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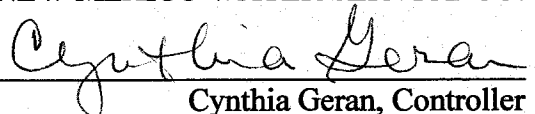
**NEW MEXICO WATER SERVICE COMPANY  
SANDIA KNOLLS AND JUAN THOMAS WATER SYSTEMS  
ORIGINAL RULE NO. 9  
CANCELING IUC RULE NO. 9  
DISCONTINUANCE AND DENYING RESTORATION OF SERVICE**

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- A. Customers who intend to move from the premises or discontinue the use of water or in any way terminate their liability hereunder shall give the Company reasonable notice of such intentions and the customer will be liable for all water that may be used upon the premises until such notice is given and the Company has made the final meter reading. Upon receipt of such notice, the Company will read the meter within a reasonable period of time.
- B. Any customer desiring service disconnected shall give notice in writing to the Company at its office. The Company will endeavor to the best of its ability to act upon telephone or verbal orders to discontinue service, but in the event of a dispute, only a written order will be considered proof of notice.
- C. The Company reserves the right to interrupt service for a reasonable period for repairs to its property or equipment.
- D. The Company may discontinue utility service to a customer without prior notice:
- In the event of a condition determined by the Company to be hazardous.
  - In the event of a customer's use of equipment in such a manner as to adversely affect the Company's equipment or the Company's service to others.
  - In the event of a customer's tampering with, damaging, or deliberately destroying the equipment furnished and owned by the Company.
  - In the event of unauthorized use of service provided by the Company.
- E. The Company may discontinue utility service to a customer for:
- Non-payment of a delinquent account.
  - Failure to comply with the terms and conditions of a settlement agreement.
  - Discontinuance of utility service under this sub-paragraph shall be governed by the sub-paragraphs L, M, N, O, and P of this rule.
- F. After three days prior written notice, the Company may discontinue utility service to a customer for:
- Refusal to grant access at reasonable times to equipment installed upon the premises of the customer for the purpose of inspection, meter reading, maintenance or replacement.

FOR	EFFECTIVE
<b>SERVICE</b>	
MAY 23 2006	
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05-00208-	
BY	APPROVED
05-00305	
NEW MEXICO PUBLIC REGULATION COMMISSION	

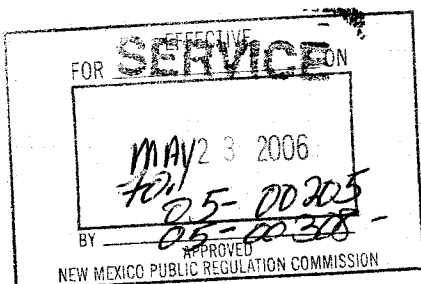
ADVICE NOTICE NO. 2  
NEW MEXICO WATER SERVICE CO.

  
Cynthia Geran, Controller

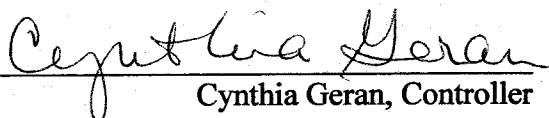
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- b. Failure to furnish such service, equipment, permits, certificates, and/or rights of way, as shall have been specified by the Company as a condition to obtaining service, or in the event such equipment or permission is withdrawn or terminated.
  - c. Violation of and/or non-compliance with the Company's rules on file with and approved by the Commission.
  - d. Failure of the customer to fulfill contractual obligations for utility service and/or facilities other than settlement agreements.
- G. The three-day notice required by paragraph F of this rule shall be in English and Spanish, as may be applicable, and shall include the following:
- a. A statement of the reason(s) why the Company has issued notice to discontinue utility service.
  - b. The title(s), address, telephone number(s) and working hours of the personnel at the Company responsible for carrying out the rights herein prescribed.
  - c. A statement that the customer can obtain a review by personnel of the Company of the reasons for the proposed discontinuance of service, which shall stay the discontinuance during the review, and a statement that a complaint may be filed with the Commission if the customer disagrees with the Company's determination of the facts on which the discontinuance is based.
- H. The Company shall not discontinue service for:
- a. The failure of a customer to pay for special services.
  - b. The failure of a customer to pay for service received at a separate service point, residence, or location. However, in the event of discontinuance or termination of service at a separate residential service point, residence or location, the Company may transfer any unpaid balance due to any other service account of the customer and proceed in accordance with Paragraph E.
  - c. The failure of the customer to pay for a different class of service received at the same or different location. However, the placing of more than one meter at the same location for the purposes of billing the usage of specific devices under optional rate tariffs or provisions is not construed as a different class of service.
  - d. Non-payment of the disputed amount of a bill.



