

## INFORMATION TO NEW UTILITY CUSTOMERS

City Hall **OFFICE HOURS** are 8:00 am to 4:30 pm, Monday through Friday, excluding major holidays.

**UTILITY BILLS** are mailed approximately the first week of each month. Electricity, natural gas and water and sewer are metered services and are billed as consumed each month. Residential storm water are generally flat rates and are charged monthly in advance. If you do not receive a billing by the 15<sup>th</sup> of the month, please contact City Hall.

**DEPOSITS** are determined at the time of application for service.

**PAYMENTS** for utilities are due by 4:30 pm on the last business day of each month. Any payments received after this time are considered late and subject to a 5% penalty.

The City offers a **BUDGET PAYMENT PLAN** which begins April 1<sup>st</sup> of each year. We also offer an **AUTOMATIC WITHDRAWAL** program which is deducted from your bank account each month; and **ONLINE PAYMENT** options. The City also accepts all major credit cards.

The City's policy on **DISCONNECTION** of utilities for non-payment begins April 15<sup>th</sup> of each year. If an account is 31 days delinquent, you will receive notice. For the months of October through March, the City follows the Minnesota Cold Weather Rule for disconnections.

If you have any further questions or concerns, please contact City Hall at 218.834.5631 during regular business hours.

Thank you.

# Utility Deposit Policy

## Residential Accounts/Owners

1. A deposit is required for all **residential** utility accounts. The deposit is to be paid in full before the account will be opened.
2. A residential account holder may request in writing a refund of their deposit 13 months after the deposit has been paid if the preceding 12 months have been free from delinquencies. The deposit amount will be applied to any outstanding balance on the account. If the net amount should result in a credit at the time the refund is generated, the account holder has the option to receive a check in the amount of the credit or leave the credit on the account to absorb future charges.
3. If a request for refund has not been made in writing, the deposit amount will stay on the account until it is voluntarily or involuntarily closed at which time the deposit will be used towards the balance on the account. Any remaining funds will be mailed to the account holder.
4. In the event utility service has been disconnected for non-payment. The account must be paid in full including a new deposit, if required and meter pull fees before reconnection may occur.
5. Residential account holders that voluntarily close their account and then wish to restart service may not be required to pay another deposit if the last 12 months of their former account contained no delinquencies and if no more than 6 months has passed since their last month of service. These requests will be handled on a case-by-case basis by Finance Director.

## Residential Accounts/ Tenants

1. A deposit is required for all new tenant utility accounts. The deposit is to be paid in full before the account will be opened.
2. The deposit amount will stay on the account until the account is voluntarily or involuntarily closed at which time the deposit will be used towards the balance on the account. Any remaining funds will be mailed to the account holder.
3. In the event utility service has been disconnected for non-payment. The account must be paid in full including a new deposit, if required and meter pull fees before reconnection may occur.

## Commercial Accounts

1. A deposit is required for all new commercial utility accounts. The deposit is to be paid in full before the account will be opened. The deposit will be determined by the Finance Director; not to exceed two months average monthly bill.
2. The deposit amount will stay on the account until it is voluntarily or involuntarily closed at which time the deposit will be used towards the balance on the account. Any remaining funds will be mailed to the account holder.
3. In the event utility service has been disconnected for non-payment or where customer service contact has been attempted or made or the account has been in default, the Finance Director may, at their discretion, require a deposit equal to two times the highest month's usage for the service address during the preceding 12 months.

## Realtors and Property Management Accounts

1. Realtors and property management companies are required to pay a deposit in order to establish utility services at a property. The requirements of the deposit will be consistent with the guidelines set in the "residential accounts" or "commercial accounts" sections of this administrative procedure.
2. A separate deposit will be required of each property requiring utility services.
3. In order to establish utility services, realtors and property management companies must present a valid listing or management agreement for each property. The requirements of the deposit will be consistent with the guidelines set in the "residential accounts" or "commercial accounts" sections of administrative procedure.
4. The party responsible for establishing the account (and therefore being deemed the "account holder") is dependent on the agreement made between the property owner and property manager.

### **Bankruptcy**

1. The deposit collected prior to the bankruptcy petition filing date will be applied to accountholder's outstanding balance as of the filing date.
2. The utility account may be closed if the accountholder or trustee failed to furnish adequate assurance of payment within 30 days after the filing of a bankruptcy petition. The amount of adequate assurance of payment will be five (5) times the deposit amount adopted by the City Council, unless the amount is modified by a court order.

### **Waiver by Finance Department Director**

The Finance Director may modify any requirements in this policy for an accountholder if the modification is not inconsistent with the Two Harbors City Code and the strict application of a requirement will:

- (1) impose substantial and undue hardship to an accountholder; or
- (2) not be in the best interest of the City.

