

- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

Request of Pineview West Water Company for Approval of a Conservation Rate Increase	<u>DOCKET NO. 19-2438-01</u> <u>ORDER APPROVING STIPULATION</u> <u>AND ASSOCIATED TARIFF</u> <u>CHANGES</u>
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ISSUED: January 25, 2021

BACKGROUND

On April 24, 2020, Pineview West Water Company (“Pineview”) filed with the Public Service Commission (PSC) an application for approval of a rate change (“Application”).

On April 29, 2020, the Division of Public Utilities (DPU) filed comments indicating the Application was missing certain information required for water companies’ general rate case filings under Utah Administrative Code Rule R746-700-50 (“GRC Complete Filing Rule”). DPU thus recommended the PSC deem the Application as being incomplete. On May 19, 2020, the PSC issued an order finding that the Application was incomplete.

On May 29, 2020, DPU filed a memorandum indicating that it had reviewed additional documentation submitted by Pineview to support the Application, and determined that Pineview had filed all of the information required under the GRC Complete Filing Rule. On June 8, 2020, the PSC issued a Scheduling Order, Notice of Hearing, and Notice of Public Witness Hearing setting a schedule.

On June 4, 2020, Pineview filed testimony and exhibits in support of the Application. Pineview states it has not increased rates since 2009 and its proposed increase is necessary to purchase water from Ogden City. Pineview asserts that water has become increasingly expensive over the years, and that it has experienced increased water usage by many of its customers.

Pineview explains that, consequently, its costs of delivering water overall have increased.

Pineview also explains that most of the increased usage occurs during summer months when culinary water is being used for outside irrigation by customers not on the secondary system.

Pineview asserts it needs conservation rates to help cover the extra expenses and encourage water conservation.

On October 16, 2020, DPU filed the direct testimony and exhibits of Mr. Mark Long. Mr. Long explains that a capital reserve account is “primarily used for the repair and replacement of infrastructure ... [and] is funded from two sources.” Mark Long direct testimony, at 6. He explains that it is funded through (1) base rates and (2) from amounts billed in conservation tiers over and above the incremental variable cost of providing service. *Id.* Mr. Long states that it has been over 11 years since Pineview sought a rate increase, and that he was involved in the last rate case. Mr. Long further states that DPU has closely monitored Pineview for several years and “could not be more complimentary of its leadership and sound business practices. [Pineview] has used its capital reserve account to its advantage and despite now needing a rate increase, appears to be financially sound.” *Id.*, at 12. After going through a thorough review of Pineview’s existing rates in his testimony, Mr. Long then concludes that “the current rates and rate structure no longer cover fixed costs and do not have an effective conservation rate with an increasing tiered rate structure (increasing block unit) as mandated in Utah Code [Ann. §] 73-10-32.5(1).” He further concludes that the rates and rate structure no longer result in just and reasonable rates and are no longer in the public interest. *Id.*, at 13.

On November 12, 2020, DPU filed a Motion to Suspend Testimony Dates while Retaining Hearing Dates as Scheduled, which was granted by the PSC on November 16, 2020. On November 20, 2020, DPU filed a settlement stipulation (“Settlement”), proposed tariff sheets, and a motion to approve the Settlement and to hold the hearings as scheduled. DPU explained that Pineview and DPU had engaged in fruitful settlement discussions and had reached an agreement that led to the Settlement. On December 3 and 14, 2020, the PSC received written comments from two Pineview customers who opposed the proposed conservation rates. Specifically, the December 3, 2020 comments informed the PSC of a pending dispute in civil court with Pineview over water issues. Ms. Arave explained that she was not notified of the general rate case filing, and requests the PSC postpone its decision in this docket until a final decision is rendered in said pending dispute.¹

On December 15, 2020, the PSC held an evidentiary hearing and a public witness hearing. During the evidentiary hearing, DPU and Pineview testified that the Settlement is just, reasonable, and in the public interest. Subsequently, during the public witness hearing, two witnesses entered public comments recommending the PSC reject either the increase in the basic service charge, or the new proposed conservation rates.

DISCUSSION, FINDINGS OF FACT, AND CONCLUSIONS OF LAW

Under the Settlement, the parties agreed that effective February 1, 2021 and subject to the PSC’s approval, Pineview’s rates and terms of service would be those listed in the Settlement

¹ On December 21, 2020, Mr. and Mrs. Arave filed a formal complaint against Pineview in a separate docket, Docket No. 20-2438-01, asserting the same issues Ms. Arave asserted in her December 3, 2020 public comments. The PSC issued a Notice of Filing and Comment Period in that case, and received comments from Pineview responding to the Arave’s complaint. The PSC will issue an order in that docket after it issues this order.

and the accompanying tariff sheets. Utah Code Ann. § 54-7-1 encourages settlements of matters before the PSC at any stage of the proceedings. Under Utah Code Ann. § 54-7-1(2)(a), the PSC may approve a settlement proposal if it finds the settlement proposal to be in the public interest. In addition, the PSC may adopt a settlement stipulation if the PSC finds, based on the evidence of record, that the proposal is just and reasonable in result.²

The PSC acknowledges the public comments requesting the PSC reject the increase in base rates and the proposed conservation rates, including the comments from Ms. Arave notifying the PSC of the ongoing dispute between the Araves and Pineview. However, the dispute has no bearing in this docket. Based on the Utah Supreme Court decision that was appended to the December 3, 2020 public comments, the ongoing dispute involves water well rights over which the PSC has no jurisdiction. In addition, the PSC is required to act on this Application within 240 days of the date the Application is deemed to be a “complete filing,” consistent with Utah Code Ann. § 54-7-12(3)(a).

The PSC finds the evidence supports (a) the base rate increase as being necessary to finance needed capital improvements and (b) the conservation rates necessary to compensate Pineview for the tiered water usage charges it incurs from Ogden City when its customers’ water usage requires additional tiered purchases from Ogden City. The PSC also finds the evidence supports Pineview’s need for future capital expenditures to support the functional operation of its water treatment and delivery systems. The PSC further finds the proposed rates are not designed to generate a windfall, and note that the revenues cannot be used for non-utility purposes.

² See Utah Code Ann. § 54-7-1(3)(d)(i)(A)-(B).

ORDER

Based on the record, including the parties' testimony at hearing, and the Settlement, we find and conclude that the Settlement and the associated tariff sheets, are just, reasonable, and in the public interest. Thus we approve the Settlement, and the associated tariff sheets, filed November 20, 2020. We also approve the associated rate increase, effective February 1, 2021.

DATED at Salt Lake City, Utah, January 25, 2021.

/s/ Yvonne R. Hogle
Administrative Law Judge

Approved and confirmed January 25, 2021 as the Order of the Public Service
Commission of Utah.

/s/ Thad LeVar, Chair

/s/ David R. Clark, Commissioner

/s/ Ron Allen, Commissioner

Attest:

/s/ Gary L. Widerburg
PSC Secretary
DW#317068

Notice of Opportunity for Agency Review or Rehearing

Pursuant to Utah Code Ann. §§ 63G-4-301 and 54-7-15, a party may seek agency review or rehearing of this order by filing a request for review or rehearing with the PSC within 30 days after the issuance of the order. Responses to a request for agency review or rehearing must be filed within 15 days of the filing of the request for review or rehearing. If the PSC fails to grant a request for review or rehearing within 30 days after the filing of a request for review or rehearing, it is deemed denied. Judicial review of the PSC's final agency action may be obtained by filing a Petition for Review with the Utah Supreme Court within 30 days after final agency action. Any Petition for Review must comply with the requirements of Utah Code Ann. §§ 63G-4-401, 63G-4-403, and the Utah Rules of Appellate Procedure.

CERTIFICATE OF SERVICE

I CERTIFY that on January 25, 2021, a true and correct copy of the foregoing was delivered upon the following as indicated below:

By Email:

Peter Turner (pwwceden@gmail.com)
Pineview West Water Company

Patricia Schmid (pschmid@agutah.gov)
Justin Jetter (jjetter@agutah.gov)
Assistant Utah Attorneys General

Madison Galt (mgalt@utah.gov)
Division of Public Utilities

Administrative Assistant

DOCKET NO. 19-2438-01

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ATTACHMENTS

ATTACHMENT 1

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH	
IN THE MATTER OF PINEVIEW WEST WATER COMPANY'S REQUEST FOR APPROVAL OF A CONSERVATION RATE INCREASE	Docket No. 19-2438-01 SETTLEMENT STIPULATION

SETTLEMENT STIPULATION

This Settlement Stipulation ("Stipulation") is entered into in Docket No. 19-2438-01 by and among Pineview West Water Company ("Pineview" or "the Company") and the Division of Public Utilities ("Division"), the parties whose signatures appear on the signature page(s) hereof (collectively referred to herein as the "Parties" and individually as a "Party").

1. On December 12, 2019, Pineview filed its Notice of Intent to File Application for a Culinary Water Rate Case via email. On April 24, 2020, the Company filed its application for approval of a conservation rate increase. On April 29, 2020, the Division filed a memo recommending the Public Service Commission of Utah ("Commission") not accept the Company's filing as complete until the Company filed the required documentation. On May 1, 2020, the Company filed additional financial information with the Commission, which the Division determined not adequate to be considered a complete application. On May 5, 2020, the Parties met for a status conference, during which the Company acknowledged that not all of the required information had been filed and agreed to work with the Division in completing its application. On May 19, 2020, the Commission issued an order determining that Pineview's application for a rate case was

incomplete. On June 4, 2020, the Company filed supplemental documentation, including direct testimony by the Company's vice president, John Durig, which the Division acknowledged as a complete application.

2. A scheduling conference was held on June 8, 2020.

3. There have been no requests to intervene in this docket.

4. Over the past few months, the Parties have discussed the matters presented below and have recently entered into settlement discussions, resulting in this Stipulation.

5. The Parties recommend and request that the Commission approve the Stipulation and all of its terms and conditions. The Parties request that the Commission make findings of fact and reach conclusions of law based upon the evidence filed in this proceeding and upon this Stipulation and issue an appropriate order.

BACKGROUND

6. Pineview has operated since 1970 as a non-profit corporation.¹

7. Pineview was relinquished by its developer-owner and turned over to its customers in 2009.

8. Certain prior Commission proceedings are listed here. Pineview sought and received a certificate of public convenience and necessity on September 30, 2004.² On November 20, 2008, Pineview submitted a request for a rate increase and a special

¹ Division of Corporations and Commercial Code, Business Search, Pineview West Water Company.

² See order in the Matter of the Application of Pineview West Water Company for a Certificate of Convenience and Necessity for Culinary and Secondary Water Services, Docket No. 04-2438-01 (September 30, 2004). For additional information please refer to Clarifying Order in the Matter of the Application of Pineview West Water Company for a Certificate of Convenience and Necessity for Culinary and Secondary Water Services, Docket No. 04-2438-01 (October 12, 2004).

assessment to pay off outstanding debts.³ On January 27, 2009, the Commission ordered the bifurcation of the special assessment, and the rate increase. Its order specified the special assessment to be treated on an expedited basis under Docket No. 08-2438-01 and the request for a rate increase to be assigned Docket No. 09-2438-01.⁴ The Commission granted the special assessment on February 4, 2009.⁵ The Commission approved the rate increase on July 15, 2009.⁶

9. Additional Commission proceedings include the following. On August 12, 2009, several of Pineview's creditors (collectively the "Applicant") filed an application with the Commission for review and request for rehearing based on certain debts disallowed in the Special Assessment.⁷ The Commission granted review and rehearing on issues raised in the application.⁸ The Applicant cited scheduling conflicts for the initial hearing as well as for four subsequent amended hearing dates.⁹ On or about October 21, 2009, the Division made a motion for stay of the proceedings due to

³ See in the Matter of the Request of Pineview West Water Company for Approval of a Rate Increase, Docket No. 08-2438-01 (November 20, 2008).

