

TARIFF NO. 3
APPLICABLE TO SEWER SERVICE
MOUNTAIN SEWER CORPORATION

RATES AND FEES SCHEDULE
AND
RULES AND REGULATIONS

INDEX

| | |
|--|----|
| TITLE | 1 |
| INDEX | 2 |
| SERVICE AREA AND APPLICABILITY | 3 |
| RATES AND FEES SCHEDULE | 4 |
| SEWER SERVICE REGULATIONS: | |
| 1. General | 5 |
| 2. Definitions | 5 |
| 3. Sewer Service | 6 |
| 4. Sewer Service Agreement | 7 |
| 5. Application and Fees | 7 |
| 6. Installation of Sewer Service Connection | 7 |
| 7. Inspection | 7 |
| 8. Restoration of Surface Improvements | 7 |
| 9. Responsibility | 8 |
| 10. Plumbing | 8 |
| 11. Service Turn-on and Turn-off | 8 |
| 12. Restrictions on Use of Sewer | 8 |
| 13. Interceptors; Sampling Boxes; Special Agreements | 9 |
| 14. Unauthorized Connections | 9 |
| 15. Disruption Liability | 10 |
| 16. Damage to Facilities | 10 |
| 17. Billing & Payments | 10 |
| 18. Remedies of Company | 10 |
| 19. Capital Reserve Accounting Requirements | 10 |
| 20. Special Assessments | 12 |
| 21. Changes and Amendments | 12 |
| REGULATION A: FACILITY EXTENSION POLICY | 13 |
| REGULATION B: DEPOSITS AND GUARANTEES | 17 |
| REGULATION C: ELIGIBILITY FOR SERVICE | 18 |
| REGULATION D: BILLING | 19 |
| REGULATION E: DEFERRED PAYMENT | 21 |
| REGULATION F: TERMINATION OF RESIDENTIAL SERVICE | 22 |
| REGULATION G: INFORMAL REVIEW, MEDIATION AND FORMAL REVIEW | 26 |
| REGULATION H: STATEMENT OF CUSTOMER RIGHTS AND RESPONSIBILITIES | 27 |
| SERVICE AREA MAP | 28 |

SERVICE AREA AND APPLICABILITY

Mountain Sewer Corporation (the “Company”) was granted Certificate of Public Convenience and Necessity No. 2163 on June 11, 1985, in Case No. 84-097-01, by the Public Service Commission of Utah, to provide sanitary sewer service to a portion of unincorporated Weber County, Utah. On October 8, 1991, the Company was granted Certificate of Public Convenience and Necessity No. 2602 to provide sewer service to an expanded service area adjacent to the original service area. A map showing the Company’s service area is attached hereto.

This Tariff is applicable in the entire service area of the Company to provide sewer service for each connection, whether residential, commercial, institutional, or otherwise. Rates as herein set forth shall apply to each customer unit. A customer unit is defined as a residential dwelling or any commercial establishment, church, hotel, or other establishment connected to the Company sewer system.

SEWER SERVICE REGULATIONS

1. **General.** These Sewer Service Regulations govern the supplying and receiving of sewer service to assure each Customer the greatest enjoyment of sewer service consistent with good service and safety to themselves and other Customers and also consistent with good operating practices and the Rate Schedules of the Company. These Regulations supersede all previous Regulations which may have been in effect, and may be revised, when occasion requires, upon approval of the Public Service Commission of Utah. Copies are available at the offices of the Company.

2. **Definitions.** The following terms when used in this Tariff and in the application or agreement for sewer service shall have the meanings given below unless clearly indicated otherwise.
 - a. B.O.D. (Biochemical Oxygen Demand) shall mean the quantity of oxygen utilized in the biochemical oxidation of organic matter under standard laboratory procedure in five days at 20 degrees C, expressed in parts per million by weights.
 - b. BUILDING DRAIN shall mean that part of the lowest horizontal piping of a drainage system which receives the discharge from waste and other drainage pipes inside the walls of the building and conveys it to the service lateral.
 - c. COMPANY shall mean Mountain Sewer Corporation.
 - d. CONNECTION FEE shall mean the fee charged to a customer to pay for Mountain Sewer's costs to extend a partial service lateral (or "stub") from the sewer main under the street to the edge of the customer's property on which sewer service is required.
 - e. CUSTOMER shall mean an individual, partnership, corporation, organization, governmental agency, political subdivision, municipality or other entity contracting with the Company for sewer service at one location and at one point of connection.
 - f. EXTENSION shall mean any continuation of, or branch from, the nearest available existing line of the Company, including any increase of capacity of an existing line or facilities to meet the Customer's requirements.
 - g. GARBAGE shall mean solid wastes from the preparation, cooking and dispensing of food and from the handling, storage and sale of produce.
 - h. HOOK-UP FEE shall mean the fee charged to a customer, property owner, builder, or developer for Mountain Sewer to perform the required inspection of the connection between the sewer main and the property. The hook-up fee is paid in addition to the connection fee.
 - i. INDUSTRIAL WASTES -shall mean the liquid wastes from industrial processes as distinct from sanitary sewage.
 - j. NATURAL OUTLET shall mean any outlet into a watercourse, pond, ditch or other body of surface or ground water.
 - k. PERSON shall mean any individual, firm, company, association, society, corporation or group.
 - l. pH shall mean the logarithm of the reciprocal of the weight of hydrogen ions in grams per liter of solution.
 - m. PROJECT ENGINEER shall mean the Applicant's designated engineer in the case of a development or line extension.
 - n. PROPERLY SHREDDDED GARBAGE shall mean the wastes from the preparation,