In an event an account holder cannot or refuses to provide a valid TIN (taxpayer identification number) when establishing a new utility account. The maximum deposit would apply. \$400. Valid TIN's accepted are:

SSN – Social Security Number

EIN – Employer Identification Number

ITIN – Individual Tax Payer Identification Number

### **Deposit Criteria**

City of Two Harbors shall consider the status of the applicant and act according to the following criteria:

#### **Residential Service Applicant**

1. New-service applicants who pose no credit risk (Green Light returned on the ONLINE Utility Exchange) will be charged NO deposit.
2. New-service applicants who pose minimal risk (Yellow Light returned on the ONLINE Utility Exchange) will be charged a deposit of \$200.
3. New-service applicants who pose substantial credit risk (Red Light returned on the ONLINE Utility Exchange) will be charged a deposit of \$400.
4. A service applicant who provides a social security number that is returned as deceased, non-issued, belonging to a person under the age of 18, or belonging to a person other than the applicant, or is fraudulent, shall be required to provide a valid social security number as well as additional proof of identity i.e. valid driver's license, Social Security Card, etc. before service will be activated. (Or this option: denied service until that person supplies a valid social security number.)
5. City of Two Harbors cannot demand that an applicant provide their social security number as a requirement for service. However, it is our policy that applicants who refuse to provide their social security number pose a greater credit risk and shall be charged the maximum deposit.

#### **Commercial Applicants**

1. Commercial applicant's deposit will be determined in the following manner:
  - a. Sole proprietorships will have an ONLINE Utility Exchange report pulled on the sole proprietor and charged the corresponding deposit.
  - b. Partnerships, Limited Liability Companies (LLC) and Limited Liability Partnerships (LLP) that are less than one year old will have an the ONLINE Utility Exchange Report pulled on the managing partner or managing director, as appropriate, and the corresponding deposit will be charged. If the entity is over one- year-old, an IntelliScore Report will be pulled and a deposit charged as described in paragraph 2 below.
  - c. Commercial applicants who are corporations, regardless of whether they are Subchapter S or full "C" Corporations, or any corporation that has a corporate headquarters outside of our service

area (foreign corporation), shall have their credit risk based upon the ONLINE Utility Exchange's Business Profile Report and IntelliScore Report.

- i. If there are no negative trade items or indications of risk, the deposit shall reflect the IntelliScore risk as described in paragraph 2 below.
- ii. If the Business Profile Report OR IntelliScore Report indicates credit risk, the customer will be referred to commercial rates for their deposit to be determined.
- iii. Any commercial customer who bills in excess of \$2,000 per month will have their deposit determined by commercial rates.

2. The ONLINE Utility Exchange's Business IntelliScore reports.

- a. Commercial applicants who pose low risk and display an IntelliScore of <<80 to 100>> shall pay a deposit of one times the highest monthly usage of the service address during the prior 12 months.
- b. Commercial applicants who pose a medium credit risk and display an IntelliScore score of <<70 to 79>> shall pay a deposit of one and one half times the highest monthly usage of the service address during the prior 12 months.
- c. Commercial applicants who pose a moderate credit risk and display an IntelliScore score of <<69 or lower>> shall pay a deposit of two times the highest monthly usage of the service address during the prior 12 months.

□

APPLICATION FOR UTILITY SERVICE

Utility Use

(Please Print)

Account No. \_\_\_\_\_

Name of Person Responsible for Account \_\_\_\_\_

Date of Application \_\_\_\_\_

Business Name \_\_\_\_\_

Service Address \_\_\_\_\_

Mailing Address \_\_\_\_\_

Previous Address \_\_\_\_\_

<input type="checkbox"/> Own Home	<input type="checkbox"/> Rent or Lease
<input type="checkbox"/> Foreclosed Property	

Home Phone \_\_\_\_\_ Cell Phone \_\_\_\_\_ Work Phone \_\_\_\_\_

Driver License # \_\_\_\_\_

Social Security# or EIN \_\_\_\_\_ Current Employer \_\_\_\_\_

Have you ever had service with this Utility before?  Yes  No

Are you 18 years of age or older? Yes \_ No \_

If yes, in what name? \_\_\_\_\_

If not, are you an emancipated minor? Yes\_ No

*Rent or Lease - Complete section below if you are renting or leasing*

Name of Landlord \_\_\_\_\_

*Property Owner Verification - Complete section below if you are a property owner*

Date Purchased \_\_\_\_\_ Contract for Deed  Yes  No

Purchased From \_\_\_\_\_

Utility Use	
Amount of Deposit \$ _____	
<input type="checkbox"/> Paid	<input type="checkbox"/> To by paid by _____
<input type="checkbox"/> Guaranteed	
<input type="checkbox"/> Ownership documentation	
<input type="checkbox"/> Property Management documentation	
Mortgagor _____	Lockbox _____

I hereby request utility service from the Department of Public Utilities in Two Harbors, MN for the service address above. I agree to pay all charges for such service on or before the due date printed on the bill. I also agree to use said electricity, water, gas, sewer and meters strictly in accordance with the Rules and Regulations of said Department and adhere to all other rules and regulations as though printed hereon in full. I hereby certify the above information I have provided is correct and true.