⁴ See Order of Bifurcation in the Matter of the Request of Pineview West Water Company for Approval of a Special Assessment and Rate Increase, Docket No. 08-2438-01 (January 27, 2009).

⁵ See order in the Matter of the Request of Pineview West Water Company for Approval of a Special Assessment and Rate Increase, Docket No. 08-2438-01 (February 4, 2009).

⁶ See order in the Matter of the Request of Pineview West Water Company for Approval of a Rate Increase, Docket No. 09-2438-01 (July 15, 2009).

⁷ See Application for Review and Request for Rehearing in the Matter of the Request of Pineview West Water Company for Approval of a Rate Increase, Docket No. 09-2438-01 listing applicants as Titan Development, LLC, Pineview Estates, LLC, and North Eden Acres, LLC (August 12, 2009).

⁸ See order granting review and rehearing in the Matter of the Request of Pineview West Water Company for Approval of a Rate Increase, Docket No. 09-2438-01 (August 20, 2009).

⁹ See Docket 09-2438-01, in the Matter of the Request of Pineview West Water Company for Approval of a Rate Increase for further information: Issued Notice of Hearing set for September 2, 2009 (August 25, 2009). Issued Amended Notice of Hearing for September 17, 2009 (August 31, 2009). Issued Second Amended Notice of Hearing for September 22, 2009 (September 1, 2009). Issued Third Amended Notice of Hearing for September 24, 2009 (September 2, 2009). Issued Fourth Amended Notice of Hearing for October 20, 2009 (October 7, 2009).

Pineview's filing of complaint in third district court addressing issues virtually identical to those currently before the Commission.¹⁰ On November 16, 2009, the Commission granted the Division's motion for a stay.¹¹ No further action was taken in this docket.

10. A scheduling conference was held on June 8, 2020 in this docket. Pursuant to the scheduling order, on October 16, 2020, Mr. Mark Long filed direct testimony on behalf of the Division.

11. After the Division's review of the application, the application amendments, data responses from the Company, and discussions among the Parties, the Parties entered into settlement discussions.

12. The settlement discussions resulted in the preparation and execution of this Stipulation now presented to the Commission. The Parties request that the hearing and the public witness hearing on the Stipulation be held on December 15, 2020, the hearing date established by the Scheduling Order.

¹⁰ See Motion to Stay in the Matter of the Request of Pineview West Water Company for Approval of a Rate Increase, Docket No. 09-2438-01 (October 21, 2009).

¹¹ See Order on Stay in the Matter of the Request of Pineview West Water Company for Approval of a Rate Increase, Docket No. 09-2438-01 (November 16, 2009).

SETTLEMENT TERMS

For purposes of this Stipulation, the Parties agree and recommend that the Commission approve the following.

Specific Terms

13. Rate Increase. The Parties agree effective February 1, 2021, the Company's tiered rates will be increased to the rates shown in Table 1.

Table 1
Monthly Rates

Description	Charges
Monthly Water Rates	
First 8,000 gallons (included in Base Rates)	\$70.000. per Month
Usage per 1,000 gallons per Month	
Tier 1 (0 to 8,000 gals)	\$0.00
Tier 2 (8,001 to 16,000 gals)	\$6.50
Tier 3 (16,001 to 24,000 gals)	\$13.00
Tier 4 (24,001 to 32,000 gals)	\$19.50
Tier 5 (> 32,000 gals)	\$29.50

[Intentionally left blank]

14. Changes to Fees and Other Charges other than Rates. Various fees and charges in the Company's tariff approved on July 15, 2009, have been changed, omitted, or added. The Parties agree effective February 1, 2021, that the Company's Fees and Other Charges in its tariff will be as shown in Table 2.

Table 2
Fees and Other Charges

Description	Charges
Fees and Other Charges	
Standby Fees *	\$336 per year or \$84 per quarter
Disconnect fees	\$120 per occurrence
Re-connect fees	\$120 per occurrence
First time service connection	\$4,200
¾"-Line meter connection fee (in addition to)	\$275
1"-Line meter connection fee (in addition to)	\$465
1 ½"-Line meter connection fee (in addition to)	\$655
Interest rate on bills past due by 30 days or more	18% per annum (1.5% per month)
Filing Lien	\$150 each
Releasing Lien	\$150 each
Fee for unwarranted service call **	Actual cost

* Applies to lots where service mains are in place and where water service is available, but no water service has been connected, and no water service is used; or where the Company has disconnected water service at the request of the customer; or involuntarily by the Company after proper notice to the customer.

** The Company is responsible for issues involving infrastructure up to and including the meter. Problems, e.g., leaks or frozen pipes, beyond the meter on the customer's side are the customer's responsibility. The customer must pay the actual costs of the service call, including parts and labor.

15. Updated Tariff Sheets. In addition to the revised rates and fees and charges previously discussed, the Parties have agreed on several additions and changes to Pineview's tariff. These changes are primarily housekeeping matters. The resulting tariff is the third revision of Pineview's tariff since becoming regulated by the Commission.¹² The revised Tariff No. 3 is provided in both redline and clean form and made part of this Stipulation.

16. Notice to Customers of Stipulation, Hearing, and Public Witness Hearing. In its billing statement sent on October 19, 2020, via U.S. mail to its customers, the Company provided notice of the dates and times of the hearing and public witness hearing in this docket. Also, in its notice, the Company provided a direct link to Docket No. 19-2438-01, on the Commission's website, and encouraged customers to view the docket for the latest information.

17. No Precedent. The Parties agree that no part of this Stipulation or the formulae and methodologies used in developing the same, or a Commission order approving the same, shall in any manner be argued or considered as precedential in any future case except with regard to issues expressly called-out and resolved by this Stipulation. This Stipulation does not resolve and does not provide any inferences regarding, and the Parties are free to take any position with respect to, any issues not specifically called-out and settled herein.

¹² Tariff No. 1 was issued on or shortly after the approval of Pineview's CPCN; see order in the Matter of the Application of Pineview West Water Company for a Certificate of Convenience and Necessity for Culinary and Secondary Water Services, Docket No. 04-2438-01 (September 30, 2004). The rates, fees, and charges for Tariff No. 2 were approved with an effective date of July 1, 2009, see order in the Matter of the Request of Pineview West Water Company for Approval of a Rate Increase, Docket No. 09-2438-01 (July 15, 2009).

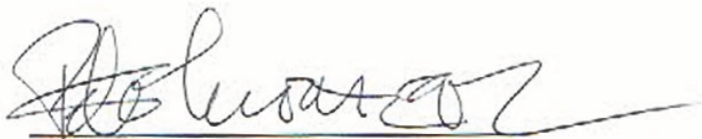
18. Stipulation Taken as a Whole. Not all Parties may agree that each aspect of this Stipulation is supportable in isolation. Utah Code Annotated Section 54-7-1 authorizes the Commission to approve a settlement so long as the settlement is just and reasonable in result. While the Parties may not be able to agree that each specific component of this Stipulation is just and reasonable in isolation, all Parties agree that this Stipulation as a whole is just and reasonable in result and is in the public interest.

19. Confidentiality. All negotiations related to this Stipulation are confidential, and no Party shall be bound by any position asserted in negotiations. Except as expressly provided in this Stipulation, neither the execution of this Stipulation nor the order adopting it shall be deemed to constitute an admission or acknowledgment by any Party of the validity or invalidity of any principle or practice of regulatory accounting or ratemaking; nor shall they be construed to constitute the basis of an estoppel or waiver by any Party; nor shall they be introduced or used as evidence for any other purpose in a future proceeding by any Party except in a proceeding to enforce this Stipulation.

20. Witnesses. The Company and the Division will make one or more witnesses available at the hearing to explain and offer further support for this Stipulation. As applied to the Division, the explanation and support shall be consistent with its statutory authority and responsibility.

21. Execution. This Stipulation may be executed by individual Parties through two separate, conformed copies, the aggregate of which will be considered as an integrated instrument.

DATED this 16 day of November 2020.

A handwritten signature in black ink, appearing to read "Peter Turner", written over a horizontal line.

Peter Turner
President
Pineview West Water Company
Eden, UT 84310
pwwceden@gmail.com

A handwritten signature in black ink, appearing to read "Artie Powell", written over a horizontal line.

Artie Powell
Director
Division of Public Utilities
160 East 300 South, 4th Floor
Salt Lake City, UT 84111

ATTACHMENT 2

PINEVIEW WEST WATER COMPANY
A Shareholder Owned Non-Profit Corporation

RATES AND FEES SCHEDULE
AND
RULES AND REGULATIONS

TARIFF NO. 3

Effective Date: February 1, 2021

Docket Number: 19-2438-01

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WATER SERVICE RATE AND FEE SCHEDULE

Applicable in entire service area to water service for culinary purpose at one point of delivery.

Rates as herein set forth shall apply to each customer unit. A consumer unit is defined as a single unit dwelling or any store service station, cafe, factory, shop, processing plant, or other establishment or concern that might apply for culinary water service for domestic purposes.

The following culinary water rates apply:

Description	Charges
Monthly Water Rates	
First 8,000 gallons (included in Base Rates)	\$70 per month
Usage per 1,000 gallons per month:	
Tier 1 (0 to 8,000 gals)	\$0.00
Tier 2 (8,001 to 16,000 gals)	\$6.50
Tier 3 (16,001 to 24,000 gals)	\$13.00
Tier 4 (24,001 to 32,000 gals)	\$19.50
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Fees and Other Charges	
Standby Fees *	\$336 per year or \$84 per quarter
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First time service connection	\$4,200
¾"-Line meter connection fee (in addition to)	\$275
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Filing Lien	\$150 each
Releasing Lien	\$150 each
Fee for unwarranted service call **	Actual cost

* Applies to lots where service mains are in place and where water service is available, but no water service has been connected, and no water service is used; or where the Company has disconnected water service at the request of the customer; or involuntarily by the Company after proper notice to the customer.

** The Company is responsible for issues involving infrastructure up to and including the meter. Problems, e.g., leaks or frozen pipes, beyond the meter on the customer's side, are the customer's responsibility. The customer must pay the actual costs of the service call, including parts and labor.