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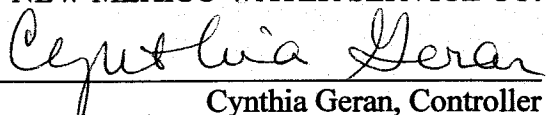
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- e. Delinquency in payment for service to a previous occupant of the same premises unless a court has found the new customer legally liable for the debt of the previous occupant or the previous occupant continues to reside at the premises.
  - f. Failure of the customer to pay the bill of another customer as a guarantor thereof.
  - g. Failure of a customer to pay an estimated bill rendered in violation of Rule No. 21.
- I. Use of the Company's curb or meter shut-off valve by customer or customer's agent is prohibited. This practice by unauthorized persons may be reason for discontinuance of service.
- J. If during a shortage of supply the Company finds evidence of excessive waste of water by a customer, or if it becomes necessary to ration water, the Company will advise the customer of such condition. If within 24 hours of receiving notice from the Company the customer has failed to (1) correct the condition causing excessive use, (2) comply with rationing orders or (3) demonstrate to the Company's satisfaction why he cannot comply with this time period the Company proceed with discontinuance of service.
- K. Any customer who's service is involuntarily disconnected may be required to pay a reconnection fee in addition to all other fees and charges before being reconnected to any system operated by the Company.
- L. At least fifteen (15) days before the Company proposes to discontinue service to a customer, the Company shall provide that customer with notice of each of the rights such customer may have relating to discontinuance of service and settlement agreements. Such notice shall be in writing, in English and Spanish, and shall be in simple language. Such notice shall be delivered to the affected customer in person or by depositing a copy of the notice in the U.S. Mail, postage prepaid, addressed to the customer at the address for the affected customer known to the Company. Such notice shall contain:
- a. The title(s), address, telephone number(s), and working hours of the personnel at the Company responsible for carrying out the rights.

<b>SERVICE</b>	
FOR	ON
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BY	APPROVED
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NEW MEXICO PUBLIC REGULATION COMMISSION	

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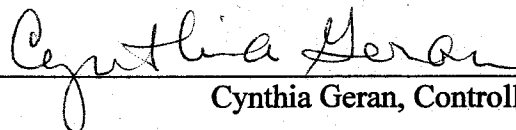
  
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- b. The amount owed and the date by which the customer must either pay the amount due or make other arrangements with the Company concerning payment of the charges, including arrangements for a settlement agreement. The billing periods over which said amount was incurred, and the date and amount of the last payment shall be available on request.
- c. A statement that if the customer pays that portion of the bill which is not in a bona fide dispute, the customer can obtain a review by personnel of the Company of the portion of the bill which the customer does dispute.
- d. A statement that a customer may file a complaint with the New Mexico Public Regulation Commission in accordance with NMPRC Rule 17 NMAC 1.2 if the customer disagrees with the Company's determination concerning discontinuance of service.
- e. A statement that the Company will not discontinue service to any residence where a seriously ill person resides or a person whose life may be endangered by the discontinuance of service, if at least two (2) days prior to the proposed service discontinuance date indicated in the notice, the designated Company personnel receives a certificate or copy thereof from a practitioner of the healing arts, on forms provided by the Company or other suitable forms, stating the discontinuance of service might endanger the person's life and the customer demonstrates to the designated Company personnel in writing, on forms provided by the Company or other suitable forms, that such customer does not have adequate financial resources to pay the utility charges when due, whether or not that accuracy of such charges are the subject of bona fide dispute; and that if service has been discontinued, the Company shall re-establish service within twelve (12) hours of receipt of said certificate. A blank medical certificate, which shall permit the physician, physician assistant, osteopathic physician, osteopathic physician assistant, or nurse practitioner to indicate the expected duration of the customer's serious illness or life endangering situation and a form for notifying the Company of a customer's having inadequate financial resources to pay utility charges when due. Such forms properly executed shall be adequate to delay discontinuance for up to one hundred twenty (120) days or for a longer period of time. The Company shall promptly notify the customer in writing as to how long it deems the certificate to be valid; provided,

