its determination, the commission shall consider one or more of the following:

A. documentation of income verification by the local energy assistance provider, if applicable;

B. documentation that the residential customer is a recipient of any type of public assistance, including energy assistance, that uses household income eligibility in an amount less than 185 percent of the federal poverty level;

C. the most recent income tax return(s) filed by members of the residential customer's household;

D. for each employed member of the residential customer's household, either paycheck stubs for the last two months or a written statement from the employer of wages earned during the preceding two months;

E. a medicaid card or food stamps eligibility document;

F. documentation that the residential customer is on a pension from the Department of Human Services, the Social Security Administration, the Veterans Administration, or other pension providers;

G. a letter showing the residential customer's dismissal from a job or other documentation of unemployment; or

H. other documentation which supports the residential customer's declaration of inability to pay.

Subp. 2. **Disconnection during 30-day appeal period.** The utility shall not disconnect the service until expiration of the 30-day appeal period. If the commission determines that the residential customer is able to pay or if the commission determines that the residential customer is not eligible for the ten percent plan, the utility may disconnect the service, pursuant to parts 7820.1000 to 7820.1400, 7820.2100, 7820.2400, and 7820.2500.

**Statutory Authority:** *MS s 216B.08; 216B.09; 216B.095*

**History:** *L 1984 c 654 art 5 s 58; 14 SR 2714*

#### **7820.2010 BUDGET COUNSELING.**

Subpart 1. **Requirement.** The following residential customers shall receive budget counseling from a local energy assistance provider, financial counseling provider, or other entity that provides budget counseling such as a church, community group, or outreach worker employed by a public or private social service agency:

A. a residential customer who has declared inability to pay to the utility and is income eligible, or if appealed, has been determined by the commission to be unable to pay; and

B. a residential customer who has requested the ten percent plan from the utility and is income eligible, or if appealed, has been determined by the commission to be eligible for the ten percent plan.

A residential customer shall receive budget counseling within 90 calendar days after declaring inability to pay or requesting the ten percent plan. The residential customer and the local energy assistance provider, financial counseling provider, or other entity that provides budget counseling shall sign and date the form provided by the utility under part 7820.1900, subpart 1. The residential customer shall mail the completed form to the utility. Budget counseling is not a prerequisite for protection under parts 7820.1800, 7820.1900, and 7820.2000.

Subp. 2. **Appeals.** Prior to disconnecting a residential customer for failure to receive budget counseling, the utility shall provide the residential customer and any

designated third party with a commission-approved written notice of the right to appeal. Any appeal must be made within seven working days after the residential customer's receipt of personally served notice, or for ten working days after the utility has deposited first class mail notice in the United States mail. In determining an appeal, the procedures set forth in part 7820.2000 shall apply.

In determining an appeal, the commission shall consider whether the residential customer made a good faith effort to obtain budget counseling.

The utility shall not disconnect service while an appeal is pending, or until any appeal involving budget counseling has been determined by the commission. If no appeal is made by the residential customer or designated third party, the utility may disconnect service pursuant to the procedures and requirements of parts 7820.1000 to 7820.1400, 7820.2400, and 7820.2500.

**Statutory Authority:** *MS s 216B.08; 216B.095*

**History:** *14 SR 2714*

### **7820.2100 PAYMENT SCHEDULE.**

**Subpart 1. Creation of the schedule.** Every residential customer, without regard to his or her ability to pay who receives a notice of proposed disconnection during cold weather months, shall have the right to a payment schedule. A designated third party may request and negotiate a payment schedule on behalf of a residential customer. The following guidelines shall apply to payment schedules:

A. the payment schedule may extend from the date of the schedule to the following October 15, or any other period agreed upon by the residential customer and utility;

B. the residential customer may make payments to the utility in installments which need not be equal but may be based on factors such as lump sum payments or additional income reasonably expected to be received by the residential customer during the payment period; and

C. at the termination of the payment schedule, there shall be a true-up to reconcile actual and estimated usage during the schedule period.

It shall not be necessary to establish a payment schedule until the utility has accepted the residential customer's declaration of inability to pay, or the residential customer has refused to sign the declaration of inability to pay, or the commission has determined an appeal of a residential customer declaration of inability to pay.

The utility and residential customer or any designated third party shall attempt in good faith to arrange a payment schedule, which shall take into consideration the residential customer's economic situation and any extenuating circumstances.

**Subp. 2. Inability to pay.** The residential customer or third party should notify the utility immediately of any circumstances making it impossible for the residential customer to comply with the payment schedule and should propose specific modifications to the payment schedule. Upon receipt of a request for modification of a payment schedule, the utility shall consider changes in the residential customer's consumption pattern, utility rate increases effective since the date of the original schedule, and changes in the residential customer's financial circumstances. No residential customer who has declared inability to pay and is income eligible, or if appealed, has been determined to be unable to pay, shall be disconnected during cold weather months for failure to make payments under a payment schedule which applies to that period of time.