Effective Date: February 1, 2021

Docket Number: 19-2438-01

RULES AND REGULATIONS

1. **Connections:** No unauthorized person shall tap any water main or distribution pipe of the Company or insert therein any corporation cock, stop cock, or any other fixture or appliance or alter or disturb any service pipe, corporation stop, curb stop, gate valve, hydrant, water meter or any other attachment, being part of the waterworks system and attached thereto. No person shall install any water service pipe or connect or disconnect any such service pipe with or from the mains or distribution pipes of the said waterworks system, nor with or from any other service pipe now or hereafter connected with said system, nor make any repairs, additions to, or alterations of any such service pipe, tap, stop cock, or any other fixture or attachments connected with any such service pipe, without first obtaining a permit from the Company. All materials used and the installation thereof in the conveyance of Company water shall comply with the Utah Department of Environmental Quality standards and specifications.
2. **Application for Permit:** A permit shall be obtained from the Company before any service connection can be made to any part of the waterworks system or before any work performed can be performed upon old or new connections. Such permit shall be issued only upon written application on forms obtainable from the Company. Applicants for water service shall furnish, lay and install at their own expense, all that portion of the service not provided by the Company, subject, however, to the supervision and inspection of the Company.
3. **Metering of Service:** All water delivered by the Company to its customers shall be metered through water meters. Meters may be checked, inspected, or adjusted at the discretion of the Company, and shall not be opened or adjusted except by authorized representatives of the Company. Only authorized representatives of the Company shall open meter boxes to turn water service on or off except in case of emergency or when the Company gives special permission.
4. **Meter Adjustments:** If a meter fails to register at any time, the water delivered during such a period shall be billed at the rate for the average water usage of the preceding three months. In the event a meter is found to be recording at less than 97 percent (97%) or more than 103 percent (103%) of actual, the Company may make such adjustments to the customer's previous bill as are just and fair under the circumstances.
5. **Service Connections:** Any person desiring to obtain water service from the Company shall make an application to the Company in writing. As a condition of application approval, an applicant shall pay the Turn-on Fee. Additionally, as a condition of receiving water service, a customer shall pay the Connection Fee for all first time water connections. The Connection Fee includes a meter, meter box, a cover, and a valved service line to the property line, all of which shall remain the sole and exclusive property of the Company. The meter and meter box will be located as directed by the Company. Any excavation and installation shall be made by the Company from the main line in the street to three (3) feet beyond the meter. The Connection charges shall apply to all new connections.

6. **Service Line:** A service line is defined as all water system facilities installed between the customer unit and the meter. All service line materials and installation shall be provided and paid for by the applicant, except that the meter, meter box, and meter cover shall, in all instances, be installed and owned by the Company. The customer will provide a shut-off valve in a location accessible to the water company on each service line. The shut-off valve(s) shall be separate from the water meter box. Installation of a service line shall be inspected and approved by the Company before the service line trench is backfilled.
7. **Water Use Restriction:** The owner or occupant of any building or premises entitled to the use of water from the Company shall not supply water to any other building or premises without the written permission of the Company. The owner or occupant may not use any water from the Company that is not metered.
8. **Service Turn-on and Turn-off:** Only authorized representatives of the Company shall turn water service on or off at the meter box, except in case of an emergency or when special permission is granted by the Company. Service may be turned off by the Company when so requested by the customer when the customer fails to abide by these regulations, or as permitted by Utah Administrative Code R746-200-7, Termination of Service. Whenever the water is turned off at any premises, it shall not be turned on again until the customer pays all delinquent balances owing, late charges, and reconnection fees, as shown in the rate schedule.
9. **Disruption Liability:** The Company shall use reasonable diligence to provide continuous water service to its customers and shall make a reasonable effort to furnish all customers with a clean, pure supply of water that meets applicable State and Federal water guidelines. The Company shall not be held liable for damages to any customer or water user by reason of any stoppage or interruption of water service caused by a scarcity of water, accidents to works, water main alterations, additions or repairs, acts of God, acts of third persons, government interference, or other unavoidable causes beyond the Company's control.
10. **Damage to Facilities:** Costs of any damage resulting from the negligence and/or failure of the owner, agent, or tenant to properly protect the water meter or service line related to a service connection, or other facilities of the Company installed upon premises supplied with water, including but not limited to public or private snow removal, vandalism, fire, freezing, or construction work, shall be assessed against such customer, owner, applicant, agent or tenant. No customer or person shall tamper with or remove the meter, or interfere with the reading thereof.
11. **Reading of Meters:** If the meters are inaccessible to read, for example, during winter months, customers shall be billed at the minimum usage amount. The actual winter usage, should it exceed the minimum usage amount during the winter months, shall be billed in total on the first billing, which shows the first-meter reading taken in the calendar year.
12. **Billing and Payments:** The Company shall use a billing cycle with an interval between regular periodic billing statements of not greater than three (3) months. The Company may change the billing cycle to less than three months with a thirty (30) day notice to its customers. Bills covering the charges will be issued and shall be due within thirty (30) days

after being issued. If any customer neglects or refuses to pay a water service bill or any other obligation due to the Company within thirty (30) days from the date of issuance, the Company's employees shall have the right to go upon the premises and do such work as may be necessary to disconnect the water service. The established tariff charge for disconnect/re-connect and if applicable, filing/releasing liens shall be paid. The Company may contract with a third party to handle all bills, billings, and customer payments. The Company will notify the customers of such an arrangement.

13. **Discontinuance of Service:** Any customer wishing to discontinue service shall notify the Company at least three (3) days in advance so that the meter can be read for a final billing. Such a final bill shall be due and payable upon receipt.
14. **Regulated Usage:** Whenever the Company shall determine that the amount of water available to its distribution system has diminished to such a volume that, unless restricted, the public health, safety, and general welfare is likely to be endangered, the Company may prescribe rules and regulations to conserve the water supply during such emergency. Such rules and regulations may include, but shall not be limited to, the restriction to certain hours (or total prohibition) of the use of water for outdoor watering.

All new customers requiring culinary water for irrigation shall have a separate shut-off valve for the irrigation system accessible to the water company and subject to the Service Line requirements in regulation number 3.

15. **Changes and Amendments:** The Company reserves the right to change, amend or add to these Rules and Regulations as experience may show it to be necessary and as such amendments or changes are approved by the Utah Public Service Commission.
16. **Credit Deposit:** The Company may, at its option, and in lieu of established credit, require a deposit of \$70.00 from the customer to assure payment of bills. This deposit may be refunded when credit has been established. Deposits held over three (3) months shall earn interest at the then established bank saving rate of the Company's banking institution. Interest will be credited to the customer's account.
17. **Backflow Prevention:** All applicants requesting connection to or customers connected to the water system shall provide, at their sole expense, any and all back-flow prevention/protection device(s) deemed necessary by the Company and to comply with the regulations and rules of the Utah Department of Environmental Quality to protect the water quality of the water system from a potential back-flow incidence. Maintenance, repair, and any required proof of certification of inspection costs are the customer's responsibility. Proof of inspection certifications must be submitted to the Company upon its request. The Company will order the inspection and bill the customer for the service if the customer fails to perform the required testing or submit the testing certification in a timely manner or within one month.

18. **Capital Reserve Accounting Requirements:** A Capital Reserve Account, targeted to equal the annual depreciation expense and yearly amortization of the contribution in aid of construction of the Company's water system assets and equipment, shall be established, subject to the following:
- a. All designated capital reserve fees generated from rates shall be deposited into the Capital Reserve Account. Any excess fees collected from overage rates, after deducting for any variable expenses shall be deposited in the Capital Reserve Account.
 - b. All Capital Reserve Account funds shall be deposited in a restricted bank account, such as a separate escrow account, within sixty (60) days from receipt of such payment.
 - c. Withdrawals from the Capital Reserve Account shall be made primarily for capital replacements and improvements.
 - i. If the Company has financial obligations from expenses that are a necessary cost of doing business but do not necessarily qualify as a capital replacement or improvement, the Company can use funds from the Capital Reserve Account until it files for its next rate increase, subject to the provisions in 18(e) and 18(g)(iii).
 - d. In accordance with Utah Administrative Rule R746-401, expenditures in excess of five percent (5%) of total Utility Plant in Service shall require the Company to file a report with the Commission, at least thirty (30) days before the purchase or acquisition of the asset or project, and to obtain written Commission approval before transacting such acquisitions.
 - e. Upon request by the Commission or the Division, the Company shall also provide a separate accounting of the Capital Reserve Account consisting of monthly bank statements encompassing the entire calendar year showing a series of deposits made within sixty (60) days from the receipt of rate payments for each billing cycle and withdrawals that meet requirements 18(a), (b), and (c) above. Such detailed accounting, including copies of bank statements and possibly other sensitive information, shall be marked as "confidential."
 - f. The balance in the Capital Reserve Account shall be clearly identifiable in the financial statements.
 - g. In identifying a qualifying expenditure for replacement or improvements that may be made from the Capital Reserve Account, the Company shall consider the following guidelines:
 - i. Capital improvements are typically high-cost items with long service lives, including, but not limited to, the distribution pipe main lines, storage reservoirs, wells, and surface water intakes. Expenditures that qualify as capital expenditures are those that extend the life of an asset, enhance its original value with better quality materials or system upgrades, or replace such assets.
 - ii. Capital improvements do not include minor expenses such as repair clamps, inventory parts, and fittings, spare pieces of pipe kept to facilitate repairs, small

tools, maintenance supplies such as paint or grease, service contracts, and other day-to-day supplies. Expenses for these items are properly classified as “operating and maintenance” expenses.

- iii. Additionally, it is not appropriate to use Capital Reserve Account funds received from existing customers for system expansion, that is, to extend main lines to serve new areas or new customers or to install new services. Funds for the expansion of the system should come from new development, impact fees, connection fees, assessments, or other sources so that those benefiting from the improvement contribute the funds for its construction.
 - h. In the event any payment from a customer is a partial payment of any given billed invoice by the Company, that payment shall be used first to cover the fixed and variable expenses, and then to cover the Capital Reserve Fee. A reconciliation, clearly indicating the circumstances surrounding those instances when the Capital Reserve Account was not fully funded, shall be provided by the Company with the detailed ‘annual accounting’ of the Capital Reserve Account.
 - i. Interest accruing on funds held in the Capital Reserve Account shall become a part of the Capital Reserve Account and can only be used in accordance with this paragraph, 16.
19. **Special Assessments:** The Company reserves the right to levy special assessments as necessary to pay for or reimburse the Company for expenses attributed to emergency or necessary waterworks system improvements, maintenance, or repairs, subject to all necessary approvals of such special assessments by the Public Service Commission.
20. **Facility Extension Policy**
- a. **Definition:** An extension is any continuation of, or branch from, the nearest available existing water distribution line of the Company, including any increase of capacity of an existing line and/or existing supply and/or existing storage to meet the customer’s requirements.
 - b. **Costs:** The total cost of extensions, including engineering, labor, and materials, shall be paid by the applicants or as agreed upon between the applicant and the Company as decided by the Company at the Company’s sole discretion for such extensions. If, because of the extension and the addition of applicants as customers, additional water rights, pumps, storage, or other water plant must be acquired, the Company may require the applicants to pay these costs. Where more than one customer is involved in an extension, the costs shall be pro-rated on the basis of the street frontage distances involved or upon such other basis as may be mutually agreed by the applicants. Sufficient valves, pressure reducing devices, fire hydrants, and any other infrastructure installation mandated by the Company and/or the Utah Department of Environmental Quality must be designed to be included and installed with every installation.

