RULE NO. 11 Page 1

DISCONTINUANCE AND RESTORATION OF SERVICE

A. Customer's Request for Discontinuance of Service

1. A customer may have service discontinued by giving not less than two days' advance notice thereof to the utility. Charges for service may be required to be paid until the requested date of discontinuance or such later date as will provide not less than the required two days' advance notice.

2. When such notice is not given, the customer may be required to pay for service until two days after the utility has knowledge that the customer has vacated the premises or otherwise has discontinued water service.

B. Discontinuance of Service by Utility

1. For Non Payment of Bills

a. Past-Due Bills. When bills are rendered monthly or bimonthly, they will be considered past due if not paid within 19 days from the date of mailing.

(1) Residential Service

For the purposes of this Rule, residential service means water service to a residential connection that includes single-family residences, multifamily residences, mobilehomes, including, but not limited to, mobilehomes in mobilehome parks, or farmworker housing. When bills are rendered monthly or bimonthly, they will be considered past due if not paid within 19 days from the date of mailing. The utility shall allow every residential customer a total of 79 days from the date of mailing its bill for services, postage prepaid, to make payment of the bill prior to discontinuance of service. The utility shall not discontinue residential service for nonpayment of a delinquent account unless the utility first gives notice of the delinquency and impending discontinuance, in conformance with Rule No. 8.A.3, which establishes notice periods ranging from 7 to 15 days, depending on the occupancy type. The utility will provide notices timely to ensure that the applicable notice period included in the total 79-day period referenced above.

(2) All Other Service (Nonresidential)

The utility shall not discontinue nonresidential service for nonpayment of a delinquent account unless the utility first gives notice of the delinquency and impending discontinuance in conformance with Rule No. 8.A.4.

(3) Waiving of Late Payment Charge **(N)**

For a customer taking Residential Service who demonstrates household income below 200 percent of the federal poverty level (or is otherwise deemed by the Water Shutoff Protection Act as having a household income of below 200 percent of the federal poverty level), the Late Payment Charge on past-due bills as authorized in Schedule No. LC shall be waived once every 12 months. **(N)**

(Continued)

DISCONTINUANCE AND RESTORATION OF SERVICE

B. 1. b. When a bill for water service has become past due and a discontinuance of service notice for nonpayment has been issued, service may be discontinued if bill is not paid in full (or alternative payment arrangements acceptable to the utility have not been made) within the time required by such notice. The customer's service, however, will not be discontinued for nonpayment until the amount of any deposit made to establish credit for that service has been fully absorbed. (L,T)

c. Petition for Utility Review

(1) Any customer (or adult occupant of a residential service address) may petition the utility for review of a bill for water service in accordance with Rule Nos. 5 and 10. (N)

(2) Such customer shall not have the water service discontinued for nonpayment during the pendency of an investigation by the utility of a complaint or request and shall be given an opportunity for review of the complaint, investigation, or request by a review manager of the utility, if: (T)

i. The customer who has initiated a billing complaint or requested an investigation within 5 days of receiving a disputed bill, or (N)
ii. Before discontinuance of service, the customer made payment arrangements for a bill asserted to be beyond the means of the customer to pay in full within the normal period of payment. (N)

(3) The review shall include consideration of whether a customer shall be permitted to make installment payments on any unpaid balance of the delinquent account over a reasonable period of time, not to exceed 12 months.

Such service shall not be discontinued for nonpayment for any customer complying with an installment payment agreement entered into with the utility, provided the customer also keeps current her or his account for water service as charges accrue in each subsequent billing period. (T)

If a customer fails to comply with an installment payment agreement, the utility will give a discontinuance of service notice no less than 5 business days before discontinuing such service, but such notice shall not entitle the customer to further investigation or alternative payment arrangements by the utility. (T)

DISCONTINUANCE AND RESTORATION OF SERVICE

B. 1. d. Appeal to the Commission

Any customer (or adult occupant of a residential service address) whose complaint or request for an investigation pursuant to subdivision (c) has resulted in a determination by the utility adverse to such customer or adult occupant, may appeal the determination to the Commission in accordance with Rule Nos. 5 and 10 (including depositing the disputed amount with the Commission). Any such appeal of the disputed bill to the Commission shall be in accordance with the Commission's Rules of Practice and Procedure. Written documentation of an appeal filed and diligently pursued with the Commission will prevent discontinuation of residential water service during the official appeal process. **(N)**

e. Residential Health and Safety Exception

(1) Service to a residential water customer will not be discontinued for nonpayment when such customer establishes to the satisfaction of the utility that all three of the following conditions are met:

i. The residential customer submits certification from a primary care provider*, as defined by the Water Shutoff Protection Act, that discontinuation of residential water service will be life threatening to, or pose a serious threat to the health and safety of, a resident of the premises where residential service is provided.

