
Subject: MSMEC Policy - Collection & Writing Off Delinquent Member/Consumer Accounts determined to be Uncollectable Policy No.: 311
Original Issue: 9/27/2022 Last Revised: Last Approved: Page 1 of 2

- I. Objective: To set policy and procedures for collecting and/or writing off delinquent accounts determined by MSMEC to uncollectable.

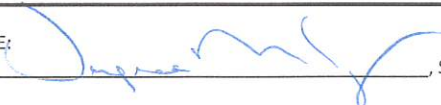
- II. Policy
 - A. Payment of bills for electric service for all Members/Consumers typically become due after twenty (20) days from the latest billing date as specified in the MSMEC's rate tariffs and as filed with the New Mexico Public Regulation Commission (NMPRC).
 - B. MSMEC's policies and procedures for delinquent accounts adhere to all rules related to "Continuity of Service and Right to Discontinue" as incorporated in the latest version of the MSMEC tariffs approved by the NMPRC, which are subject to revisions from time to time.
 - C. If a Member/Consumer is delinquent but service has not been disconnected, then MSMEC may assess late fees in addition to the past balance to the Member/Consumer for residential and commercial accounts.
 - D. If a Member/Consumer does not make monthly payment or payments on arrangements in accordance with the process outlined in the MSMEC's Collection Policies and Procedures, MSMEC may ultimately discontinue service and/or use third-party collection agencies to pursue collection of payment.
 - E. Prior to restoring service to a disconnected account, MSMEC shall require payment of the past due amount, a reconnection fee and a deposit.
 - F. MSMEC at its discretion may determine to write-off debt that is determined to be uncollectable (bad debt).
 - 1. Accounts shall be reviewed for write-off in February and September of each year and presented to the Board of Trustees for review and approval during these months.
 - 2. Patronage capital shall be applied to bad debt on accounts when patronage capital payments are made to members.
 - G. Members/Consumers who had debt previously written off, then request service later shall be required to pay the written off amount in full before new service is connected.

- III. Responsibility: It shall be the responsibility of the Finance Manager to see that the provisions of this policy are adhered to annually.

Board Policy No. 311

Collection & Writing off Delinquent Member/Consumer
Accounts determined to be Uncollectable

EFFECTIVE:

 Secretary

Date 10-27-2022