- cooking and dispensation of food that has been shredded to such degree that all particles will be carried freely under the flow conditions normally prevailing in public sewers with no particle greater than 3/8 inch in any dimension.
- o. PUBLIC SEWER shall mean a sewer (in which all owners of abutting properties have equal rights) that is controlled by public authority.
 - p. SANITARY SEWER shall mean a sewer which carries sewage and to which storm, surface and ground waters are not permitted.
 - q. SERVICE LATERAL shall mean the pipe system from the building to the sewer or sewer main owned, operated, and/or controlled by the Company.
 - r. SEWAGE shall mean a combination of the water carried wastes from residence, business buildings, institutions and industrial establishments.
 - s. SEWAGE TREATMENT PLANT shall mean any arrangement of devices and structures used for treating sewage.
 - t. SEWAGE WORKS shall mean all facilities for collecting, pumping, treating and disposing of sewage.
 - u. SEWER shall mean a pipe or conduit for carrying sewage.
 - v. SHALL is mandatory; MAY is permissive.
 - w. STANDBY FEE shall mean the fee charged to the owner of any recorded lot in Mountain Sewer's service area that has access to an installed sewer main and does not currently receive sewer service.
 - x. STORM SEWER or STORM DRAIN shall mean a sewer which carries storm and surface waters and drainage, but excludes sanitary sewage and polluted industrial wastes.
 - y. SUBDIVISION shall mean any development that requires the approval of the Weber County Planning Commission or the Weber County Commission.
 - z. SUSPENDED SOLIDS shall mean solids that either float on the surface of or are in suspension in water, sewage or other liquids and which are removable by laboratory filtering.
 - aa. TUNR-OFF FEE shall mean the fee charged to cease sewer service to a property that is connected to the sewer system.
 - bb. TURN-ON FEE shall mean the fee charged to customers to resume sewer service after service has ceased or been turned off.
 - cc. WATERCOURSE shall mean a channel in which a flow of water occurs, either continuously or intermittently.
3. **Sewer Service.** Each prospective customer desiring sewer service shall apply in writing to the Company before service is supplied by the Company. The hookup to the sewer system shall constitute an agreement by and between the Company and the Customer for sewer service under the terms and conditions contained in the applicable Rate Schedule and these Sewer Service Regulations. For sewer service in large quantity or under special conditions, the Company may require a suitable written agreement. No such agreement or any modification thereof shall be binding upon the Company until executed by a duly authorized officer; if executed, it shall inure to the benefit of and be binding upon the heirs, administrators, executors successors in interest and assigns of the Company and of the Customer.

4. **Sewer Service Agreement.** These Sewer Service Regulations and the applicable Rate Schedule are hereby made a part of each Sewer Service Agreement. In case of a conflict between any of the provisions of the Sewer Service Agreement, Rate Schedule, and the Sewer Service Regulations, the provisions of the Rate Schedule will take precedence followed by the provisions of the Sewer Service Regulations.
5. **Application and Fees.** Prior to any excavation for the installation of a sewer service lateral or connection of a sewer service lateral to the collection facilities of the Company, the following requirements must be met:
 - a. A sewer service application must be completed and submitted to the Company and approved by the Company for each connection to the sewage works.
 - b. Applicant must pay the Connection Fee.
 - c. A permit to work in the road right of way must be obtained from the appropriate governmental authority, including the Utah Department of Transportation if the connection is in a State roadway.
6. **Installation of Sewer Service Connection.** Approval of the sewer service application shall be obtained from the Company before any service connection can be made to any part of the sewage works or before any work performed can be performed upon old or new connections. Excavation and installation from the sewer main line in the street to the property line may be made by the Company, as determined in its sole discretion. Applicants for sewer service shall furnish, lay and install at their own expense, all that portion of the sewage works not provided by the Company, subject however, to the supervision and inspection of the Company, and subject to the following:
 - a. Design and construction of the sewer lateral shall conform with the Utah State Plumbing Code published by the Utah State Department of Health.
 - b. Proper barricades, warning signs, and other safety precautions shall be used during construction.
 - c. Water shall be removed from pipe laying area to ensure that quality work is being performed in laying of the pipe.
 - d. Sheeting, bracing, and shoring shall comply with the requirements of the State of Utah.
 - e. Pipe shall be laid to a uniform grade.
 - f. When connection is made to a stub line, the applicant shall insure the stub line is open and free of obstructions to the main line.
 - g. Other utilities shall be protected. Any damage to utilities will be the Applicant's sole responsibility, regardless of any inspection or supervision by the Company.
7. **Inspection.** The service line shall be inspected by the Company prior to backfill of any portion of the line to insure water-tight connections. The hookup fee must be paid to the company to obtain this inspection. Arrangement for inspection during normal Company working hours must be made at least 24 hours in advance.
8. **Restoration of Surface Improvements.** All excess material shall be cleaned up and removed from the site. Curb and gutter, sidewalks, pavements, ditches, culverts,

