



City of Columbus

Office of City Clerk
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Legislation Text

File #: 3194-2022, **Version:** 1

This ordinance amends Sections 1161.03, 1161.06, 1161.07, 1161.08 of the Columbus City Code to revise the Division of Power electric service deposit requirements. The Division of Power has collected electric deposits from customers for several years and will continue to collect deposits for new service. In the past customer deposits accrued interest of 4% per annum and the deposit could be returned to the customer, with interest, upon termination of the account. The Division of Power will return all existing customer deposits for customers prior to January 31, 2023, with interest, in the form of a credit to their account to offset future charges. For new customer accounts established after January 31, 2023 their deposit will be returned, in the form of a credit to their account to offset future charges, after a year of good-standing with payments made on time.

FISCAL IMPACT: Customers deposits will be returned to existing customers, with interest, prior to January 31, 2023. New customers as of January 1, 2023 will have their deposit credited to their account after a year of good-standing with payments made on time.

To amend Sections 1161.03, 1161.06, 1161.07, 1161.08 of the Columbus City Codes to revise the Division of Power electric service deposit requirements; and to repeal the existing sections being amended.

WHEREAS, it is necessary to revise the Division of Power electric service deposit requirements;

WHEREAS, such deposits will be returned to existing and former customers through account credits and mail;

WHEREAS, it is necessary to remove interest accruals on electric service deposits;

WHEREAS, new electric customers will be required to make a deposit for new service and the deposit will be returned to the account after a year of good standing; and

WHEREAS, it has become necessary in the usual daily operation of the Department of Public Utilities to amend the City Code; **NOW, THEREFORE**,

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBUS:

SECTION 1. That effective January 31, 2023, Section 1161.03 of the Columbus City Codes be and is hereby amended to read as follows:

1161.03 Deposits for electric service.

(a) Moneys received by the city treasurer as a deposit guaranteeing payment for electric service furnished by the Division of Power, shall be temporarily entered in the City Auditor's account designated electricity customer deposit agency fund .

(b) All moneys transferred to the electricity customer deposit agency fund in accordance with C.C.C. 1161.05 shall be thereafter retained until either returned to the depositor, applied to the depositor's account in accordance with this section, or claimed by the lawful owner upon termination of the depositor's account. Upon the timely payment in full of all electric charges within a consecutive twelve-month period, moneys deposited as security will be applied to the

depositor's account for the payment of electric charges associated with the account for which the security deposit was provided. The application of security deposit moneys may result in a credit balance that will be applied to charges but will not be refunded except upon termination of the depositor's account. not claimed within a period of five (5) years after termination of the services for which the deposit was made, such money shall revert to the Electricity System Revenue Fund of the Division of Power.

SECTION 2. That effective January 31, 2023, Section 1161.06 of the Columbus City Codes be and is hereby amended to read as follows:

~~1161.06 Disposition of interest and other income.~~

- ~~(a) All interest and other income earned due to investing the guarantee deposit moneys, shall accrue to this account and shall be credited thereto at the end of each calendar year. Such credit shall be made on the basis of the average percentage earned from investments made during the twelve-month period preceding the end of the calendar year for which the credit is to be made.~~
- ~~(b) All interest earned on said deposits in excess of the four (4) percent per annum refunded to the depositor as set forth in Section 1161.07 shall revert to the Electricity System Operating Revenue Fund for the Division of Power.~~

SECTION 3. That effective January 31, 2023, Section 1161.07 of the Columbus City Codes be and is hereby amended to read as follows:

~~1161.07 Return of interest upon refund.~~

~~In making refunds to any depositor, the Division of Power is authorized and directed to refund the principal amount plus interest at the rate of four (4) percent per annum, calculated on a calendar month basis (fractions of a calendar month to be disregarded), less any outstanding charges against the account.~~

SECTION 4. That effective January 31, 2023, Section 1161.08 of the Columbus City Codes be and is hereby amended to read as follows:

~~1161.08 Procedure where earnings insufficient to pay interest; transfer.~~

~~In the event the earnings from the deposited funds, shall be insufficient to pay the interest due to the depositor, then such difference shall be paid from the operating funds of the Division of Power. Except for the purpose of liquidating delinquent bills for electric service to the depositors, application to the depositor's account in accordance with Section 1161.03(b), or and for the purpose of refunding such deposits, none of the funds deposited hereunder shall be transferred out of the fund.~~

SECTION 5. That all existing electric deposits on file will be credited to an existing customer's account, or returned to a former customer after January 31, 2023.

SECTION 6. That new customers as of January 31, 2023 will be required to provide a deposit for new service and the deposit will be returned to the account after a year of good standing.

SECTION 7. That effective January 31, 2023, existing Sections 1161.03, 1161.06, 1161.07, 1161.08 of the Columbus City Codes are hereby repealed.

SECTION 8. That this ordinance shall take effect and be in force from and after the earliest period allowed by law.