

NEW MEXICO PUBLIC REGULATION COMMISSION

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NEWS RELEASE

Commissioners Want More Information From Farmington Water Company

SANTA FE – New Mexico Public Regulation Commissioners on Wednesday, August 3, voted 5-0 to adopt an expanded Order to Show Cause pertaining to AV Water Company LLC (AV Water) after the company has experienced a number of issues over the past few months providing safe and reliable water service to its customers in San Juan County.

Staff recommended that the Commission expand the scope of the Order to Show Cause to determine a number of issues, including whether AV Water is in compliance with the Final Order issued by the Commission on February 24, 2016 that issued a Certificate of Public Convenience & Necessity. Staff has also recommended that it be determined whether the company should be held responsible for failure to timely file its compliance Advice Notice containing its rates, rules and forms, and for failure to file an Advice Notice containing its form of bill. The recommended expansion would also seek to determine if the company should be held responsible for failing to properly charge customers according to the Commission-approved rates and rate structure.

The order directs AV Water to provide a response to the NMPRC within 15 days, and requires that agency Staff evaluate that response and provide further recommendations to the Commission within 10 days of the response provide by the water company.

The Commission has also ordered that AV Water provide further information regarding the company's statement that... "Residents who did not receive any water will not receive a bill. Given cash flow restraints in having to purchase equipment necessary for construction upfront, the company is not in a position to provide immediate refunds to all of its customers. However, the company is committed to issuing refunds in a fiscally prudent manner that will enable it to stay in operation and complete emergency repairs."

AV Water Company LLC is a public water utility engaged in the business of providing regulated public utility water service to more than 6,500 customers through the Harvest Gold and the Morningstar Water Systems in San Juan County.

About the NMPRC

The NMPRC regulates public utilities, telecommunications companies and motor carriers operating in the State of New Mexico. It also administers the State Fire Marshal's Office, the New Mexico Firefighters Training Academy in Socorro, N.M., and the Pipeline Safety Bureau.

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