**Subp. 3. Appeals.** The utility shall provide the residential customer and any designated third party with a commission-approved written notice of the right to appeal to the commission when the utility and residential customer are unable to agree on the establishment, reasonableness or modification of a payment schedule, or on the reasonable timeliness of the payments under a payment schedule. Any appeal must be made within seven working days after the residential customer's receipt of personally served notice, or for ten working days after the utility has deposited first class mail

notice in the United States mail. In determining an appeal, the procedures set forth in part 7820.2000 shall apply. The determination shall be based upon 185 percent of the federal poverty level.

The utility shall not disconnect service while a payment schedule is pending appeal, or until any appeal involving payment schedules has been determined by the commission. If no appeal is made by the residential customer or designated third party and the residential customer has been determined to have the ability to pay the utility bill pursuant to part 7820.2000, the utility may disconnect service pursuant to the procedures and requirements of parts 7820.1000 to 7820.1400, 7820.2400, and 7820.2500.

**Statutory Authority:** *MS s 216B.08; 216B.09; 216B.095*

**History:** *14 SR 2714*

#### **7820.2150 TEN PERCENT PAYMENT PLAN APPEALS.**

The utility shall provide the residential customer and any designated third party with a commission-approved written notice of the right to appeal to the commission when the utility and residential customer are unable to agree on the timeliness of the payment or the proration among multiple utilities under the ten percent plan. Any appeal must be made within seven working days after the residential customer's receipt of personally served notice, or for ten working days after the utility has deposited first class mail notice in the United States mail. In determining an appeal, the procedures set forth in part 7820.2000 shall apply.

The utility shall not disconnect service while an appeal under this part is pending, or until any appeal under this part has been determined by the commission. If no appeal is made by the residential customer or designated third party and the residential customer has been determined to be ineligible for the ten percent plan pursuant to part 7820.2000, the utility may disconnect service pursuant to parts 7820.1000 to 7820.1400, 7820.2400, and 7820.2500.

**Statutory Authority:** *MS s 216B.08; 216B.095*

**History:** *14 SR 2714*

#### **7820.2200 DISCONNECTION OF POTENTIALLY UNOCCUPIED UNITS.**

**Subpart 1. Investigation.** Prior to disconnecting any service affecting the primary heat source of any residential unit, when the utility has received no response to the notice of proposed disconnection within ten working days after the utility has deposited first class mail notice in the United States mail, the utility shall investigate whether the unit is occupied or unoccupied, which at a minimum shall include: one visit by the utility to the unit during normal working hours; if personal contact is not made, and there is reason to believe that the unit is occupied, the utility shall make another on-site visit during nonbusiness hours.

**Subp. 2. Notice.** If contact is made with the residential customer, the utility shall provide the residential customer with the information required by part 7820.1900, subpart 1. If the residential customer declares inability to pay or requests the ten percent plan, parts 7820.1900 and 7820.2000 shall apply. At least seven working days before disconnecting the residential customer, the utility shall notify by telephone and a commission-approved letter the local welfare office and the local energy assistance provider of the proposed disconnection.

If the utility is unable to contact the residential customer, and it reasonably appears from the on-site inspections that the unit is unoccupied, the utility shall provide notice by first class mail to the recorded billing address of the residential customer. Such notice shall include an easy-to-understand explanation of the protections of this rule and the information required by part 7820.1900, subpart 1. If no response has been received by the utility after ten working days after the utility has deposited first class mail notice in the United States mail, the service may be disconnected, pursuant to parts 7820.1000 to 7820.1400, 7820.2400, and 7820.2500.

Subp. 3. **Reconnect if later found to be an occupied unit.** If, following disconnection, the residential unit is found to be occupied, the utility must reconnect service if the residential customer or designated third party agrees to pay the outstanding balance owed the utility, or agrees to enter a payment schedule with the utility, or asserts his or her rights under parts 7820.1900 and 7820.2000.

**Statutory Authority:** *MS s 216B.08; 216B.09; 216B.095*

**History:** *14 SR 2714*

#### **7820.2300 RECONNECTION AT BEGINNING OF COLD WEATHER MONTHS.**

Subpart 1. **Reinstatement of service.** The utility shall reinstate service which in any way affects the primary heat source of a residential unit if such service remains disconnected as of October 15 if the residential customer makes application for reinstatement and enters either a reconnection plan or a payment schedule. A residential customer may enter a reconnection plan only if the customer's monthly household income is less than 185 percent of the federal poverty level.

Subp. 2. **Reconnection plan.** Under a reconnection plan, the residential customer must pay the current utility bills and arrearages in monthly installments during the cold weather months. Each monthly installment must not exceed ten percent of one-twelfth of the residential customer's annual income. The reconnection plan applies only to the cold weather months.

