

Deposit Policy

Details of the deposit policy are outlined below:

Service Initiation

In addition to providing a service application, business papers, and other requested documentation, you may be required to pay a security deposit when you initiate a new account. If a deposit is assessed, it will need to be paid before service is connected.

Delinquency

Deposits may be required from existing customers whose bills have become past due by two bill cycles. Deposits will be billed with your regular service bill in three monthly installments. The first installment will be billed at 50% of the total deposit amount with the remaining two installments each billed at 25% of the total deposit amount. Once billed, the deposit amount will become part of the total balance due on your account and will be subject to late payment charges if not paid when due.

Deposit Calculation

A deposit will be calculated at twice the amount of the average monthly bill, except in the case of customers with wide fluctuation in usage. In those situations, the deposit may be calculated using twice the average monthly usage for the peak season.

Deposit Payment

You can pay a security deposit by check, or by an alternative method such as a Surety Bond or Irrevocable Letter of Credit. National Grid pays interest *only* on security deposits that are held in cash. Interest is paid at a rate set by the Public Service Commission. Interest is either paid to you at the time your deposit is returned or applied to your account annually as a credit for as long as we continue to hold the deposit.

Deposit Reviews

Your deposit requirement will be reviewed annually and adjusted as necessary. At the time of review, the amount of your existing deposit will be compared with twice the amount of the average monthly bill over the last twelve months. In cases where there is wide fluctuation in use, the average monthly bill for the peak season may be used. If the two amounts vary by more than 25%, National Grid is obligated to refund the excessive amount of your deposit, or we may request additional coverage if it is deficient.

Deposit Returns

After a deposit is held for three years, your account will be reviewed for possible deposit return. If late payment history is noted on your account, your deposit will continue to be held and your account will be reviewed periodically for possible deposit return in the future. Your deposit will be returned or credited against charges owing on your account(s) at the time you close out your account.