- c. **Construction Standards:** The minimum standards of the Company shall be met, which standards shall also comply with the standards of the Utah State Division of Drinking Water. The Company shall designate pipe sizes. The pipeline shall be installed only along dedicated streets, highways, or within utility easements, unless otherwise approved in writing by the Company.
- d. **Ownership:** Completed facilities and water rights shall be owned, operated, and maintained by the Company, including and through meters, as detailed in the Tariff Rules and Regulations. The Company shall then bear the ongoing costs of normal operation and maintenance of the supply, storage, and delivery infrastructure of the extension to the Company's system.
- e. **Temporary Service:** A permit shall be obtained from the Company before any temporary service connection can be made to any part of the waterworks system or before any work can be performed upon old or new connections. The customer will pay the total cost for the installation and removal of any service extension of a temporary nature. Such costs will be estimated and paid before work is begun on the extension. All work shall comply with the Company's rules and regulations and meet the minimum standards of the Utah Department of Environmental Quality.

REGULATION A

STATEMENT OF UTILITY CUSTOMER RIGHTS AND RESPONSIBILITIES

The Utah Public Service Commission has established rules about utility/consumer/ company relationships. These rules cover payment of bills, late charges, security deposits, handling complaints, service disconnection, and other matters. These rules assure customers of certain rights and outline customer responsibilities.

A1. Customer Rights: The Company will:

- Provide service if you are a qualified applicant.
- Offer you at least one 12-month deferred payment plan if you have a financial emergency, at the Company's discretion.
- Let you pay a security deposit in three installments if one is required.
- Follow specific procedures for service disconnection, which include providing you notice postmarked at least ten days before service is disconnected.
- Continue service for a reasonable time if you provide a physician's statement that a medical emergency exists in your home, subject to Utah Administrative Rule R746-200.
- Give you written information about Utah Public Service Commission rules and your rights and responsibilities as a customer under those rules.

A2. Customer Responsibilities: You, the customer, will:

- Use services safely and pay for them promptly.
- Contact the Company when you have a problem with payment, service, safety, billing, or customer service.
- Notify the Company about billing or other errors.
- Contact the Company when you anticipate a payment problem to attempt to develop a payment plan.
- Notify the Company when you are moving to another residence.
- Notify the Company about stopping service in your name or about stopping service altogether.
- Permit access for meter readers and other essential Company personnel and equipment.

To contact the Company, call the telephone number shown on your utility bill.

If you have a problem, call the Company first. If you cannot resolve the issue, you may obtain an informal review of the dispute by calling the Utah State Division of Public Utilities Complaint Office at the following telephone number: (801) 530-7622 in Salt Lake City or (800) 874-0904 Toll-Free Statewide.

REGULATION B

DEPOSITS AND GUARANTEES

- B1. **Security Deposits:** A security deposit may be required of customers, without discrimination, to assure payment of bills.
- B2. **Installments:** When a security deposit is required, the customer shall have the right to pay the deposit in three equal monthly installments if the first installment is paid when the deposit is required.
- B3. **Return of Deposits:** The deposit paid, plus accrued interest is eligible for return to the customer after the customer has paid the bill on time for twelve consecutive months. Deposits shall earn interest at the then established bank saving rate of the Company's banking institution.

These regulations are included as part of the tariff because they are the ones most inquired about by both water companies and water customers. They are NOT all inclusive but included here to be used as a ready and convenient reference.

Remember: Laws and Rules change over time. Please refer to the complete regulations and rules applicable to all regulated water utilities. They can be found in Utah Code Title 54 and Utah Administrative Rules Section 746.

REGULATION C

ELIGIBILITY FOR SERVICE

- C1. **Eligibility for Service:** Residential water service is conditioned upon payment of deposits, where required, and upon payment of any outstanding debts for past utility service, which is owed by the applicant to the Company. Service may also be denied when unsafe conditions exist, when the applicant has furnished false information to get water service, or when the applicant/customer has tampered with Company-owned equipment, such as meters and lines. An applicant is ineligible for service if, at the time of application, the applicant is cohabiting with a delinquent account holder, whose utility service was previously disconnected for non-payment, and the applicant and delinquent account holder also cohabited while the delinquent account holder received the Company's service, whether the service was received at the applicant's present address or another address.
- C2. **Shared Meter or Appliance:** In rental property where one meter provides service to more than one unit or where appliances provide service to more than one unit or to other occupants at the premises, and this situation is known to the Company, the Company will recommend that service be in the property owner's name and the property owner be responsible for the service. However, a qualifying applicant will be allowed to put service in their own name provided the applicant acknowledges that the request for services is entered into willingly, and such an applicant has knowledge of the account responsibility.

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REGULATION D

BILLING

- D1. **Billing Cycle:** The Company shall use a billing cycle with an interval between regular periodic billing statements of not greater than two months unless a different billing cycle is approved by the Public Service Commission.
- D2. **Meter Reading:** If a meter reader cannot gain access to a meter to make an actual reading, the Company shall take appropriate additional measures in an effort to get an actual meter reading. These measures shall include but are not limited to, scheduling of a meter reading at other than regular business hours, making an appointment for meter reading, or providing a prepaid postal card with a notice of instruction upon which an account holder may record a meter reading. If, after two regular route visits access has not been achieved, the Company will notify the customer that arrangements need to be made to have the meter read as a condition of continuing service.
- D3. **Periodic Billing Statement:** Except when a residential utility service account is considered uncollectible or when collection or termination procedures have been started, the Company shall mail or deliver an accurate bill to the account holder for each billing cycle, at the end of which there is an outstanding debit balance for current service, a statement which the account holder may keep, setting forth each of the following disclosures to the extent applicable:
- a. Previous outstanding balance in the account at the beginning of the current billing cycle;
 - b. Amount of current service charges debited to the account during the current billing cycle;
 - c. Amount of payments made to the account during the current billing cycle;
 - d. Amount of credits other than payments to the account during the current billing cycle;
 - e. Amount of late payment charges debited to the account during the current billing cycle;
 - f. Closing date of the current billing cycle and the outstanding balance due in the account on that date;
 - g. A listing of the statement due date by which payment of the new balance must be made to avoid assessment of a late charge;
 - h. A statement that a late charge, expressed as an annual percentage rate and a periodic rate, may be assessed against the account for late payment; and
 - i. The following notice: "If you have any questions about this bill, please call the Company."
- D4. **Late Charge:** The Company shall charge a late fee at the amount consistent with this Tariff for each billing period where there exists a prior balance owing on a customer's account by following the procedures set forth in Regulation F, Termination of Residential Service.
- D5. **Statement Due Date:** Bills covering charges shall be due on the first of the month after the date the current bill was prepared. An account holder shall have not less than 20 days from the date the current bill was prepared to pay the new balance, which date shall be the statement due date.

- D6. **Disputed Bill:** In disputing a periodic billing statement, a customer shall first try to resolve the issue by discussion with the Company's personnel. The Company's personnel shall investigate the disputed issue and shall attempt to resolve that issue by negotiation. If the negotiation does not resolve the dispute, the account holder may obtain an informal review by contacting the Division of Public Utilities and a formal review with the Utah Public Service Commission. While an account holder is proceeding with either an informal or formal review of a dispute, no termination of service shall be permitted if amounts not disputed are paid when due.
- D7. **Unpaid Bills:** When transferring unpaid bills from inactive or past accounts to active or current accounts, the following limitations shall apply:
- a. The Company may only transfer bills between similar classes of service, such as residential to residential, not commercial to residential.
 - b. Unpaid amounts for billing cycles older than four years before the time of transfer cannot be transferred to an active or current account.
 - c. The customer shall be provided with an explanation of the transferred amounts from earlier billing cycles and informed of the customer's ability to dispute the transferred amount.

These regulations are included as part of the tariff because they are the ones most inquired about by both water companies and water customers. They are NOT all inclusive but included here to be used as a ready and convenient reference.

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REGULATION E

DEFERRED PAYMENT

- E1. **Right to Deferred Payment Agreement:** A customer who cannot pay a delinquent account balance on demand shall have the right to receive residential utility service under a Deferred Payment Agreement unless the delinquent account balance is the result of unauthorized usage of, or diversion of, residential water service, in which case the use of a Deferred Payment Agreement is at the Company's discretion. The terms of a Deferred Payment Agreement shall be set forth in a written agreement entered into by both the Company and the customer. A copy of the Deferred Payment Agreement shall be provided to the customer.
- E2. **Deferred Payment Agreement:** An applicant or customer shall have the right to a Deferred Payment Agreement, consisting of twelve months of equal monthly payments, if the full amount of the delinquent balance plus interest shall be paid within the twelve months and if the customer agrees to pay the initial monthly installment. The customer shall have the right to pre-pay a monthly installment, pre-pay a portion of, or the total amount of the outstanding balance due under a Deferred Payment Agreement at any time during the term of the agreement. The customer also has the option, when negotiating a Deferred Payment Agreement, to include the amount of the current month's bill plus the reconnection charges in the total amount to be paid over the term of the Deferred Payment Agreement. If a finance charge is assessed, the Deferred Payment Agreement shall contain notice of the charge.

E3. Payment Options:

If the Company has a budget billing or equal payment plan available, it shall offer the customer the option of:

- a. Agreeing to pay monthly bills for future residential water service as they become due, plus the monthly deferred payment installment, or
- b. Agreeing to pay a budget billing or equal payment plan amount set by the Company for future residential water service plus the monthly deferred payment installment.

If the Company does not have budget billing or equal payment plans available:

- a. When negotiating a deferred payment agreement, the customer shall agree to pay the monthly bills for future residential water service plus the monthly deferred payment installment necessary to liquidate the delinquent bill.

Breach: If a customer breaches a condition or term of a Deferred Payment Agreement, the Company may treat that breach as a delinquent account and shall have the right to disconnect service pursuant to the termination rules, subject to the right of the customer to seek review of the alleged breach by the Utah Public Service Commission, and the customer shall not have the right to a renewal of the Deferred Payment Agreement. Renewal of the Deferred Payment Agreement after the breach shall be at the Company's discretion.

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REGULATION F

TERMINATION OF RESIDENTIAL SERVICE

- F1. **Delinquent Account:** A delinquent account is a water service bill which has remained unpaid beyond the statement due date.
- F2. **Notice:** When an account is a delinquent account, the Company, before termination of service, shall issue a written late notice to inform the account holder of the delinquent status. See F8 below for the information that must be provided to the account holder.
- F3. **Investigation and Negotiation:** When the customer responds to a late notice or reminder notice the Company will investigate disputed issues and try to resolve the issues by negotiation. During this investigation and negotiation, no other action shall be taken to disconnect the residential utility service if the customer pays the undisputed portion of the account.
- F4. **Reasons for Termination of Service:**
- a. Residential utility service may be terminated for the following reasons:
 - i. Non-payment of a delinquent account;
 - ii. Non-payment of a deposit when required;
 - iii. Failure to comply with the terms of a deferred payment agreement or a Utah Public Service Commission order;
 - iv. Unauthorized use of, or diversion of, residential utility service or tampering with wires, pipes, meters, or other equipment;
 - v. Subterfuge or deliberately furnishing false information; or
 - vi. Failure to provide access to the meter during the regular route visit to the premises following proper notification and an opportunity to make arrangements.
 - b. The following shall be insufficient grounds for termination of service:
 - i. A delinquent account, accrued before a divorce or separate maintenance action in the courts, in the name of a former spouse, cannot be the basis for termination of the current account holder's service;
 - ii. The cohabitation of a current account holder with a delinquent account holder whose utility service was previously terminated for non-payment, unless the current and delinquent account holders also cohabited while the delinquent account holder received the Company's service, whether the service was received at the current account holder's present address or another address;
 - iii. When the delinquent account balance is less than \$25.00, unless no payment has been made for two months;
 - iv. Failure to pay an amount in bona fide dispute before the Commission;
 - v. Payment delinquency for third party services billed by the Company, unless prior approval is obtained from the Utah Public Service Commission; and
 - vi. Complaints filed with either or both the Company or regulatory agencies.