Subp. 3. **Appeal of reconnection plan.** The utility shall provide the residential customer and any designated third party with a commission-approved written notice of the right to appeal to the commission when the utility and residential customer are unable to agree on the establishment, amount, or reasonable timeliness of the payments under a reconnection plan. Any appeal must be made within seven working days after the residential customer's receipt of personally served notice, or for ten working days after the utility has deposited first class mail notice in the United States mail. In determining an appeal, the procedures set forth in part 7820.2000 apply.

The utility shall not deny service while a reconnection plan is pending appeal, or until any appeal involving reconnection plans has been determined by the commission. If no appeal is made by the residential customer or designated third party, the utility may deny service.

Subp. 4. **Payment schedule.** Any residential customer disconnected as of October 15 shall have the same rights as provided in part 7820.2100, governing payment schedules.

**Statutory Authority:** *MS s 216B.08; 216B.09; 216B.095*

**History:** *14 SR 2714*

### **OTHER DISCONNECTION REQUIREMENTS**

#### **7820.2400 NOTICE REQUIREMENTS.**

Where required by this chapter, notice of impending action by the utility shall be by first class mail. Notice shall be sent to the address where service is rendered and to the address where the bill is sent if different from the address where service is rendered. A representative of the utility must make an affidavit under oath that the representative deposited in the mail the notice properly addressed to the customer. In lieu of mailing, notices may be delivered by a representative of the utility. Such notices must be in writing and receipt of them must be signed by the customer, if present, or some other member of the customer's family of a responsible age or the utility representative must make an affidavit under oath that the representative delivered the notice to the customer or the customer's residence. A record of all notices and all affidavits required by this chapter must be kept on file by the utility and must be made available to the commission. Disconnection notices shall contain the date on or after which disconnection will occur, reason for disconnection, and methods of avoiding disconnection in normal, easy-to-understand language.

All notice required by this chapter must precede the action to be taken by at least five days excluding Sundays and legal holidays. No notice may be given until the condition of which it informs, presently exists.

**Statutory Authority:** *MS s 216B.08; 216B.09*

**History:** *17 SR 1279*

#### **7820.2500 MANNER OF DISCONNECTION.**

Service may be disconnected only in conjunction with a personal visit by a representative of the utility to the address where the service is rendered and an attempt to make personal contact with the customer at the address. If the address is a building containing two or more dwelling units, the representative shall make a personal visit to the door of the customer's dwelling unit within the building. If security provisions in the building preclude free access on the part of the representative, the representative shall attempt to gain access to the building from the caretaker, for the purpose of attempting to make personal contact with the customer. The representative of the utility shall at all times be capable of receiving payment, if nonpayment is the cause of the disconnection of service, or the representative shall be able to certify that the cause of disconnection has been remedied by the customer.

**Statutory Authority:** *MS s 216B.08; 216B.09*

#### **7820.2600 RECONNECTION OF SERVICE.**

In the event service has been disconnected for valid cause by the utility, the utility may charge a reconnect fee based on the cost of reconnection as stated in the utility's tariff on file with the commission. Notwithstanding the above provision, the utility shall not charge a reconnect fee for disconnection of service pursuant to part 7820.1100, item B.

**Statutory Authority:** *MS s 216B.08; 216B.09*

#### **7820.2700 DISPUTES.**

Whenever the customer advises the utility's designated representative prior to the disconnection of service that any part of the billing as rendered or any part of the service is in dispute, the utility shall investigate the dispute promptly, advise customer of investigation and its result, attempt to resolve dispute, and withhold disconnection of service until the investigation is completed and the customer is informed of the findings in writing.

Upon the findings of the utility, the customer must submit payment in full of any bill which is due. If the dispute is not resolved to the satisfaction of the customer, he or she must submit the entire payment and may designate the disputed portion to be placed in escrow to the utility. Such payment shall be called an escrow payment.

**Statutory Authority:** *MS s 216B.08; 216B.09*

#### **7820.2800 ESCROW PAYMENTS FOR DISPUTES.**

To submit a payment in escrow, the customer must make payment of the amount due as shown on the bill through an escrow payment form, clearly marked and provided by the utility.

The escrow payment form must provide space for the customer to explain why the utility's resolution of the dispute is unsatisfactory to the customer. The form must be in three copies, one of which will be retained by the customer. A copy of the escrow payment form must be forwarded by the customer to the Public Utilities Commission. Any escrow payment to the utility may be applied by the utility as any normal payment received by the utility. After escrow payment has been made, the customer and the utility may still resolve the dispute to their mutual satisfaction.

By submitting the escrow payment form to the commission, the customer shall be deemed to have filed an informal complaint against the utility, pursuant to the commission's rules of practice, parts 7830.0100 to 7830.4300. Upon settlement of the

dispute, any sum found to be entitled to be refunded to the customer shall be supplemented by an eight percent per annum interest charge from the date of payment to the date of return by the utility.

