

Returned Check/Draft Policy

If a Customer check/draft is returned to the Utility by a financial institution for any reason. The maximum fee set by T.C.A. § 47-29-*102 will be added to the amount due. The fee is set by state law and can only be changed by a change to the law. As of April 1, 2013, the maximum fee that may be charged is \$30.00. The Utility will make an effort to notify the Customer that the check/draft was returned unpaid and is being held by:

1. Mail;
2. Phone;
3. In person (or by tag at door); or
4. Give no notice

The Customer may be required to make payment by cashier's check, money order or cash at the discretion of the Utility. Payment must be within 5 days of such notice. If no response is received from the Customer or the Utility is unable to contact the Customer within 5 days, the Customer's account will be subject to the Utility's cut-off policy if payment is not received in full.

If no notice given for a returned check/draft:

If payment is not received by cashier's check, money order or cash at the discretion of the Utility within 5 days of the date the check/draft is returned, the Customer's account will be subject to forfeiture of the discount and/or the adding of any penalties due and be subject to the Utility's cut-off policy if payment is not received.

If a Customer has had two (2) consecutive checks/drafts returned or more than three (3) returned checks/drafts unpaid in a twelve (12) month period, the Utility will no longer accept a check/draft presented for a payment of any Utility bill, fee or charge, and payment must be made by money order, cashier's check or by cash. The Customer shall continue to pay any Utility bill, fee or charge by money order, cashier's check or by cash until the Customer has made timely payment by money order, cashier's check or by cash for 24 months, at which time the Customer shall be allowed to pay by check/draft again.

RECORD KEEPING DURATION

All records regarding returned checks/drafts shall be kept a minimum of five (5) years.

Policy

Adoption Date: 3/10/2020

Effective Date: 3/10/2020