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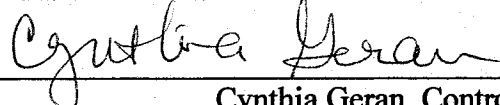
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however, that should the circumstances on which certificate is based appear to have change, the Company may require additional certification.

- f. A statement of the cost of reconnection.
  - g. A statement "If you are a recipient of public assistance, contact your caseworker immediately."
- M. The Company shall take reasonable steps to communicate with a customer, by telephone or personal contact, at least two (2) days prior to the actual date of discontinuance of service, in order to obtain payment of delinquent accounts. The Company employee personally contacting a customer two (2) days prior to discontinuance, and the utility employee sent to discontinue utility service shall note any information which is made known to the employee by the customer regarding any resident's serious illness or life endangering health condition, such as whether a resident is physically disabled, frail or elderly. Such information shall be immediately reported in writing to a Company employee authorized to prevent discontinuance. That employee shall either delay the discontinuance order if it is apparent that the forms as provided for in Paragraph No. L.e. will be received, or shall state in writing why such delay is not effected. The Company and Company employee's noting of the information made known by customer, acting upon such information or failing to act on such information in good faith, shall cause the Company and the Company employee to be held harmless for error made. The Company employee sent to discontinue utility service shall be empowered to receive payment of delinquent bills and upon receipt of payment, said employee shall be empowered to cancel the discontinuance order.
- N. The Company shall offer its customers a third party notification program and develop adequate procedures for notification to its customers of this availability of the program. The third party notification program shall only be extended to customers who notify the Company in writing of their desire to participate in the program and designate a specific person, organization, or governmental agency who is ready, willing and able to assist the customer in the payment of utility bills. Upon receipt of such notice from a customer, the Company shall not discontinue service to the customer for nonpayment of past due charges without (1) contacting the designated person, organization or governmental agency by phone or in writing at least fifteen (15) days prior to the proposed

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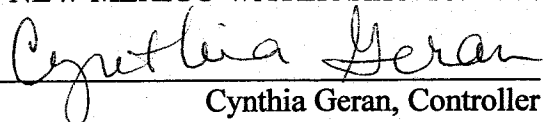
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- discontinuance of service; and (2) determining that the designated person, organization or governmental agency has not made a commitment to assist payment of the past due charges of that customer within a reasonable period of time.
- O. When a customer has indicated to the Company an inability to pay utility charges and has not been chronically delinquent, the Company shall attempt to arrange an installment payment plan for the payment of past due utility charges. While an installment payment plan is being negotiated, the Company shall not discontinue service to such residence. In the event that either negotiation of the installment plan is discontinued or progress in its negotiation is stalled, the Company may proceed with discontinuance of service.
- P. The Company shall provide a procedure for reviewing customer allegations that a proposed installment payment plan is unreasonable; that a utility charge is not due and owing; or that it has not violated an existing installment payment plan. Such procedure shall provide due notice to customers, and the reviewing employee shall have authority to order appropriate corrective action. Such review shall stay the discontinuance of utility service until the review is completed.
- Q. Utility service to a customer may be discontinued only during the hours of 8:00 a.m. to 3:00 p.m. on Monday through Thursday and may not be discontinued less than twenty four (24) hours prior to a holiday or weekend unless the Company's business office is open for receipt of payment of past due charges and the Company personnel are available to restore such service upon payment during said holiday or weekend.

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