F5. Restrictions upon Termination of Service During Serious Illness:

If a public utility receives a serious illness or infirmity statement:

- a. The public utility shall continue or restore residential utility service for the period set forth in the statement or one month, whichever is less;
- b. The public utility is not required to provide the continuation or restoration more than two times to an individual customer or residence during the same calendar year; and
- c. The account holder is liable for the cost of residential utility service during the period of continued or restored service.

F6. Restrictions upon Termination of Service to Residences with Life-Supporting Equipment:

- a. After receiving a life-supporting equipment statement, the public utility:
 - i. Shall mark and identify applicable meter boxes where the life-supporting equipment is used;
 - ii. May not terminate service to the residence unless the public utility has complied with (R746-200- 7.D.2); and
 - iii. May request annual verification from the licensed medical provider of the life-supporting equipment.
- b. A public utility may terminate service on an account where the public utility has received a life-supporting equipment statement and the related medical provider verification, if:
 - i. The account is in default;
 - ii. The public utility has offered a deferred payment agreement; or allow the customer one month to enter into a deferred payment agreement that may last up to 12 months;
 - iii. After complying with R746-200-7.D.2.b.ii, the public utility has provided to the customer a written notice of proposed termination of service that:
 - A. Clearly and plainly informs the customer of the customer's rights under R746-200-7.D.2 and of the customer's right to an expedited complaint hearing under R746-200-8.E and
 - B. Complies with R746-200-7.G.1
 - iv. The public utility has provided to the customer a 48 hour notice of termination of utility service that complies with R746-200-7.G.2; and
 - v. The public utility has complied with all other applicable provisions of R746-200-7.
- c. The account holder is liable for the cost of residential utility service during the period of service, including throughout all proceedings related to life-supporting equipment.

- F7. **Termination of Service without Notice:** The Company may terminate residential utility service without notice when, in its judgment, a clear emergency or serious health or safety hazard exists for so long as the conditions exist, or when there is unauthorized use or diversion of residential utility service or tampering with wires, pipes, meters, or other equipment owned by the Company. The Company shall immediately try to notify the customer of the termination of service and the reasons therefor.
- F8. **Notice of Proposed Termination of Service:** At least ten calendar days before a proposed termination of residential utility service, the Company shall give written notice of disconnection for non-payment to the customer. The 10-day time period is computed from the date the bill is postmarked. The notice shall be given by first class mail or delivery to the premises and shall contain a summary of the following information:
- a. Statement of customer Rights and Responsibilities under existing state law and Utah Public Service Commission rules;
 - b. The Utah Public Service Commission-approved policy on termination of service for the Company;
 - c. The availability of deferred payment agreements and sources of possible financial assistance, including but not limited to State and Federal energy assistance programs;
 - d. Informal and formal procedures to dispute bills and to appeal adverse decisions, including the Utah Public Service Commission's address and telephone number;
 - e. Specific steps, printed in a conspicuous fashion that may be taken by the customer to avoid termination of service;
 - f. The date on which payment arrangements must be made to avoid termination of service; and
 - g. A conspicuous statement, in Spanish, that the notice is a termination of service notice and that the Company has a Spanish edition of its customer information pamphlet and whether it has personnel available during regular business hours to communicate with Spanish-speaking customers.
- F9. **Personal Notification:** At least 48 hours before termination of service is scheduled, the Company will make good faith efforts to notify the account holder or an adult member of the household, by mail, by telephone, or by a personal visit to the residence. If personal notification has not been made either directly by the Company or by the customer in response to a mailed notice, the Company will leave a written termination of service notice at the residence. Personal notification, such as a visit to the residence or telephone conversation with the customer, is required only during the winter months, October 1 through March 31. Other months of the year, the mailed 48-hour notice can be the final notice before the termination of service. If termination of service is not accomplished within fifteen business days following the 48-hour notice, the Company will follow the same procedures for another 48-hour notice.

- F10. **Third-Party Notification:** The Company will send duplicate copies of 10-day termination of service notices to a third party designated by the account holder and shall make reasonable efforts to personally contact the third party designated by the account holder before termination of service occurs if the third party resides within its service area. The Company shall inform its customers of the third-party notification procedure at the time of application for service and at least once each year.
- F11. **Rental Property:** In rental property situations where the tenant is not the account holder, and that fact is known to the Company, the Company will post a notice of proposed termination of service on the premises in a conspicuous place and will make reasonable efforts to give actual notice to the occupants by personal visits or other appropriate means at least five calendar days before the proposed termination of service. The posted notice will contain the information specified above. This notice provision applies to residential premises when the account holder has requested termination of service or the account holder has a delinquent bill. If non-payment is the basis for the termination of service, the Company will also advise the tenants that they may continue to receive utility service for an additional thirty days by paying the charges due for the 30-day period just past.
- F12. **Termination Hours:** Upon expiration of the notice of proposed termination of service, the Company may terminate residential utility service. Except for service diversion or for safety considerations, utility service shall not be disconnected between Thursday at 4:00 p.m. and Monday at 9:00 a.m. or on legal holidays recognized by Utah, or other times the Company's business offices are not open for business. Service may be disconnected only between the hours of 9:00 a.m. and 4:00 p.m.
- F13. **Customer-Requested Termination of Service:** The customer shall advise the Company at least three days in advance of the day on which they want service disconnected to their residence. The Company will disconnect the service within four working days of the requested disconnect date. The customer will not be liable for the services rendered to or at the address or location after the four days unless access to the meter has been delayed by the customer.
- F14. **Non-Occupants:** A customer who is not an occupant at the residence for which termination of service is requested shall advise the Company at least 10 days in advance of the day on which they want service disconnected and sign an affidavit that they are not requesting termination of service as a means of evicting his/her tenants. Alternatively, the customer may sign an affidavit that there are no occupants at the residence for which termination of service is requested and thereupon, the disconnection may occur within four days of the requested disconnection date.
- F15. **Restrictions upon Termination of Service Practices:** The Company will not use termination of service practices other than those set forth in the rules (R746-200) by the Public Service Commission. The Company shall have the right to use or pursue legal methods to ensure collections of obligations due to it.

- F16. **Reconnection of Discontinued Service:** The Company will have personnel available 24 hours each day to re-connect utility service. Service will be re-connected as soon as possible, but no later than the next generally recognized business day after the customer has requested reconnection and complied with all necessary conditions for reconnection of service, which may include payment of reconnection charges and compliance with deferred payment agreement terms.

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REGULATION G

INFORMAL REVIEW, MEDIATION, AND FORMAL REVIEW

- G1. **Informal Review:** A customer who is unable to resolve a dispute with the Company concerning a matter subject to Utah Public Service Commission jurisdiction may obtain an informal review of the dispute by a designated employee within the Division of Public Utilities. The procedures for informal review shall be as set forth in Utah Administrative Rule R746-200-8.
- G2. **Mediation:** If the Company or the complainant determines that they cannot resolve the dispute by themselves, either of them may request that the Division attempt to mediate the dispute, as set forth in Utah Administrative Rule R746-200-8.
- G3. **Formal Review:** The Utah Public Service Commission, upon its own motion or upon the petition of any person, may initiate formal or investigative proceedings upon matters arising out of informal complaints.

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Remember: Laws and Rules change over time. Please refer to the complete regulations and rules applicable to all regulated water utilities. They can be found in Utah Code Title 54 and Utah Administrative Rules Section 746.

SERVICE AREA MAP



Effective Date: February 1, 2021

Docket Number: 19-2438-01

ATTACHMENT 3

**PINEVIEW WEST WATER COMPANY
A Shareholder Owned Non-Profit Corporation**

**RATE AND FEES SCHEDULES
AND
RULES AND REGULATIONS**

TARIFF NO. 32

~~Effective: July 01, 2009~~

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WATER SERVICE RATE AND FEE SCHEDULE

Applicability

Applicable in entire service area to water service for culinary purpose at one point of delivery.

Rates as herein set forth shall apply to each customer unit. A consumer unit is defined as a single unit dwelling or any store service station, cafe, factory, shop, processing plant, or other establishment or concern that might apply for culinary water service for domestic purposes.

The following culinary water rates apply.

Description	Charges
First 7,500 gallons (minimum rate)	\$55 per month
Usage per 1,000 gallons over 7,500 gallons	\$5 per 1,000 gallons per month
Standby Fees	\$240 per year
Lots temporarily without meters	\$55 per month
Unmetered lots	\$55 per month

Pineview West Water Company
Tariff No. 3 | ~~Effective Date: July 01, 2009~~

Disconnect fees	\$100 per occurrence
Re-connect fees	\$100 per occurrence
First time service connection	\$3,500
¾" Line meter connection fee	\$200
1" Line meter connection fee	\$300
1 ½" Line meter connection fee	\$500
Interest rate on bills past due by 30 days or more	18% per annum or 1.5% per month
Fee for unwarranted service call:-	Actual cost
Non shareholder contract rates	\$55 per month

<u>Description</u>	<u>Charges</u>
<u>Monthly Water Rates</u>	
<u>First 8,000 gallons (included in Base Rates)</u>	<u>\$70 per month</u>
<u>Usage per 1,000 gallons per month:</u>	<u>-</u>
<u>Tier 1 (0 to 8,000 gals)</u>	<u>\$0.00</u>
<u>Tier 2 (8,001 to 16,000 gals)</u>	<u>\$6.50</u>
<u>Tier 3 (16,001 to 24,000 gals)</u>	<u>\$13.00</u>
<u>Tier 4 (24,001 to 32,000 gals)</u>	<u>\$19.50</u>
<u>Tier 5 (> 32,000 gals)</u>	<u>\$29.50</u>
<u>Fees and Other Charges</u>	
<u>Standby Fees *</u>	<u>\$336 per year or \$84 per quarter</u>
<u>Disconnect fees</u>	<u>\$120 per occurrence</u>
<u>Re-connect fees</u>	<u>\$120 per occurrence</u>
<u>First time service connection</u>	<u>\$4,200</u>
<u>¾"-Line meter connection fee (in addition to)</u>	<u>\$275</u>
<u>1"-Line meter connection fee (in addition to)</u>	<u>\$465</u>
<u>1 ½"-Line meter connection fee (in addition to)</u>	<u>\$655</u>
<u>Interest rate on bills past due by 30 days or more</u>	<u>18% per annum (1.5% per month)</u>
<u>Filing Lien</u>	<u>\$150 each</u>
<u>Releasing Lien</u>	<u>\$150 each</u>
<u>Fee for unwarranted service call **</u>	<u>Actual cost</u>

* Applies to lots where service mains are in place and where water service is available, but no water service has been connected, and no water service is used; or where the Company has

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disconnected water service at the request of the customer; or involuntarily by the Company after proper notice to the customer.

** The Company is responsible for issues involving infrastructure up to and including the meter. Problems, e.g., leaks or frozen pipes, beyond the meter on the customer's side, are the customer's responsibility. The customer must pay the actual costs of the service call, including parts and labor.