**Statutory Authority:** *MS s 216B.08; 216B.09*

#### **7820.2900 WAIVING RIGHT TO DISCONNECT; EMERGENCY STATUS.**

The customer may apply to the utility to waive its right to disconnect. If the utility refuses to waive its right to disconnect, the customer may apply to the commission for emergency status. If the commission determines the customer has a probable claim in the dispute and that hardship may result in the event of disconnection of service, it may declare an emergency status to exist and order the utility to continue service for a period not to exceed 30 days.

**Statutory Authority:** *MS s 216B.08; 216B.09*

#### **7820.3000 WHEN NO DUTY TO RESTORE SERVICE.**

Notwithstanding anything herein to the contrary, the utility shall not be obligated to suspend discontinuance of service upon the filing for review with the commission, unless the customer shall pay, when due, all current bills rendered during the pendency. If, following the first filing for review with the commission, the same customer or any other person files for any subsequent review by the commission pertaining to the same account, such subsequent filings shall not relieve the customer from the obligations to pay for service rendered after the first filing. If subsequent requests for review are filed during the pendency of the first review, all designated disputed payment or portions thereof made after the first filing shall be considered to be made into escrow.

**Statutory Authority:** *MS s 216B.08; 216B.09*

### **ACCESS; BILLINGS**

#### **7820.3100 UNIFORM ACCESS TO CUSTOMER'S PREMISES.**

Subpart 1. **No entry.** A utility shall not enter a customer's premises if: the customer has not consented; or the utility has not obtained a court order authorizing entry; or an emergency situation involving imminent danger to life or property does not reasonably appear to exist.

Subp. 2. **Consent by customer.** A customer shall be deemed to have consented to entry if:

A. The customer has agreed orally or in writing in advance of entry that the utility may enter the customer's premises on a particular occasion; or

B. The customer has agreed in writing that the utility may enter the customer's premises to read its meter or service utility equipment at reasonable times, and occasions if the premises are unlocked, or if the customer has supplied a key. The form of agreement shall state in large, easy-to-read print: "YOU DO NOT NEED TO SIGN THIS AGREEMENT IN ORDER TO OBTAIN SERVICE. IF YOU DO SIGN THIS AGREEMENT, YOU MAY REVOKE IT AT ANY TIME BY WRITTEN NOTICE TO THE COMPANY." When consent has been given in accordance with this subpart, the utility shall notify the customer, on an annual basis by first class mail, that the consent previously given will continue in force for an additional year, unless the customer revokes the consent by written notice to the utility; or

C. The customer is on a nonresidential rate and the portion of that premises entered is open to the general public.

Subp. 3. **Premises.** For the purpose of this part "premises" means buildings and structures and land surrounding the buildings which is not accessible except through a locked gate.

Subp. 4. **Entering premises without consent; notice to law enforcement.** A utility shall notify the jurisdictional law enforcement agency before entering the customer's

premises without the customer's consent unless it would be unreasonable under the facts and circumstances to do so.

**Statutory Authority:** *MS s 216B.08; 216B.09*

**7820.3200 BILLING BASIS.**

Bills for service will be based on meter readings or estimated usage and computed in accordance with applicable rate schedules on file with the commission. When a customer is eligible to take service under more than one rate, the utility shall advise the customer in the selection of rate or rates which in its judgment result in the lowest cost of projected consumption, based on 12 months' service and on the information at hand. Each utility shall, at the time of any change in the applicable rate schedule, deliver to each customer the schedule of rates applicable to his or her type of service.

**Statutory Authority:** *MS s 216B.08; 216B.09*

**7820.3300 METER READING AND BILLING PERIODS.**

Readings of all meters used for determining charges to customers shall be made each month unless otherwise authorized by the commission upon petition by the utility. The term "month" for meter reading and billing purposes is the period between successive meter reading dates which shall be as nearly as practicable to 30-day intervals. When a utility is unable to gain access to a meter, it shall leave a meter-reading form for the customer.

A utility may permit the customer to supply meter readings on a form supplied by the utility, providing a utility representative reads the meter at least once every 12 months or at an interval determined upon petition to the commission and when there is a change in customers and when requested by the customer. This form should advise the customer of the utility's responsibilities to read the meter.

If the billing period is longer or shorter than the normal billing period by more than five days, the bill shall be prorated on a daily basis.

**Statutory Authority:** *MS s 216B.08; 216B.09*

**7820.3400 ESTIMATED BILLING.**

When access to a meter cannot be gained and the customer fails to supply a meter-reading form in time for the billing operation, an estimated bill may be rendered. In cases of emergency, the utility may render estimated bills without reading meters or supplying meter-reading forms to customers. When a customer fails to return a meter-reading form under the customer meter-reading plan, an estimated bill may be rendered. Estimated bills shall be based on the customer's normal consumption for a corresponding period during the preceding months or any other method specifically authorized by the commission. Only in unusual cases or when approval is obtained from the customer shall more than two consecutive estimated bills be rendered, unless the customer fails to supply meter readings as provided in part 7820.3300.