Signed \_\_\_\_\_

For Utility Use Only:

- |   |  |  |
|---|--|--|
| <input type="checkbox"/> Previous Utility Account | <input type="checkbox"/> DL/Photo ID Witnessed | <input type="checkbox"/> Guarantee Received  |
| <input type="checkbox"/> Write- Off List          | <input type="checkbox"/> Deposit No _____      | <input type="checkbox"/> Work- Order Written |

Application Taken by \_\_\_\_\_

**DATA PRACTICES ADVISORY  
(Tennessee Warning)**

Certain information that you are asked to provide in your municipal utility account application is classified by state law as either public, private or confidential. Public data is information that can be given to the public. Private data is information that generally cannot be given to the public, but can be given to the subject of the data. Confidential data is information that generally cannot be given to either the public or the subject of the data.

Our purpose and intended use of this information is to provide Utility Services.

You are not legally required to provide this information.

You may refuse to provide this information.

The known consequences of refusing to supply data is the City may be unable to provide Utility Service(s).

The undersigned has read this advisory and understands it.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

Signed: \_\_\_\_\_  
Applicant / Owner

Signed: \_\_\_\_\_  
Co-Applicant / Tenant

The undersigned ("Applicant" whether one or more) hereby makes application to City of Two Harbors ("City") for the municipal utility service(s) listed on the first page of this Application ("Utility Services"). Applicant hereby certifies that the information given on this application is true and correct. Applicant authorizes the City to verify this information and retain the application whether or not it is approved. Applicant further authorizes the City to receive and retain credit information on Applicant's credit experience with other creditors.

Applicant hereby agrees to use the Utility Services strictly in accordance with the ordinances, rules and regulations of the City, which ordinances, rules and regulations are made part of this application as though printed herein in full. Applicant agrees to pay all valid bills or charges for all Utility Services, including for damage to any meters and Applicant hereby authorizes the shutting off all Utility Services for any failure of payment as specified above. Applicant further agrees that payment for all Utility Service(s) shall be the primary responsibility of the owner of the property served by the Utility Services and that any and all unpaid amounts for Utility Service(s) shall be a lien on the property served by such Utility Services and may be certified to the Lake County Auditor to be collected in the same manner as other taxes, and collected by the County Treasurer and paid to the City pursuant to Two Harbors City Code Section 3.08, Two Harbors City Charter, Chapter V, Section 14 b) and Minnesota Statutes §§ 366.012, with respect to Minnesota Statutes §§ 415.01 and 444.075.

Applicant understands and agrees that the undersigned are jointly and severally liable for any charges for Utility Services.

**In the case of rental property, the tenant and owner hereby grant permission for the City to release Utility Services account information, including, but not limited to, duplicate copies of bills for any Utility Services account to the owner and/or tenant as the case may be.**

Applicant also hereby agrees the City has the right to access to any meters at all reasonable hours for reading or examination of the same or for any other lawful errand. Applicant hereby agrees to indemnify and hold the City harmless from any loss or damage that may be directly or indirectly occasioned by Applicant's misuse of Utility Service(s).

By signing this Application, the Applicant agrees that the meter inside the building is always considered to be the accurate reading, unless determined by the City to the contrary, and if there is any discrepancy between any remote meter and any meter inside the building, the meter inside the building will govern. If there is any discrepancy between the remote register reading and the meter reading the City will, based on its findings, do the necessary repairs and either credit the Applicant's account or bill the Applicant for the additional consumption; therefore it is in the Applicant's best interest to periodically compare the two readings for accuracy and notify the City promptly when a discrepancy occurs.

**Applicant / Owner**

**Co-Applicant / Tenant**

Signature: \_\_\_\_\_

Signature: \_\_\_\_\_

Print Name: \_\_\_\_\_

Print Name: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**Credit Check Authorization Form**

I hereby authorize the City of Two Harbors to make any investigation of my personal history and financial and credit record through any investigative or credit agencies or bureaus chosen by the City of Two Harbors. I understand the credit report obtained and considered will comply with the provisions of the Fair Credit Reporting Act.

Signed: \_\_\_\_\_

**Applicant / Owner**