RULES AND REGULATIONS

1. **Connections:** No unauthorized person shall tap any water main or distribution pipe of the Company or insert therein any corporation cock, stop cock or any other fixture or appliance or alter or disturb any service pipe, corporation stop, curb stop, gate valve, hydrant, water meter or any other attachment, being part of the waterworks system and attached thereto. No person shall install any water service pipe or connect or disconnect any such service pipe with or from the mains or distribution pipes of said waterworks system, nor with or from any other service pipe now or hereafter connected with said system, nor make any repairs, additions to, or alterations of any such service pipe, tap, stop cock, or any other fixture or attachments connected with any such service pipe, without first obtaining a permit from the Company.
2. **Application for Permit:** Before any service connection shall be made to any part of the waterworks system, or any work performed upon old or new connections, a permit shall be obtained from the Company. Such permit shall be issued upon written application on forms obtainable from the Company. Applicants for water service shall furnish, lay and install at their own expense, all that portion of the service not provided the Company, subject however, to the supervision and inspection of the Company.
3. **Metering of Service:** All water delivered by the Company to its customers shall be metered through water meters. Meters may be checked, inspected, or adjusted at the discretion of the Company, and shall not be opened or adjusted except by authorized representatives of the Company. Only authorized representatives of the Company shall open meter boxes to turn on or off water except in case of emergency or when special permission is given by the Company.
4. **Meter Adjustments:** If the meter fails to register at any time, the water delivered during such a period shall be billed at the minimum rate. In the event a meter is found to be recording at less than 97 percent or more than 103 percent of actual, the Company may make such adjustments to the customer's previous bill as are just and fair under the circumstances.
5. **Service Connections:** Any person desiring to obtain a supply of water from the Company shall make application in writing. The service connection charges shown in this tariff include a meter, meter box, a cover, and a valved service line to the property line. The meter and meter box will be located as directed by the Company. All materials furnished by the Company shall remain its sole and exclusive property. Excavation and installation shall be made by the Company from the main line connection in the road to 3 feet beyond the meter.
6. **Service Line:** All service line materials and installation shall be provided by the applicant. Installation shall be inspected and approved by the Company before the service

line trench is backfilled. A shut-off valve shall be provided by the applicant on each service line, in an accessible location separate from the water meter box.

7. **Water Use Restriction:** The owner or occupant of any building on premises entitled to the use of water from the Company shall not supply water to any other building or premise without written permission of the Company.

RULES AND REGULATIONS (cont'd.)

8. **Service Turn-on and Turn-off:** Only authorized representatives of the Company shall turn on or off water at the meter box except in case of an emergency or when special permission is granted by the Company. Service may be turned off by the Company when so requested by the applicant or when the applicant fails to abide by these regulations. Whenever the water is turned off at any premises, it shall not be turned on again until the customer pays all delinquent balances owing, late charges, and reconnection charges as shown in the rate schedule.
9. **Disruption Liability:** The Company shall use reasonable diligence to provide continuous water service to its customers, and shall make a reasonable effort to furnish them with clean, pure supply of water, but the Company shall not be held liable for damages to any water user by reason of any stoppage or interruption of his water supply caused by scarcity of water, accidents to works, water main alterations, additions or repairs, acts of God or other unavoidable causes.
10. **Damage to Facilities:** Costs of any damage resulting from the failure of the owner, agent or tenant to properly protect the water meter or other facilities of the Company installed upon premises supplied with water, including but not limited to public or private snow removal, vandalism, fire, freezing, or construction work, shall be assessed against such owner, agent or tenant. Water consumers shall not tamper with or remove the meter, or interfere with the reading thereof.
11. **Reading of Meters:** All meters shall be read by the Company as early in the spring and as late in the fall as shall be practical and quarterly during the period in between. Projected meter reading dates are April 1, July 1, October 1, and late fall if practical and possible. The monthly charges for the period between the last meter reading in the fall and the first meter reading in the spring shall be estimated based upon previous consumption and shall be adjusted on the bill for the first meter reading in the spring. The monthly charges during the remaining billing periods shall be based upon meter readings, except as provided for in the "Meter Adjustments" section herein above.
12. ~~**Billings and Payments:** Bills covering the charges shall be rendered every three (3) months and shall be due (15) days after being rendered. If any customer neglects or refuses to pay a water service bill or any other obligation due to the Company within thirty (30) days from the date of said bill, the Company's employees shall have the right to go upon the premises and do such work as may be necessary to disconnect the water service. Before the service is renewed the delinquent bill or bills shall be paid in full, or payment arrangements satisfactory to the Company shall be made, and the established tariff charge for reconnection shall be paid.~~

Billing and Payments: The Company shall use a billing cycle with an interval between regular

periodic billing statements of not greater than three (3) months. The Company may change the billing cycle to less than three months with a thirty (30) day notice to its customers. Bills covering the charges will be issued and shall be due within thirty (30) days after being issued. If any customer neglects or refuses to pay a water service bill or any other obligation due to the Company within thirty (30) days from the date of issuance, the Company's employees shall have the right to go upon the premises and do such work as may be necessary to disconnect the water service. The established tariff charge for disconnect/re-connect and if applicable, filing/releasing liens shall be paid. The Company may contract with a third party to handle all bills, billings, and customer payments. The Company will notify the customers of such an arrangement.

13. **Discontinuance of Service:** Any customer wishing to discontinue service shall notify the Company so that the meter can be read for a final billing. Such final bill shall be due and payable upon receipt.
14. **Regulated Usage:** Whenever the Company shall determine that the amount of water available to its distribution system has diminished to such a volume that, unless restricted, the public health, safety and general welfare is likely to be endangered, it may prescribe rules and regulations to conserve the water supply during such emergency. Such rules and regulations may include, but shall not be limited to, the restriction to certain hours (or total prohibition) of the use of water for outdoor watering.

All new customers requiring culinary water for irrigation shall have a separate shut-off valve for the irrigation system accessible to the water company and subject to the Service Line requirements in regulation number 3.

RULES AND REGULATIONS (cont'd.)

15. **Changes and Amendments:** The right is reserved to amend or add to these Rules and Regulations as experience may show it to be necessary and as such amendments or additions are approved by the Public Service Commission of Utah.
16. **Credit Deposit:** ~~The Company may at its option, and in lieu of established credit, require a deposit from the customer to assure payment of bills; such deposits shall be a minimum of 30 days or \$ 25.00. This deposit may be refunded when credit has been established. Deposits held over 3 months shall earn interest from the Company at the rate of 2% per annum, beginning with the first day of deposit. Interest will be credited to the customer's account.~~
The Company may, at its option, and in lieu of established credit, require a deposit of \$70.00 from the customer to assure payment of bills. This deposit may be refunded when credit has been established. Deposits held over three (3) months shall earn interest at the then established bank saving rate of the Company's banking institution. Interest will be credited to the customer's account.
17. **Backflow Prevention:** All applicants requesting connection to or customers connected to the water system shall provide, at their sole expense, any and all back-flow prevention/protection device(s) deemed necessary by the Company and to comply with the regulations and rules of the Utah Department of Environmental Quality to protect the water quality of the water system from a potential back-flow incidence. Maintenance, repair, and any required proof of certification of inspection costs are the customer's responsibility. Proof of inspection certifications must be submitted to the Company upon its request. The Company will order the inspection and bill the customer for the service if the customer fails to perform the required testing or submit the testing certification in a timely manner or within one month.
18. **Capital Reserve Accounting Requirements:** A Capital Reserve Account, targeted to equal the annual depreciation expense and yearly amortization of the contribution in aid of construction of the Company's water system assets and equipment, shall be established, subject to the following:
- a. All designated capital reserve fees generated from rates shall be deposited into the Capital Reserve Account. Any excess fees collected from overage rates, after deducting for any variable expenses shall be deposited in the Capital Reserve Account.
 - b. All Capital Reserve Account funds shall be deposited in a restricted bank account, such as a separate escrow account, within sixty (60) days from receipt of such payment.
 - c. Withdrawals from the Capital Reserve Account shall be made primarily for capital replacements and improvements.

- i. If the Company has financial obligations from expenses that are a necessary cost of doing business but do not necessarily qualify as a capital replacement or improvement, the Company can use funds from the Capital Reserve Account until it files for its next rate increase, subject to the provisions in 18(e) and 18(g)(iii).
- d. In accordance with Utah Administrative Rule R746-401, expenditures in excess of five percent (5%) of total Utility Plant in Service shall require the Company to file a report with the Commission, at least thirty (30) days before the purchase or acquisition of the asset or project, and to obtain written Commission approval before transacting such acquisitions.
- e. Upon request by the Commission or the Division, the Company shall also provide a separate accounting of the Capital Reserve Account consisting of monthly bank statements encompassing the entire calendar year showing a series of deposits made within sixty (60) days from the receipt of rate payments for each billing cycle and withdrawals that meet requirements 18(a), (b), and (c) above. Such detailed accounting, including copies of bank statements and possibly other sensitive information, shall be marked as “confidential.”
- f. The balance in the Capital Reserve Account shall be clearly identifiable in the financial statements.
- g. In identifying a qualifying expenditure for replacement or improvements that may be made from the Capital Reserve Account, the Company shall consider the following guidelines:
 - i. Capital improvements are typically high-cost items with long service lives, including, but not limited to, the distribution pipe main lines, storage reservoirs, wells, and surface water intakes. Expenditures that qualify as capital expenditures are those that extend the life of an asset, enhance its original value with better quality materials or system upgrades, or replace such assets.
 - ii. Capital improvements do not include minor expenses such as repair clamps, inventory parts, and fittings, spare pieces of pipe kept to facilitate repairs, small tools, maintenance supplies such as paint or grease, service contracts, and other day-to-day supplies. Expenses for these items are properly classified as “operating and maintenance” expenses.
 - iii. Additionally, it is not appropriate to use Capital Reserve Account funds received from existing customers for system expansion, that is, to extend main lines to serve new areas or new customers or to install new services. Funds for the expansion of the system should come from new development, impact fees, connection fees, assessments, or other sources so that those benefiting from the improvement contribute the funds for its construction.

- h. In the event any payment from a customer is a partial payment of any given billed invoice by the Company, that payment shall be used first to cover the fixed and variable expenses, and then to cover the Capital Reserve Fee. A reconciliation, clearly indicating the circumstances surrounding those instances when the Capital Reserve Account was not fully funded, shall be provided by the Company with the detailed 'annual accounting' of the Capital Reserve Account.
 - i. Interest accruing on funds held in the Capital Reserve Account shall become a part of the Capital Reserve Account and can only be used in accordance with this paragraph, 16.
- 19. **Special Assessments:** The Company reserves the right to levy special assessments as necessary to pay for or reimburse the Company for expenses attributed to emergency or necessary waterworks system improvements, maintenance, or repairs, subject to all necessary approvals of such special assessments by the Public Service Commission.
- 20. **Facility Extension Policy**
 - a. **Definition:** An extension is any continuation of, or branch from, the nearest available existing water distribution line of the Company, including any increase of capacity of an existing line and/or existing supply and/or existing storage to meet the customer's requirements.
 - b. **Costs:** The total cost of extensions, including engineering, labor, and materials, shall be paid by the applicants or as agreed upon between the applicant and the Company as decided by the Company at the Company's sole discretion for such extensions. If, because of the extension and the addition of applicants as customers, additional water rights, pumps, storage, or other water plant must be acquired, the Company may require the applicants to pay these costs. Where more than one customer is involved in an extension, the costs shall be pro-rated on the basis of the street frontage distances involved or upon such other basis as may be mutually agreed by the applicants. Sufficient valves, pressure reducing devices, fire hydrants, and any other infrastructure installation mandated by the Company and/or the Utah Department of Environmental Quality must be designed to be included and installed with every installation.
 - c. **Construction Standards:** The minimum standards of the Company shall be met, which standards shall also comply with the standards of the Utah State Division of Drinking Water. The Company shall designate pipe sizes. The pipeline shall be installed only along dedicated streets, highways, or within utility easements, unless otherwise approved in writing by the Company.
 - d. **Ownership:** Completed facilities and water rights shall be owned, operated, and maintained by the Company, including and through meters, as detailed in the Tariff

Rules and Regulations. The Company shall then bear the ongoing costs of normal operation and maintenance of the supply, storage, and delivery infrastructure of the extension to the Company's system.