If an estimated bill appears to be abnormal when a subsequent reading is obtained, the bill for the entire period shall be computed at a rate which contemplates the use of service during the entire period and the estimated bill shall be deducted. If there is reasonable evidence that the use occurred during only one billing period, the bill shall be so computed.

**Statutory Authority:** *MS s 216B.08; 216B.09*

**7820.3500 BILLING CONTENT.**

Bills rendered periodically to customers for electric and gas service shall include, but are not limited to, the following information:

- A. the present and last preceding meter readings;
- B. the date of the present reading;
- C. identification of the applicable rate schedule;



- D. the number and kinds of units metered;
- E. a complete itemization of all charges incurred at each level of customer usage;
- F. the amount of the bill;
- G. the date on which the bill will become delinquent;
- H. any late fee, if applicable;
- I. if an estimated bill, clear and conspicuous language identifying the bill as an estimated bill;
- J. the amount of state and local taxes separately itemized;
- K. fuel or power adjustment clause separately itemized, if applicable; and
- L. the information required by part 7820.0200, item C.

**Statutory Authority:** *MS s 216B.08; 216B.09*

#### **7820.3600 INABILITY TO COMPLY WITH REQUIRED BILLING CONTENT.**

If a utility is unable to comply with any provisions of part 7820.3500 within 12 months of the effective date of the rule, the utility shall petition the commission for either a temporary exception or a permanent exemption. The petition shall include the justification for noncompliance, the duration of the desired exception, and the plan for compliance.

**Statutory Authority:** *MS s 216B.08; 216B.09*

### **ADJUSTMENT OF ELECTRIC BILLS**

#### **7820.3700 INACCURATE METERS.**

**Subpart 1. Meter too fast or too slow.** Whenever any meter is found upon test to have an average error of more than two percent fast, the utility shall refund to the customer the overcharge. Whenever any meter is found upon test to have an average error of more than two percent slow, the utility may charge for electricity consumed, but not included in the bills previously rendered. The refund or charge for both fast and slow meters shall be based on corrected meter readings for a period equal to one-half the time elapsed since the last previous test but not to exceed six months, unless it can be established that the error was due to some cause, the date of which can be fixed with reasonable certainty, in which case the refund or charge shall be computed to that date, but in no event for a period longer than one year.

**Subp. 2. Meter fails to register or registers intermittently.** When the average error cannot be determined by test because the meter is not found to register or is found to register intermittently, the utility may charge for an estimated amount of electricity used, which shall be calculated by averaging the amounts registered over corresponding periods in previous years or in the absence of such information, over similar periods of known accurate measurement preceding or subsequent thereto, but in no event shall such charge be for a period longer than one year.

**Subp. 3. Recalculation of bill.** If the recalculated bills indicate that more than \$1 is due an existing customer or \$2 is due a person no longer a customer of the utility, the full amount of the calculated difference between the amount paid and the recalculated amount shall be refunded to the customer. The refund to an existing customer may be in cash or as credit on a bill. Credits shall be shown separately and identified. If a refund is due a person no longer a customer of the utility, a notice shall be mailed to the last known address and the utility, upon demand made within three months thereafter shall refund the amount due. If the recalculated bills indicate that the amount due the utility exceeds \$10, the utility may bill the customer for the amount due. The first billing rendered shall be separated from the regular bill and the charges explained in detail.

**Subp. 4. Failure to check faulty meter.** If a customer has called to the utility's attention doubts as to the meter's accuracy and the utility has failed within a reasonable

time to check it, there shall be no back billing for the period between the date of the customer's notification and the date the meter was checked.

**Statutory Authority:** *MS s 216B.08; 216B.09*

**History:** *17 SR 1279*

#### **7820.3800 BILLING ERRORS.**

When a customer has been overcharged or undercharged as a result of incorrect reading of the meter, incorrect application of rate schedule, incorrect connection of the meter, application of an incorrect multiplier or constant or other similar reasons, the amount of the overcharge shall be refunded to the customer or the amount of the undercharge may be billed to the customer. The refund or charge in no event shall exceed one year, unless the date the error occurred can be fixed with reasonable certainty, in which case the refund or charge shall be computed from that date, but in no event for a period longer than one year. If the recalculated bills indicate that more than \$1 is due an existing customer or \$2 is due a person no longer a customer of the utility, the full amount of the calculated difference between the amount paid and the recalculated amount shall be refunded to the customer. The refund to an existing customer may be in cash or credit on a bill. Credits shall be shown separately and identified. If a refund is due a person no longer a customer of the utility, a notice shall be mailed to the last known address and the utility, upon demand made within three months thereafter shall refund the amount due. If the recalculated bills indicate that the amount due the utility exceeds \$10, the utility may bill the customer for the amount due. The first billing rendered shall be separated from the regular bill and the charges explained in detail.