*Proof must be by certification from any internist, general practitioner, obstetrician-gynecologist, pediatrician, family physician and surgeon, nonphysician medical practitioner, or primary care clinic, rural health clinic, community clinic or hospital outpatient clinic. A "nonphysician medical practitioner" means a physician assistant or certified nurse-midwife performing services under physician and surgeon supervision, or a nurse practitioner performing services in collaboration with a physician and surgeon. (See Section 14088(b)(1)(A) and (c) of the California Welfare and Institutions Code.

ii. The residential customer demonstrates that she or he is financially unable to pay for residential service within the urban and community water system's normal billing cycle. The customer shall be deemed financially **(N)**

B. 1. e. Residential Health and Safety Exception (continued) **(N)**

ii. unable to pay for residential service within the system's normal billing cycle if any member of the customer's household is a current recipient of CalWORKs, CalFresh, general assistance, Medi-Cal, Supplemental Security Income/State Supplementary Payment Program, or California Special Supplemental Nutrition Program for Women, Infants, and Children, or the customer declares that the household's annual income is less than 200 percent of the federal poverty level; and

iii. The residential customer is willing to enter into an amortization agreement, alternative payment schedule, or a plan for deferred or reduced payment consistent with the utility's written policy on discontinuance of service due to nonpayment of bills. The company's policy can be found at https://libertyutilities.com/disconnection/policy/av/

(2) If all three of the above conditions are met, the utility shall offer the customer one or more of the following options:
   a. Amortization of the unpaid balance.
   b. Participation in an alternative payment schedule.
   c. A partial or full reduction of the unpaid balance financed without additional charges to other ratepayers.
   d. Temporary deferral of payment.

(3) The utility may choose which of the payment options the customer undertakes and may set the parameters of that payment option. The repayment option offered should result in repayment of any remaining outstanding balance within 12 months.

(4) Notwithstanding the above, residential service may be discontinued to any customer meeting the conditions above who:
   i. Does not agree to or comply with an amortization agreement, an alternative payment schedule, or a plan for deferred or reduced payment after incurring delinquent charges for 60 days or more,
   OR
   ii. After agreeing to an amortization agreement, an alternative payment schedule, or a plan for deferred or reduced payment for delinquent charges, the customer does not pay her or his current residential service charges for 60 days or more. **(N)**

DISCONTINUANCE AND RESTORATION OF SERVICE

B. 1. e. (4) Notice of discontinuation for either of these reasons will be posted in a prominent and conspicuous location at the property no less than 5 business days before discontinuing such service, but such notice shall not entitle the customer to further investigation or alternative payment arrangements by the utility. **(N)**

f. Other Disconnection Terms **(N)**

A customer's residential service may be discontinued for nonpayment of a bill for residential service previously rendered her or him at any location served by the utility. **(T)**

A nonresidential service may be discontinued for nonpayment of a bill for residential as well as nonresidential service previously rendered her or him at any location served by the utility. **(N)**

The discontinuance of service notice as set forth in subdivision (b) will be given in both cases stated above before discontinuance of service takes place.

