



Deposits protect the utility's customers from having to pay the cost of bills left unpaid.

Like most utilities, in order to keep rates stable, LCEC has a security deposit program to minimize the risk of bad debt resulting from customers who do not pay their bill. Although it can be uncomfortable for a customer in a situation where they are unable to pay a bill for something they have already used, requiring security deposits is not an uncommon business practice and is part of the agreement for delivery of reliable, cost-effective electricity.



LCEC Power to Share Program

Someone you know may be one missed paycheck away from needing to make the tough decision between paying the electric bill or the mortgage.



Fortunately, by donating to LCEC's Power to Share Program, you can help those who need it the most.

The Power to Share Program is a United Way community partnership offering a short-term source of emergency assistance funds for those customers who are in need of financial assistance. All contributions to the LCEC Power to Share program will be used exclusively for LCEC customers to help pay for essential electric service. LCEC Power to Share is administered through the United Way 211 program.

For more information or to make a donation, visit www.lcec.net/community. Call 211 or 239-433-3900.



The FACTS About Security Deposits



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Electricity is used before it is paid for. Either a good credit history or a deposit for service ensures associated costs will be recovered responsibly.

A customer who does not pay for electricity will have used more than two months worth of electricity prior to disconnection for non-payment. Deposits are set to cover an average of two months of usage.

By securing an account with a deposit LCEC is able to continue to provide reliable electricity to all customers and keep rates stable by avoiding bad debt expenses.

Are all customers required to pay a deposit?

Only a small percentage of LCEC customers are charged a deposit. New customers with a favorable credit rating from a reporting agency are not required to pay a deposit.

Why are new deposits or additional deposits sometimes required?

A history of missed payments is the first sign that a customer may not pay for electricity they have used. Therefore, a customer without a deposit may eventually be required to pay one if they develop a pattern of late payments, missed payments, returned checks or service disconnection due to non-payment.

Similarly, a customer with an existing deposit who has an ongoing payment pattern as described above may be asked for an additional deposit if their existing deposit does not cover two months worth of electricity usage.

What is considered a late or missed payment?

Customers are provided 21 days to pay after they are billed for the electricity they have used. A payment not received by the due date is considered late.

LCEC does not disconnect service for balances less than \$50 and only after a reminder letter and two reminder phone calls have been made to the customer after the past-due date. In the meantime, the customer continues to use additional electricity.

When are deposits refunded?

Residential deposits are automatically credited to the account after 12 months of good payment history, i.e. payments received by the due date.

Commercial accounts must have 24 months of active service to be eligible for deposit review, and then may be eligible to have the deposit amount credited back to the account after 12 months of good payment history. A customer who left LCEC with an unpaid debt in the past may not be eligible to have the deposit credited. All deposits are credited to the final bill when customers leave LCEC, and any additional deposit amount over the final bill amount is refunded back to the customer.

Do customers earn interest on deposits?

Until they are refunded or applied to a final bill, deposits are used to fund LCEC operations. This reduces the need to borrow funds from lenders that charge interest. In order to keep operating costs for all customers lower and because no interest is being earned by LCEC on customer deposits, no interest is paid to customers.



If you have additional questions,
Email us at pr@lcec.net for a chance to win an LCEC beachbag.