**Statutory Authority:** *MS s 216B.08; 216B.09*

### **ADJUSTMENT OF GAS BILLS**

#### **7820.3900 INACCURATE METERS.**

**Subpart 1. Meter too fast or too slow.** Whenever any meter is found upon test to have an average error of more than two percent fast, the utility shall refund to the customer the overcharge. Whenever any meter is found upon test to have an average error of more than two percent slow, the utility may charge for the gas consumed but not included in bills previously rendered. The refund or charge for both the fast and slow meter shall be based on the corrected meter reading for a period equal to one-half the time elapsed since the last previous test, but not to exceed six months, unless it can be established that the error was due to some cause, the date of which can be fixed with reasonable certainty, in which case the refund or charge shall be computed from that date, but in no event for a period longer than one year. The average error for a meter tested shall be defined as one-half the algebraic sum of the error at full-rated flow plus the error at check flow.

**Subp. 2. Meter fails to register or registers intermittently.** When the average error cannot be determined by test because the meter is not found to register or is found to register intermittently, the utility may charge for an estimated amount of gas used, which shall be calculated by averaging the amounts registered over corresponding periods in previous years or in the absence of such information, over similar periods of known accurate measurement preceding or subsequent thereto, but in no event shall such charge be for a period longer than one year.

**Subp. 3. Recalculation of bill.** If the recalculated bills indicate that more than \$1 is due an existing customer or \$2 is due a person no longer a customer of the utility, the full amount of the calculated difference between the amount paid and the recalculated amount shall be refunded to the customer. The refund to an existing customer may be in cash or as credit on a bill. Credits shall be shown separately and identified. If a refund is due a person no longer a customer of the utility, a notice shall be mailed to the last known address and the utility, upon demand made within three months thereafter shall refund the amount due. If the recalculated bills indicate that the

amount due the utility exceeds \$10, the utility may bill the customer for the amount due. The first billing rendered shall be separated from the regular bill and the charges explained in detail.

Subp. 4. **Failure to check faulty meter.** If a customer has called to the utility's attention doubts as to the meter's accuracy and the utility has failed within a reasonable time to check it, there shall be no back billing for the period between the date of the customer's notification and the date the meter was checked.

**Statutory Authority:** *MS s 216B.08; 216B.09*

**History:** *17 SR 1279*

#### **7820.4000 BILLING ERRORS.**

When a customer has been overcharged or undercharged as a result of incorrect reading of the meter, incorrect application of rate schedule, incorrect connection of the meter, application of an incorrect multiplier or constant or other similar reasons, the amount of the overcharge shall be refunded to the customer or the amount of the undercharge may be billed to the customer. The refund or charge in no event shall exceed one year, unless the date the error occurred can be fixed with reasonable certainty, in which case the refund or charge shall be computed from that date, but in no event for a period longer than one year. If the recalculated bills indicate that more than \$1 is due an existing customer or \$2 is due a person no longer a customer of the utility, the full amount of the calculated difference between the amount paid and the recalculated amount shall be refunded to the customer. The refund to an existing customer may be in cash or as credit on a bill. Credits shall be shown separately and identified. If a refund is due a person no longer a customer of the utility, a notice shall be mailed to the last known address and the utility, upon demand made within three months thereafter shall refund the amount due. If the recalculated bills indicate that the amount due the utility exceeds \$10, the utility may bill the customer for the amount due. The first billing rendered shall be separated from the regular bill and the charges explained in detail.

**Statutory Authority:** *MS s 216B.08; 216B.09*

### **DEPOSIT AND GUARANTEE REQUIREMENTS; TECHNICAL TERMS**

#### **7820.4100 TERMS DEFINED BY COMMISSION TECHNICAL STANDARDS.**

For the purposes of this chapter the following terms will be those as defined in the technical standards, Public Utilities Commission: average error, creeps and/or creeping, improper voltage, 100 percent accuracy, test, working test standard.

**Statutory Authority:** *MS s 216B.08; 216B.09*

#### **7820.4200 GUARANTEE OF PAYMENT.**

The utility shall not require deposit or guarantee of any customer or applicant for service who has established good credit. Deposit or guarantee of payment requirements as prescribed by the utility must be based upon standards which bear a reasonable relationship to the assurance of payment.

**Statutory Authority:** *MS s 216B.07; 216B.08; 216B.09*

#### **7820.4300 NEW SERVICE.**

"New service" means service extended to or requested by any customer who has not received service as a customer for the preceding six months. A utility shall not require a cash deposit or other guarantee of payment as a condition of obtaining new service unless a customer has an unsatisfactory credit or service standing with the utility due to any of the following:

A. the customer or applicant has outstanding a prior utility service account with the utility which at the time of request for service remains unpaid and not in dispute;

B. the service of a customer or applicant has previously been disconnected for any permissible reason which is not in dispute; or

C. the credit history as provided in this chapter demonstrates that payment cannot be assured. The determination of an adequate credit history must be determined by objective criteria which shall be filed with the commission in the utility's tariff. Such criteria must bear a reasonable relationship to the assurance of payment.

