

# Indiana Legal Services, Inc

www.indianalegalservices.org

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## Utilities: Deposits and Shut-offs

### **Do I have to pay a deposit to get my utilities turned on?**

Sometimes the utility can make you pay a deposit before you can get your utilities turned on. The utility can require you to pay a deposit if:

1. You have had your utilities shut off in the past two years,
2. You have not been a utility customer for the past two years,
3. You have made more than two late payments in the last 12 months (or have made one late payment if you have had service for less than 12 months), OR
4. You are not current in your utility payments now.

Note: The phone company considers service from telephone utilities only.

However, if you have not been a utility customer for the last two years, you will **not** have to pay a deposit if you meet 2 of the following 3 conditions:

- Have worked for your present employer for 2 years, or have had no more than 2 employers in the last 2 years, or are working at your first job since leaving school or the military and have not yet worked there for 2 years, OR
- Have a good credit rating (credit cards, bank loans, etc.). The utility can look only at your credit reputation (not the credit reputation of your neighbors or neighborhood), OR
- Own/are buying a home or have rented the same home for more than 2 years. Note:Phone utilities require you to meet 1 and 3.

A current customer of a utility may be charged a deposit if you:

1. Have received 3 disconnect notices in the past year, or any 2 in a row, OR
2. Have been shut-off for non-payment of your bill.

### **How much deposit will I have to pay?**

**GAS:**The deposit can't be more than 4 month's worth of estimated bills. For persons on a "budget plan," it can't be more than 2 monthly payments.

**WATER, ELECTRIC, PHONE :**The deposit can't be more than 2 month's worth of estimated bills.

If a deposit is more than \$70, you must be allowed to pay it in 8 weekly installments. Service should start after you pay the first installment. (However, phone customers must pay the entire deposit before installation.)

If you pay the bill on time every month for 9-15 months (depending on the utility), the deposit must be returned. If the deposit is held for over a year, you will get 6% interest.

### **Can the utility shut off my service if I don't pay my bill?**

Your service can be shut off if you don't pay your bill. Gas and electric companies must give you 14 days advance written notice by mail or personal delivery. Water companies are required to give only 7 days notice and phone companies only 5 days. The notice must state the shut-off date and the reason for the shut-off. The notice must also give a phone number to call about the shut-off and to obtain information on customer's rights.

**Gas and electric utilities may not shut off service between December 1 and March 15 each year to customers who are eligible and have applied for or who are receiving help from the Energy Assistance Program.**

Utility shut-offs may only occur between 8:00 a.m. and 3:00 p.m. on days the utility office is open. If the utility office will be closed the next day, shut-offs cannot occur after 12:00 noon.

No notice is required and shut-off can occur at any time if there is a dangerous condition, a court or commission order, or if there are reasons to believe the customer has damaged or changed the meter or equipment or has been getting utilities wrongfully.

### **Medical Hardship Provision**

If a shut-off (including phone service) would be harmful to the health and safety of any household member, a written statement from a doctor or public health official will delay the shut-off for 10 days. A second statement can delay shut-off for another 10 days.

### **Financial Hardship Provision or Credit Extension Agreement**

If you can't pay the full utility bill, the utility must allow you to pay \$10 or 10% of the bill, whichever is less, and sign an agreement to pay the rest of the bill over the next 3 months (in addition to the bills for those months). This agreement must be made before the shut-off date.

However, if you broke a similar agreement within the last 12 months, the utility does not have to allow another.

Note: Telephone companies require \$20 or 25% of the bill, whichever is more, and do not have to offer an agreement if the customer ever broke a similar agreement with the phone company.

### **What if I have a complaint about my utilities?**

Any customer who has complaints about bills, shut-off notices or deposits should:


1. Act fast- don't wait until the bill is overdue.
2. Complain in writing or in person, if possible.
3. Keep copies of all letters.
4. Keep paying all undisputed bills to avoid a shut-off.


After a utility company has received a formal complaint, it must make a decision promptly and in writing. You have the right to ask the utility for a conference regarding the dispute.

If you disagree with the utility's decision, you have only 7 days to send a "Request for Review" to the Indiana Utility Regulatory Commission (IURC) at: Consumer Affairs Division

Indiana Utility Regulatory Commission  
302 West Washington St., Suite E306  
Indianapolis, IN 46204

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