

**Norwich Public Utilities**  
**Security Deposit Guidelines**  
**Commercial Accounts**

A Commercial Account is defined as any property used for business purposes including residential rental properties, multi-family and non-owner occupied single-family dwellings.

By following these commercial account security deposit guidelines, Norwich Public Utilities (NPU) will continue to provide competitive utility rates by protecting all customers from absorbing the debt created by delinquent commercial accounts. The following security deposit guidelines will be applied to all new commercial customers seeking gas, electric, and water and/or sewer services from NPU.

1. Commercial accounts are required to pay a security deposit prior to service turn on. If service is already in place, the deposit is due within ten business days of establishing the account in a new customer's name.
  - a. Commercial accounts are required to provide a security deposit equal to three times the average estimated bill over a twelve month period of occupied use.
  - b. The estimated amount of the security will be based upon previous usage at the same property or a similar business located within the city of Norwich.
  - c. Commercial and/or multi-family properties located within the City of Norwich Enterprise Zone will be eligible for a 50% reduction of all deposits. Such a reduction will be subject to confirmation and agreement with NPU.
    - If at any point services are terminated for non-payment, this reduction will no longer apply, and the full deposit will be due prior to the restoration of services and for as long as the account remains active.
  - d. New construction/renovations that require service prior to transfer to owner are required to pay a deposit for utility use during construction. Once construction is complete, services will be terminated, and the deposit will be applied to all outstanding balances and any deposit remainder will be returned. New owner must sign in for services and pay deposit prior to account activation.
  
2. In lieu of a cash security deposit, a customer may select one of three other deposit options:
  - a. Security deposits can be made by certified bank check
  - b. Security deposits can be made by credit card (Visa ,MasterCard, Discover or AmEx)
  - c. Security deposits can be made with a surety bond from a valid insurance provider that must kept in full force by the customer for the duration of the account. Failure to do so will result in loss of this option and potential termination of service.

3. Security deposits can be made by personal/business check (requires 5 business day waiting period prior to providing service)For accounts where service has been terminated, all account balances and security deposit in the customer/business name must be paid in full prior to service being restored.
4. Security deposits shall accrue interest of .125% per month as required by law.
5. NPU shall retain the security deposit for as long as the commercial account remains active. At business closure or relocation, the security deposit including interest will be returned after all outstanding charges are paid.
6. Failure to pay the required deposit may result in termination of services within 30 days.

### **Blanket Deposit Guidelines For Multi-Family Properties:**

Any owner of a multi-family property is required to pay a Blanket Deposit that will be held on the house / water account location. Owners will be responsible for all deposits until the account is closed.

The Blanket Deposit will be held for each multi-family property as follows:

- A deposit of \$500 will be required for each house / water account plus \$100 per unit, which will be held in the owner's name until the account is closed.
- A deposit of \$500 will be required for any single-family home or condominium, which will be held in the owner's name until the account is closed.
- Unpaid balances on any unit will be subject to termination.
- Any unpaid final balance for consumption on any unit will be transferred to the house / water account.
- The deposit for any multi-family property with more than ten units will be evaluated on a case-by-case basis.

Commercial properties located within the City of Norwich Enterprise Zone will be eligible for a 50% reduction of all deposits. Such a reduction will be subject to confirmation and agreement with NPU.

The customer can request in writing or by email ([billpaysupport@npumail.com](mailto:billpaysupport@npumail.com)) for a reduction or waiver of a deposit if the customer meets all of the following:

- Two years of good payment history with NPU (no penalties or termination notices)
- The account is personally guaranteed in the name of an individual or corporation and not an LLC
- The customer is enrolled in Auto Pay with NPU