Residential service will not, however, be discontinued for nonpayment of bills for separate nonresidential service.

g. Timing of Disconnection **(N)**

Service will not be discontinued by reason of delinquency in payment for service on any Saturday, Sunday, legal holiday, or at any time during which the business offices of the utility are not open to the public. The utility will avoid disconnection of service on Fridays and a day prior to a holiday. The utility will inform customers of the option to reconnect during regular business hours to avoid the more costly fees associated with after-hours service. **(N)** **(N)**

h. Where the owner, manager, or operator of the dwelling, structure, or park is listed by the utility as the customer of record, and water service is provided to residential occupants in a detached single-family dwelling, a multi-unit residential structure, mobile home park, or permanent residential structure in a labor camp, the utility will make every good faith effort to inform the residential occupants, by written noticed in conformance with the Rule No 8.A.3.b **(T)**
. **(T)**

DISCONTINUANCE AND RESTORATION OF SERVICE

B. 1. h. Continued

(1) Where said occupants are individually metered. (T)

The utility is not required to make service available to these occupants unless each user agrees to the terms and conditions of service and meets the requirement of the law and the utility's rules and tariffs. (T)

However, if one or more occupants are willing and able to assume responsibility for subsequent charges by these occupants to the account to the satisfaction of the utility, or if there is a practical physical means, legally available to the utility of selectively providing services to these occupants who have met the requirements of the utility's rules and tariffs, the utility will make service available to these occupants. (T) (T)

For these selected occupants establishment of credit may be as prescribed in Rule No. 6, except that where prior service for a period of time is a condition for establishing credit with the utility, proof that is acceptable to the utility of residence and prompt payment of rent or other credit obligation during that period of time is a satisfactory equivalent. (T)

(2) Where said occupants are master metered.

The utility is not required to make service available to these occupants unless each occupant agrees to the terms and conditions of service, and meets the requirements of the law and the utility's rules and tariffs and the following: (T) (T)

The same Rule No. 11, item B.1.h.(1), above, which applies to individually metered occupants also applies to master metered occupants, except a representative may act on the behalf of a master metered occupant, and the utility will not discontinue service in any of the following situations: (T) (T)

a. During the pendency of an investigation by the utility of a master-metered customer dispute or complaint.

B. 1. h. (2) Continued

b. When the master-metered customer has been granted an extension of the period for repayment of a bill.

c. For an indebtedness owed by the master metered customer to any other person or corporation or when the obligation represented by the delinquent account or any other indebtedness was incurred with a person or corporation other than the utility demanding payment therefor.

d. When a delinquent account relates to another property owned, managed, or operated by the master-metered customer.

e. When a public health or building officer certifies that discontinuance would result in a significant threat to the health or safety of the residential occupants or the public. Proof of age or disability are described in Rule No. 11.B.1.e

i. Residential Customer's Remedies Upon Receipt of Discontinuance Notice for Nonpayment. (T)

(1) If upon receipt of a discontinuance notice, a residential customer is unable to pay, she or he must contact the utility before discontinuance of service to make payment arrangements to avoid discontinuance of service. Information pertaining to alternative payment options and other options for averting discontinuance of residential service for nonpayment will be provided on the discontinuance notice as described in Rule No. 5, or can be obtained by calling (760) 247-6484.

(2) If, after contacting the utility, the residential customer alleges to the Commission an inability to pay and that she or he is unable to make payment arrangements with the utility she or he should contact the Commission's Consumer Affairs Branch (CAB) to make an informal complaint. To maintain uninterrupted service this action must be taken prior to discontinuation of service as defined in the provided notice. (T)

DISCONTINUANCE AND RESTORATION OF SERVICE

B. 1. i. Continued (L)

(3) The CAB's resolution of the matter should be reported to the utility and the residential customer within ten business days after receipt of the informal complaint. If the customer is not satisfied with such resolution, such customer may file, within ten business days after the date of the CAB's letter, a formal complaint with the Commission under Public Utilities Code Section 1702 on a form provided by the CAB. (T)

(4) Failure of any customer to observe these time limits prescribed herein shall entitle the utility to insist upon payment or, upon failure to pay, to proceed to discontinue the customer's residential water service in accordance with the utility's rules. (T)

j. Designation of a Third-Party Representative (Older Adult or Disabled only) (T)

(1) Customer must inform utility if she or he desires that a third party receive discontinuance or other notices on her or his behalf. (T)

(2) Utility must be advised of name, address and telephone number of third party with a letter from third party accepting this responsibility.