- e. **Temporary Service:** A permit shall be obtained from the Company before any temporary service connection can be made to any part of the waterworks system or before any work can be performed upon old or new connections. The customer will pay the total cost for the installation and removal of any service extension of a temporary nature. Such costs will be estimated and paid before work is begun on the extension. All work shall comply with the Company's rules and regulations and meet the minimum standards of the Utah Department of Environmental Quality.

FACILITY EXTENSION POLICY

1. ~~**Definition:** An extension is any continuation of or branch from, the nearest available existing line of the Company, including any increase of capacity of an existing line to meet the Customers' requirements.~~
2. ~~**Costs:** The total cost of extensions including engineering, labor, and materials shall be paid by the applicants. If because of the extension and the additional water customers, additional water rights, pumps, storage, or other water plant must be acquired, the Company may require the applicants to pay these costs. Where more than one customer is involved in an extension the costs shall be pro-rated on the basis of the street frontage distances involved or upon such other basis as may be mutually agreed by the applicants. Sufficient valves and fire hydrants must be included with every installation.~~
3. ~~**Construction Standards.** Minimum standards of the Company shall be met, which standards shall also comply with the standards of the Utah State Division of Drinking Water. Pipe sizes shall never be smaller than 4" (four inches) in diameter. The pipeline shall be installed only along dedicated streets and highways.~~
4. ~~**Water Storage and Supply:** Except as provided for in paragraph 2 herein above, all costs for providing increased water supply and storage shall be paid by the Company. This cost shall include the installation and operation of pumps as required for proper pressure regulation of the system.~~
5. ~~**Ownership:** Completed facilities and water rights shall be owned, operated, and maintained by the Company, including and through meters as detailed in the Tariff Rules and Regulations.~~
6. ~~**Temporary Service:** The Customer will pay the total cost for the installation and removal of any extension for service to a venture of a temporary or speculative nature.~~

~~Such costs will be estimated and paid before work is begun on the extension.~~

~~Effective: July 01, 2009~~

REGULATION A

STATEMENT OF UTILITY CUSTOMER RIGHTS AND RESPONSIBILITIES

The Utah Public Service Commission has established rules about utility/consumer/ company relationships. These rules cover payment of bills, late charges, security deposits, handling complaints, service disconnection, and other matters. These rules assure customers of certain rights and outline customer responsibilities.

A1. Customer Rights: The Company will:

- Provide service if you are a qualified applicant.
- Offer you at least one 12-month deferred payment plan if you have a financial emergency, at the Company's discretion.
- Let you pay a security deposit in three installments if one is required.
- Follow specific procedures for service disconnection, which include providing you notice postmarked at least ten days before service is disconnected.
- Continue service for a reasonable time if you provide a physician's statement that a medical emergency exists in your home, subject to Utah Administrative Rule R746-200.
- Give you written information about Utah Public Service Commission rules and your rights and responsibilities as a customer under those rules.

A2. Customer Responsibilities: You, the customer, will:

- Use services safely and pay for them promptly.
- Contact the Company when you have a problem with payment, service, safety, billing, or customer service.
- Notify the Company about billing or other errors.
- Contact the Company when you anticipate a payment problem to attempt to develop a payment plan.
- Notify the Company when you are moving to another residence.
- Notify the Company about stopping service in your name or about stopping service altogether.
- Permit access for meter readers and other essential Company personnel and equipment.

To contact the Company, call the telephone number shown on your utility bill.

If you have a problem, call the Company first. If you cannot resolve the issue, you may obtain an

informal review of the dispute by calling the Utah State Division of Public Utilities Complaint Office at the following telephone number: (801) 530-7622 in Salt Lake City or (800) 874-0904 Toll-Free Statewide.

REGULATION B

DEPOSITS AND GUARANTEES

- B1. **Security Deposits:** A security deposit may be required of customers, without discrimination, to assure payment of bills.
- B2. **Installments:** When a security deposit is required, the customer shall have the right to pay the deposit in three equal monthly installments if the first installment is paid when the deposit is required.
- B3. **Return of Deposits:** The deposit paid, plus accrued interest is eligible for return to the customer after the customer has paid the bill on time for twelve consecutive months. Deposits shall earn interest at the then established bank saving rate of the Company's banking institution.

These regulations are included as part of the tariff because they are the ones most inquired about by both water companies and water customers. They are NOT all inclusive but included here to be used as a ready and convenient reference.

Remember: Laws and Rules change over time. Please refer to the complete regulations and rules applicable to all regulated water utilities. They can be found in Utah Code Title 54 and Utah Administrative Rules Section 746.

REGULATION C

ELIGIBILITY FOR SERVICE

- C1. **Eligibility for Service:** Residential water service is conditioned upon payment of deposits, where required, and upon payment of any outstanding debts for past utility service, which is owed by the applicant to the Company. Service may also be denied when unsafe conditions exist, when the applicant has furnished false information to get water service, or when the applicant/customer has tampered with Company-owned equipment, such as meters and lines. An applicant is ineligible for service if, at the time of application, the applicant is cohabiting with a delinquent account holder, whose utility service was previously disconnected for non-payment, and the applicant and delinquent account holder also cohabited while the delinquent account holder received the Company's service, whether the service was received at the applicant's present address or another address.
- C2. **Shared Meter or Appliance:** In rental property where one meter provides service to more than one unit or where appliances provide service to more than one unit or to other occupants at the premises, and this situation is known to the Company, the Company will recommend that service be in the property owner's name and the property owner be responsible for the service. However, a qualifying applicant will be allowed to put service in their own name provided the applicant acknowledges that the request for services is entered into willingly, and such an applicant has knowledge of the account responsibility.

These regulations are included as part of the tariff because they are the ones most inquired about by both water companies and water customers. They are NOT all inclusive but included here to be used as a ready and convenient reference.

Remember: Laws and Rules change over time. Please refer to the complete regulations and rules applicable to all regulated water utilities. They can be found in Utah Code Title 54 and Utah Administrative Rules Section 746.

REGULATION D

BILLING

- D1. **Billing Cycle:** The Company shall use a billing cycle with an interval between regular periodic billing statements of not greater than two months unless a different billing cycle is approved by the Public Service Commission.
- D2. **Meter Reading:** If a meter reader cannot gain access to a meter to make an actual reading, the Company shall take appropriate additional measures in an effort to get an actual meter reading. These measures shall include but are not limited to, scheduling of a meter reading at other than regular business hours, making an appointment for meter reading, or providing a prepaid postal card with a notice of instruction upon which an account holder may record a meter reading. If, after two regular route visits access has not been achieved, the Company will notify the customer that arrangements need to be made to have the meter read as a condition of continuing service.
- D3. **Periodic Billing Statement:** Except when a residential utility service account is considered uncollectible or when collection or termination procedures have been started, the Company shall mail or deliver an accurate bill to the account holder for each billing cycle, at the end of which there is an outstanding debit balance for current service, a statement which the account holder may keep, setting forth each of the following disclosures to the extent applicable:
- a. Pervious outstanding balance in the account at the beginning of the current billing cycle;
 - b. Amount of current service charges debited to the account during the current billing cycle;
 - c. Amount of payments made to the account during the current billing cycle;
 - d. Amount of credits other than payments to the account during the current billing cycle;
 - e. Amount of late payment charges debited to the account during the current billing cycle;
 - f. Closing date of the current billing cycle and the outstanding balance due in the account on that date;
 - g. A listing of the statement due date by which payment of the new balance must be made to avoid assessment of a late charge;
 - h. A statement that a late charge, expressed as an annual percentage rate and a periodic rate, may be assessed against the account for late payment; and
 - i. The following notice: "If you have any questions about this bill, please call the Company."
- D4. **Late Charge:** The Company shall charge a late fee at the amount consistent with this Tariff for each billing period where there exists a prior balance owing on a customer's account by following the procedures set forth in Regulation F, Termination of Residential Service.
- D5. **Statement Due Date:** Bills covering charges shall be due on the first of the month after the date the current bill was prepared. An account holder shall have not less than 20 days

from the date the current bill was prepared to pay the new balance, which date shall be the statement due date.

D6. **Disputed Bill:** In disputing a periodic billing statement, a customer shall first try to resolve the issue by discussion with the Company's personnel. The Company's personnel shall investigate the disputed issue and shall attempt to resolve that issue by negotiation. If the negotiation does not resolve the dispute, the account holder may obtain an informal review by contacting the Division of Public Utilities and a formal review with the Utah Public Service Commission. While an account holder is proceeding with either an informal or formal review of a dispute, no termination of service shall be permitted if amounts not disputed are paid when due.

D7. **Unpaid Bills:** When transferring unpaid bills from inactive or past accounts to active or current accounts, the following limitations shall apply:

- a. The Company may only transfer bills between similar classes of service, such as residential to residential, not commercial to residential.
- b. Unpaid amounts for billing cycles older than four years before the time of transfer cannot be transferred to an active or current account.
- c. The customer shall be provided with an explanation of the transferred amounts from earlier billing cycles and informed of the customer's ability to dispute the transferred amount.

These regulations are included as part of the tariff because they are the ones most inquired about by both water companies and water customers. They are NOT all inclusive but included here to be used as a ready and convenient reference.

Remember: Laws and Rules change over time. Please refer to the complete regulations and rules applicable to all regulated water utilities. They can be found in Utah Code Title 54 and Utah Administrative Rules Section 746.

REGULATION E

DEFERRED PAYMENT

- E1. **Right to Deferred Payment Agreement:** A customer who cannot pay a delinquent account balance on demand shall have the right to receive residential utility service under a Deferred Payment Agreement unless the delinquent account balance is the result of unauthorized usage of, or diversion of, residential water service, in which case the use of a Deferred Payment Agreement is at the Company's discretion. The terms of a Deferred Payment Agreement shall be set forth in a written agreement entered into by both the Company and the customer. A copy of the Deferred Payment Agreement shall be provided to the customer.
- E2. **Deferred Payment Agreement:** An applicant or customer shall have the right to a Deferred Payment Agreement, consisting of twelve months of equal monthly payments, if the full amount of the delinquent balance plus interest shall be paid within the twelve months and if the customer agrees to pay the initial monthly installment. The customer shall have the right to pre-pay a monthly installment, pre-pay a portion of, or the total amount of the outstanding balance due under a Deferred Payment Agreement at any time during the term of the agreement. The customer also has the option, when negotiating a Deferred Payment Agreement, to include the amount of the current month's bill plus the reconnection charges in the total amount to be paid over the term of the Deferred Payment Agreement. If a finance charge is assessed, the Deferred Payment Agreement shall contain notice of the charge.