**Statutory Authority:** *MS s 216B.07; 216B.08; 216B.09*

#### 7820.4400 EXISTING SERVICE.

"Existing service" means service presently being extended to a customer or which has been extended to a customer within the past six months. A utility shall not require a cash deposit or other guarantee of payment as condition of continuing existing service unless a customer has an unsatisfactory credit or service standing with the utility due to either of the following:

A. the service of the customer has been disconnected or has been liable for disconnect for nonpayment of a bill which is not in dispute; or

B. the service of a customer has been disconnected or has been liable for disconnect for any permissible reason which is not in dispute.

**Statutory Authority:** *MS s 216B.07; 216B.08; 216B.09*

#### 7820.4500 WHEN PAYMENT GUARANTEE PERMISSIBLE.

Subpart 1. **Deposit.** When required, a customer may assure payment by submitting a deposit. A deposit shall not exceed an estimated two months' gross bill or existing two months' bill where applicable. All deposits shall be in addition to payment of an outstanding bill or a part of such bill as has been resolved to the satisfaction of the utility except where such bill has been discharged in bankruptcy. Interest shall be paid on deposits in excess of \$20 at the rate of six percent per year compounded annually. Interest on deposits shall be payable from the date of deposit to the date of refund or disconnection. The utility may, at its option, pay the interest at intervals it chooses but at least annually, by direct payment, or as a credit on bills. The deposit shall be refunded to the customer after 12 consecutive months of prompt payment of all utility bills. The utility may, at its option, refund the deposit by direct payment or as a credit on the bill. With notice any deposit of a customer may be applied by the utility to a bill when the bill has been determined by the utility to be delinquent. Upon termination of service, the deposit with accrued interest shall be credited to the final bill and the balance shall be returned within 45 days to the customer.

A utility shall not require a deposit of any customer without explaining in writing why that deposit or guarantee is being required and under what conditions, if any, the deposit will be diminished upon return. Each utility shall issue a receipt of deposit to each customer from whom a deposit is received and shall provide means whereby a depositor may establish claim if the receipt is unavailable.

Subp. 2. **Guarantee of payment.** The utility may accept, in lieu of a deposit, a contract signed by a guarantor satisfactory to the utility whereby payment of a specified sum not exceeding the deposit requirement is guaranteed. The term of such contract shall be for no longer than 12 months, but shall automatically terminate after the customer has closed and paid his or her account with the utility, or at the guarantor's request upon 60 days' written notice to the utility. Upon termination of a guarantee contract or whenever the utility deems same insufficient as to amount or surety, a cash deposit or a new or additional guarantee may be required for good cause upon reasonable written notice to the customer. The service of any customer who fails to comply with these requirements may be disconnected upon notice as prescribed in part 7820.2400. The utility shall mail the guarantor copies of all disconnect notices sent to the customer whose account he or she has guaranteed unless the guarantor waives such notice in writing.

**Statutory Authority:** *MS s 216B.07; 216B.08; 216B.09*

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UTILITY CUSTOMER SERVICE 7820.5100

## **7820.4600 GOOD CREDIT.**

The utility may determine whether a customer has established good credit with the utility, except as herein restricted: A customer, who within the last 12 months has not had service disconnected for nonpayment of a bill and has not been liable for disconnect for nonpayment of a bill which is not in dispute, shall be deemed to have established good credit.

**Statutory Authority:** *MS s 216B.07; 216B.08; 216B.09*

**History:** *17 SR 1279*

## **7820.4700 WHEN DEPOSIT OR PAYMENT GUARANTEE IMPERMISSIBLE.**

A utility shall not require a deposit or a guarantee of payment based upon income, home ownership, residential location, employment tenure, nature of occupation, race, color, creed, sex, marital status, age, national origin, or any other criterion which does not bear a reasonable relationship to the assurance of payment of which is not authorized by this chapter. No utility shall use any credit reports other than those reflecting the purchase of utility services to determine the adequacy of a customer's credit history without the permission in writing of a customer. Any credit history so used shall be mailed to the customer in order to provide the customer an opportunity to review the data. Refusal of a customer to permit use of a credit rating or credit service other than that of a utility shall not affect the determination of the utility as to that customer's credit history.

**Statutory Authority:** *MS s 216B.07; 216B.08; 216B.09*

## **PUBLIC ACCESS TO INFORMATION**

### **7820.4800 INFORMATION AVAILABLE TO CUSTOMERS AND PUBLIC.**

The utility shall retain customer billing, complaint, payment, and deposit records for the length of time necessary to permit the utility to comply with the commission's rules; provided the utility shall retain these records for not less than three years. A customer's own billing, complaint, payment, and deposit records shall be available to that customer.

Each utility shall have available for existing customers and applicants for service such information as is needed to obtain and maintain adequate, timely, and efficient service.

Each utility shall furnish additional information as the customer may reasonably request.

**Statutory Authority:** *MS s 216B.08; 216B.09*

### **7820.4900 EMERGENCY INFORMATION.**

Each utility, for every municipality in which it serves, shall provide in the respective telephone directories a telephone listing by which the utility can be notified during a 24-hour day of any utility service deficiency or emergency which may exist.

