

Effective June 1, 2002
Revised November 15, 2002
Revised July 25, 2003

Northern Ontario Wires, Inc.

Policies/ Procedures

DEPOSITS

1. Deposits will be taken on all new accounts, all existing residential tenant accounts and all existing general service > 50 kW accounts in the amounts shown on the attached Schedule A.
2. Interval metered customers in the general service > 50 kW category will have the option of providing a 30 day letter of credit in instances where they agree to make weekly payments as outlined in Schedule B.
3. Deposit calculations will be reviewed on an annual basis. Revised deposit amounts will be applicable to new accounts only.
4. Deposits will be accepted in the form of cash or letters of credit.
5. New customers with the exception of those covered under Schedule B will be required to pay at least ½ of the deposit amount prior to the commencement of service and the other ½ within 30 days of the commencement of service. Failure to do this will result in the immediate disconnection of service. Reconnection will not occur until the outstanding deposit and any amounts in arrears have been paid.
6. For existing residential tenant and existing general service > 50 kW customers as at June 1, 2002 required to pay a deposit, this policy will be phased in over a 10 month period beginning July 1, 2002.
7. Any customers who are disconnected for non-payment of account will be required to pay the deposit amount in addition to the amount in arrears prior to service being reconnected.
8. Any customers who are deemed to be a high risk by NOW will be required to pay the deposit. High-risk customers are those who receive more than three (3) disconnection notices within five (5) years.
9. Interest will be paid on all cash deposits held. The rate of interest will be equal to the annual rate paid by the financial institution that holds the account where the deposits are held. The rate of interest will be effective for a period of 6 months the rate will be reviewed semi-annually on January 1st and June 1st of each year. The current rate in effect and the interest calculations are shown in Schedule C.
10. Deposits will not be refunded to customers until the customer moves outside of the service area of NOW or until the customer no longer has an account in their name with NOW. At that point, the deposit will be applied to the final bill and any remaining balance will be refunded with interest as calculated above.

SCHEDULE A

| | |
|--------------------------------------|------------------------------|
| Residential Customers: | \$225.00 |
| General < 50kW, (bimonthly billing): | \$650.00 |
| General < 50kW, (monthly billing): | \$485.00 |
| General > 50 Customers: | 3 months average consumption |

SCHEDULE B

For interval metered customers, the amount of weekly payments will be calculated by dividing the prior month's actual charges by 4.

SCHEDULE C

The interest rate will stay in accordance with the current bank interest rate and will be calculated semi-annually (January to June and July to December). For customers that connect or disconnect between these times, interest earned will be prorated accordingly.