E3. Payment Options:

If the Company has a budget billing or equal payment plan available, it shall offer the customer the option of:

- a. Agreeing to pay monthly bills for future residential water service as they become due, plus the monthly deferred payment installment, or
- b. Agreeing to pay a budget billing or equal payment plan amount set by the Company for future residential water service plus the monthly deferred payment installment.

If the Company does not have budget billing or equal payment plans available:

- a. When negotiating a deferred payment agreement, the customer shall agree to pay the monthly bills for future residential water service plus the monthly deferred payment installment necessary to liquidate the delinquent bill.

Breach: If a customer breaches a condition or term of a Deferred Payment Agreement, the Company may treat that breach as a delinquent account and shall have the right to disconnect service pursuant to the termination rules, subject to the right of the customer to seek review of the alleged breach by the Utah Public Service Commission, and the customer shall not have the right to a renewal of the Deferred Payment Agreement. Renewal of the Deferred Payment Agreement after the breach shall be at the Company's discretion.

These regulations are included as part of the tariff because they are the ones most inquired about by both water companies and water customers. They are NOT all inclusive but included here to be used as a ready and convenient reference.

Remember: Laws and Rules change over time. Please refer to the complete regulations and rules applicable to all regulated water utilities. They can be found in Utah Code Title 54 and Utah Administrative Rules Section 746.

REGULATION F

TERMINATION OF RESIDENTIAL SERVICE

- F1. **Delinquent Account:** A delinquent account is a water service bill which has remained unpaid beyond the statement due date.
- F2. **Notice:** When an account is a delinquent account, the Company, before termination of service, shall issue a written late notice to inform the account holder of the delinquent status. See F8 below for the information that must be provided to the account holder.
- F3. **Investigation and Negotiation:** When the customer responds to a late notice or reminder notice the Company will investigate disputed issues and try to resolve the issues by negotiation. During this investigation and negotiation, no other action shall be taken to disconnect the residential utility service if the customer pays the undisputed portion of the account.
- F4. **Reasons for Termination of Service:**
- a. Residential utility service may be terminated for the following reasons:
 - i. Non-payment of a delinquent account;
 - ii. Non-payment of a deposit when required;
 - iii. Failure to comply with the terms of a deferred payment agreement or a Utah Public Service Commission order;
 - iv. Unauthorized use of, or diversion of, residential utility service or tampering with wires, pipes, meters, or other equipment;
 - v. Subterfuge or deliberately furnishing false information; or
 - vi. Failure to provide access to the meter during the regular route visit to the premises following proper notification and an opportunity to make arrangements.
 - b. The following shall be insufficient grounds for termination of service:
 - i. A delinquent account, accrued before a divorce or separate maintenance action in the courts, in the name of a former spouse, cannot be the basis for termination of the current account holder's service;
 - ii. The cohabitation of a current account holder with a delinquent account holder whose utility service was previously terminated for non-payment, unless the current and delinquent account holders also cohabited while the delinquent account holder received the Company's service, whether the service was received at the current account holder's present address or another address;
 - iii. When the delinquent account balance is less than \$25.00, unless no payment has been made for two months;
 - iv. Failure to pay an amount in bona fide dispute before the Commission;
 - v. Payment delinquency for third party services billed by the Company, unless prior approval is obtained from the Utah Public Service Commission; and
 - vi. Complaints filed with either or both the Company or regulatory agencies.
- F5. **Restrictions upon Termination of Service During Serious Illness:**
If a public utility receives a serious illness or infirmity statement:
- a. The public utility shall continue or restore residential utility service for the period set forth in

the statement or one month, whichever is less;

- b. The public utility is not required to provide the continuation or restoration more than two times to an individual customer or residence during the same calendar year; and
- c. The account holder is liable for the cost of residential utility service during the period of continued or restored service.

F6. Restrictions upon Termination of Service to Residences with Life-Supporting Equipment:

- a. After receiving a life-supporting equipment statement, the public utility:
 - i. Shall mark and identify applicable meter boxes where the life-supporting equipment is used;
 - ii. May not terminate service to the residence unless the public utility has complied with (R746-200- 7.D.2); and
 - iii. May request annual verification from the licensed medical provider of the life-supporting equipment.
- b. A public utility may terminate service on an account where the public utility has received a life-supporting equipment statement and the related medical provider verification, if:
 - i. The account is in default;
 - ii. The public utility has offered a deferred payment agreement; or allow the customer one month to enter into a deferred payment agreement that may last up to 12 months;
 - iii. After complying with R746-200-7.D.2.b.ii, the public utility has provided to the customer a written notice of proposed termination of service that:
 - A. Clearly and plainly informs the customer of the customer's rights under R746-200-7.D.2 and of the customer's right to an expedited complaint hearing under R746-200-8.E and
 - B. Complies with R746-200-7.G.1
 - iv. The public utility has provided to the customer a 48 hour notice of termination of utility service that complies with R746-200-7.G.2; and
 - v. The public utility has complied with all other applicable provisions of R746-200-7.
- c. The account holder is liable for the cost of residential utility service during the period of service, including throughout all proceedings related to life-supporting equipment.

- F7. Termination of Service without Notice:** The Company may terminate residential utility service without notice when, in its judgment, a clear emergency or serious health or safety hazard exists for so long as the conditions exist, or when there is unauthorized use or diversion of residential utility service or tampering with wires, pipes, meters, or other equipment owned by the Company. The Company shall immediately try to notify the customer of the termination of service and the reasons therefor.
- F8. Notice of Proposed Termination of Service:** At least ten calendar days before a proposed termination of residential utility service, the Company shall give written notice of disconnection for non-payment to the customer. The 10-day time period is computed from the date the bill is postmarked. The notice shall be given by first class mail or delivery to the premises and shall contain a summary of the following information:
- a. Statement of customer Rights and Responsibilities under existing state law and Utah Public Service Commission rules;
 - b. The Utah Public Service Commission-approved policy on termination of service for the Company;
 - c. The availability of deferred payment agreements and sources of possible financial assistance, including but not limited to State and Federal energy assistance programs;
 - d. Informal and formal procedures to dispute bills and to appeal adverse decisions, including the Utah Public Service Commission's address and telephone number;
 - e. Specific steps, printed in a conspicuous fashion that may be taken by the customer to avoid termination of service;
 - f. The date on which payment arrangements must be made to avoid termination of service; and
 - g. A conspicuous statement, in Spanish, that the notice is a termination of service notice and that the Company has a Spanish edition of its customer information pamphlet and whether it has personnel available during regular business hours to communicate with Spanish-speaking customers.
- F9. Personal Notification:** At least 48 hours before termination of service is scheduled, the Company will make good faith efforts to notify the account holder or an adult member of the household, by mail, by telephone, or by a personal visit to the residence. If personal notification has not been made either directly by the Company or by the customer in response to a mailed notice, the Company will leave a written termination of service notice at the residence. Personal notification, such as a visit to the residence or telephone conversation with the customer, is required only during the winter months, October 1 through March 31. Other months of the year, the mailed 48-hour notice can be the final notice before the termination of service. If termination of service is not accomplished within fifteen business days following the 48-hour notice, the Company will follow the same procedures for another 48-hour notice.

- F10. Third-Party Notification:** The Company will send duplicate copies of 10-day termination of service notices to a third party designated by the account holder and shall make reasonable efforts to personally contact the third party designated by the account holder before termination of service occurs if the third party resides within its service area. The Company shall inform its customers of the third-party notification procedure at the time of application for service and at least once each year.
- F11. Rental Property:** In rental property situations where the tenant is not the account holder, and that fact is known to the Company, the Company will post a notice of proposed termination of service on the premises in a conspicuous place and will make reasonable efforts to give actual notice to the occupants by personal visits or other appropriate means at least five calendar days before the proposed termination of service. The posted notice will contain the information specified above. This notice provision applies to residential premises when the account holder has requested termination of service or the account holder has a delinquent bill. If non-payment is the basis for the termination of service, the Company will also advise the tenants that they may continue to receive utility service for an additional thirty days by paying the charges due for the 30-day period just past.
- F12. Termination Hours:** Upon expiration of the notice of proposed termination of service, the Company may terminate residential utility service. Except for service diversion or for safety considerations, utility service shall not be disconnected between Thursday at 4:00 p.m. and Monday at 9:00 a.m. or on legal holidays recognized by Utah, or other times the Company's business offices are not open for business. Service may be disconnected only between the hours of 9:00 a.m. and 4:00 p.m.
- F13. Customer-Requested Termination of Service:** The customer shall advise the Company at least three days in advance of the day on which they want service disconnected to their residence. The Company will disconnect the service within four working days of the requested disconnect date. The customer will not be liable for the services rendered to or at the address or location after the four days unless access to the meter has been delayed by the customer.
- F14. Non-Occupants:** A customer who is not an occupant at the residence for which termination of service is requested shall advise the Company at least 10 days in advance of the day on which they want service disconnected and sign an affidavit that they are not requesting termination of service as a means of evicting his/her tenants. Alternatively, the customer may sign an affidavit that there are no occupants at the residence for which termination of service is requested and thereupon, the disconnection may occur within four days of the requested disconnection date.
- F15. Restrictions upon Termination of Service Practices:** The Company will not use termination of service practices other than those set forth in the rules (R746-200) by the Public Service Commission. The Company shall have the right to use or pursue legal methods to ensure collections of obligations due to it.

F16. Reconnection of Discontinued Service: The Company will have personnel available 24 hours each day to re-connect utility service. Service will be re-connected as soon as possible, but no later than the next generally recognized business day after the customer has requested reconnection and complied with all necessary conditions for reconnection of service, which may include payment of reconnection charges and compliance with deferred payment agreement terms.

These regulations are included as part of the tariff because they are the ones most inquired about by both water companies and water customers. They are NOT all inclusive but included here to be used as a ready and convenient reference.

Remember: Laws and Rules change over time. Please refer to the complete regulations and rules applicable to all regulated water utilities. They can be found in Utah Code Title 54 and Utah Administrative Rules Section 746.

REGULATION G

INFORMAL REVIEW, MEDIATION, AND FORMAL REVIEW

- G1. **Informal Review:** A customer who is unable to resolve a dispute with the Company concerning a matter subject to Utah Public Service Commission jurisdiction may obtain an informal review of the dispute by a designated employee within the Division of Public Utilities. The procedures for informal review shall be as set forth in Utah Administrative Rule R746-200-8.
- G2. **Mediation:** If the Company or the complainant determines that they cannot resolve the dispute by themselves, either of them may request that the Division attempt to mediate the dispute, as set forth in Utah Administrative Rule R746-200-8.
- G3. **Formal Review:** The Utah Public Service Commission, upon its own motion or upon the petition of any person, may initiate formal or investigative proceedings upon matters arising out of informal complaints.

These regulations are included as part of the tariff because they are the ones most inquired about by both water companies and water customers. They are NOT all inclusive but included here to be used as a ready and convenient reference.

Remember: Laws and Rules change over time. Please refer to the complete regulations and rules applicable to all regulated water utilities. They can be found in Utah Code Title 54 and Utah Administrative Rules Section 746.

SERVICE AREA MAP