**Statutory Authority:** *MS s 216B.08; 216B.09*

## **DELINQUENCY CHARGES**

### **7820.5100 DEFINITIONS.**

Subpart 1. **Scope.** The terms used in parts 7820.5100 to 7820.5600 have the meanings given them in this part.

Subp. 2. **Delinquent amount.** "Delinquent amount" means the portion of a customer's account representing charges for utility service or services past due. In the case of a residential customer on either a budget billing plan or a payment schedule, "delinquent amount" means the lesser of the outstanding account balance or the outstanding scheduled payments.

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## 7820.5100 UTILITY CUSTOMER SERVICE

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Subp. 3. **Late payment charge.** "Late payment charge" means the allowable charge a utility may impose upon a delinquent amount.

Subp. 4. **Utility.** "Utility" means a public utility as defined in Minnesota Statutes, section 216B.02, as modified by Minnesota Statutes, sections 216B.025 and 216B.026.

Subp. 5. **Residential customer.** "Residential customer" means a customer of a utility whose principal use of gas or electricity is for household purposes such as lighting, cooking, water heating, and space heating in space occupied as living quarters. Utility service is normally supplied through a single meter to a single family dwelling unit, but apartments or other subdivided dwelling units may be classified as residential even though several individual units take service through the same meter.

**Statutory Authority:** *MS s 216A.05; 216B.03; 216B.23*

**History:** 8 SR 2335

## 7820.5200 BILLING TERMS.

A utility shall designate any late payment charge imposed on a customer as a late payment charge on that customer's bill. Other terms, including "penalties," "discounts," or "net-gross rate differentials," must not be used to indicate any charge which results from delinquent payment.

**Statutory Authority:** *MS s 216A.05; 216B.03; 216B.23*

**History:** 8 SR 2335

## 7820.5300 DETERMINATION OF DELINQUENCY.

Subpart 1. **Requirement.** A utility which chooses to impose a late payment charge on its customers shall use two measures for determining when a customer's bill is delinquent as follows in subparts 2 and 3.

Subp. 2. **Residential customer.** If a residential customer's bill payment is not received by the utility by the next scheduled billing date, which must be not less than 25 days from the current billing date, a late payment charge may be imposed. The current billing date must be no more than three working days before the date of mailing of the bill by the utility. The utility may print a due date on the bill which is not more than five days before the next scheduled billing date.

Subp. 3. **Nonresidential customer.** If a nonresidential customer's utility bill is not received by the utility within a grace period of not less than 15 days from the current billing date, a late payment charge may be imposed. The current billing date must be no more than three working days before the date of mailing of the bill by the utility.

**Statutory Authority:** *MS s 216A.05; 216B.03; 216B.23*

**History:** 8 SR 2335

## 7820.5400 REQUIREMENTS FOR IMPOSING LATE PAYMENT CHARGE.

Subpart 1. **Compliance.** Before a utility may impose a late payment charge, the utility shall comply with the requirements in subparts 2 to 5.

Subp. 2. **Tariffs.** The utility shall file and have approved by the commission tariffs providing for the late payment charge and specifying the terms and conditions of the late payment charge. The filing must include substantiating documents and exhibits supporting the finance fee and grace periods proposed.

Subp. 3. **Bill content.** The utility shall clearly indicate upon each bill the terms and conditions of the late payment charge, including the date after which the late payment charge is applied, the amount of the late payment charge after the charge is actually applied, and the monthly and the annual percentage rate of the late payment charge.

Subp. 4. **Uniformity.** The utility shall administer its late payment charge in a nondiscriminatory manner.

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UTILITY CUSTOMER SERVICE 7820.5600

Subp. 5. **Implementation.** By August 7, 1984, the utility shall comply with the tariff, bill content, and uniformity requirements of subparts 2 to 4.

**Statutory Authority:** *MS s 216A.05; 216B.03; 216B.23*

**History:** 8 SR 2335

## 7820.5500 AMOUNT OF LATE PAYMENT CHARGE.

Subpart 1. **Calculation.** A late payment charge imposed by a utility must be calculated as follows in subparts 2 to 4.

Subp. 2. **Minimum delinquent amount.** The utility shall not assess a late payment charge until the delinquent amount exceeds \$10.

Subp. 3. **Finance fee.** The utility may impose a finance fee no greater than 1-1/2 percent per monthly billing period on the delinquent amount.

Subp. 4. **Minimum finance fee.** The utility may impose a minimum finance fee no greater than \$1.

**Statutory Authority:** *MS s 216A.05; 216B.03; 216B.23*

**History:** 8 SR 2335

## 7820.5600 CREDITING OF PAYMENTS.

The utility shall credit all payments received against the oldest outstanding account balance before the application of any late payment charge.

**Statutory Authority:** *MS s 216A.05; 216B.03; 216B.23*

**History:** 8 SR 2335