(3) Only customers who certify that they are older adults age 62 or over or disabled are entitled to third-party representation. Proof of age must be supported by certificate of birth, driver's license, passport or other reliable document. Proof of disability must be by certification from a licensed physician, public health nurse or social worker. (T)

2. For Noncompliance with Rules

The utility may discontinue service to any customer for violation of these rules after it has given the customer at least five days' written notice of such intention. Where safety of water supply is endangered, service may be discontinued immediately without notice. (L)

DISCONTINUANCE AND RESTORATION OF SERVICE

B. Discontinuance of Services by Utility (Continued) (L)

3. For Waste of Water

   a. Where negligent or wasteful use of water exists on customer's premises, the utility may discontinue the service if such practices are not remedied within five days after it has given the customer written notice to such effect.

   b. In order to protect itself against serious and unnecessary waste or misuse of water, the utility may meter any flat rate service and apply the regularly established meter rates where the customer continues to misuse or waste water beyond five days after the utility has given the customer written notice to remedy such practices.

4. For Unsafe Apparatus or Where Service is Detrimental or Damaging to the Utility or its Customers.

   If an unsafe or hazardous condition is found to exist on the customer's premise, or if the use of water thereon by apparatus, appliances, equipment or otherwise is found to be detrimental or damaging to the utility or its customers, the service may be shut off without notice. The utility will notify the customer immediately of the reasons for the discontinuance and the corrective action to be taken by the customer before service can be restored.

5. For Fraudulent Use of Service

   When the utility has discovered that a customer has obtained service by fraudulent means, or has diverted the water service for unauthorized use, the service to that customer may be discontinued without notice. The utility will not restore service to such customer until that customer has complied with all rules and reasonable requirements of the utility and the utility has been reimbursed for the full amount of the service rendered and the actual cost to the utility incurred by reason of the fraudulent use. (L)

RULE NO. 11 Page 10

DISCONTINUANCE AND RESTORATION OF SERVICE

C. Restoration of Service

1. Reconnection Charge

Where service has been discontinued for violation of these rules or for nonpayment of bills, the utility may charge $38.00 for reconnection of service during regular working hours or **(I)**
$188.00 for reconnection of service at other regular working hours when the customer has **(I)**
requested that the reconnection be made at other than regular working hours, except as otherwise provided by the utility's tariffs.

2. To be Made During Regular Working Hours

The utility will endeavor to make reconnections during regular working hours on the day of the request, if the conditions permit; otherwise reconnections will be made on the regular working day following the day the request is made.

3. To Be Made at other Than Regular Working Hours

When a customer has requested that the reconnection be made at other than regular working hours, the utility will reasonably endeavor to so make the reconnection if practicable under the circumstances.

4. Wrongful Discontinuance

A service wrongfully discontinued by the utility, must be restored without charge for the restoration to the customer within 24 hours.

5. Limits on Certain Reconnection Charges

For a residential customer who demonstrates household income below 200 percent of the federal poverty line (or is otherwise deemed by the Water Shutoff Protection Act as having a household income of below 200 percent of the federal poverty line), charges shall be limited as follows:

i. For reconnections during regular working hours, the lesser of the actual cost (as stated in Rule No. 11.C.1) or $38.00; and **(L)** **(R)**

ii. For reconnection during other than regular working hours, the lesser of the actual cost (as stated in Rule No. 11.C.1) or $188. The cap of these reconnection fees ($38 and $188, respectively) shall be subject to an annual adjustment for charges in the Consumer Price Index beginning January 1, 2026. **(I)** **(R)(I)** **(T)** **(L)**

(Continued)

RULE NO. 11 Page 11

DISCONTINUANCE AND RESTORATION OF SERVICE

D. Refusal to Serve

1. Conditions for Refusal
The utility may refuse to serve an applicant for service under the following conditions:

a. If the applicant fails to comply with any of the rules as filed with the Public Utilities Commission.

b. If the intended use of the service is of such a nature that it will be detrimental or injurious to existing customers.

c. If, in the judgment of the utility, the applicant's installation for utilizing the service is unsafe or hazardous, or of such nature that satisfactory service cannot be rendered.

d. Where service has been discontinued for fraudulent use, the utility will not serve an applicant until it has determined that all conditions of fraudulent use or practice has been corrected.

2. Notification to Customers
When an applicant is refused service under the provisions of this rule, the utility will notify the applicant promptly of the reason for the refusal to service and of the right of applicant to appeal the utility's decision of to the Public Utilities Commission.