driveways, fences and planted areas shall be restored to equal or better condition than the improvements that were removed.

9. **Responsibility.** The Company will be responsible for the operation and maintenance of the main sewer collection facility (usually collection pipe eight (8) inches or over) in the public street or on a perpetual easement granted to the Company. The Company's responsibility shall extend from the main sewer collection facility to the property line of the customer. The building owner or Customer will be responsible for maintenance and operation of the sewer service lateral from the building to the Customer's property line.
10. **Plumbing.** Pumping or other systems necessary to cause the sewage to arrive at the Company owned sewer lines shall be the responsibility of the building owner or Customer for installation, operation and maintenance. Each pressure connection to the Company owned collection system must be approved in writing by the Company prior to granting a connection application.
11. **Service Turn-on and Turn-off.** Only authorized representatives of the Company shall turn sewer service on or off, 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 sewer service is turned off at any premises, it shall not be turned on again until the customer pays all delinquent balances owing, late charges, and turn-on fees as shown in the rate schedule.
12. **Restrictions on Use of Sewer.** Except as hereinafter provided, none of the following waters or wastes shall be discharged or caused to be discharged to any sanitary sewer:
 - a. Storm water, surface water, ground water, roof runoff or subsurface drainage to any sanitary sewer.
 - b. Any liquid or vapor having a temperature higher than 150 degrees Fahrenheit.
 - c. Any water or waste which may contain more than 100 parts per million, by weight, of fat or grease. Note: Any discharge over 20 parts per million will be subject to special treatment charges.
 - d. Any gasoline, benzene, naphtha, fuel oil or other flammable or explosive liquid, solid, or gas.
 - e. Any garbage that has not be properly shredded.
 - f. Any ashes, cinders, sand, mud, straw, shavings, metal, glass, rags, feathers, tar, plastics, wood, paunch manure or any other solid or viscous substance capable of causing obstruction to the flow in sewers or other interference with the proper operation of the sewage works.
 - g. Any water or wastes having a pH lower than 6.0 or higher than 9.5 or having any other corrosive property capable of causing damage or hazard to structures, equipment and personnel of the sewage works. Note: Any discharge lower than 6.5 or higher than 9.0 will be subject to special treatment charges.
 - h. Any waters or wastes containing a toxic or poisonous substance in sufficient quantity to injure or interfere with any sewage treatment process, constitute a hazard to

humans or animals or create any hazard in the receiving waters of the sewage treatment plant.

- i. Any waters or wastes containing suspended solids or five-day B.O.D. in excess of 15000 parts per million. Note: Any Discharge over 300 parts per million for suspended solids or B.O.D. will be subject to special treatment charges.
- j. Any noxious or malodorous gas or substance capable of creating a public nuisance.

The Company may immediately and without notice discontinue service to any person violating any of the provisions of this Section by installation of a plug in the service lateral.

13. **Interceptors; Sampling Boxes; Special Agreements.**

- a. Interceptors shall be provided when the Company directs it is necessary for the proper handling of liquid wastes containing grease in excessive amounts or any flammable wastes, sand, and any other harmful ingredients, except that such interceptors shall not be required for private living quarters or dwelling units. All interceptors shall be of a type, capacity and location approved by the Company as to be readily and easily accessible for cleaning by the user and for inspection by Company personnel. Where installed, interceptors shall be maintained by the Customer, at his or her expense, in continuously efficient operation at all times.
- b. When required by the Company, the owner of any industrial or commercial property served by a service lateral carrying toxic or pollutant wastes shall install a suitable sampling box in the service lateral to facilitate observation, sampling and measurement of the wastes. Such sampling box shall be accessible and safely located (as close to the property line as possible). The sampling box shall be installed by the Customer, at their expense, and shall be maintained by them so as to be safe and accessible at all times.
- c. Interceptors and sampling boxes shall be designed and constructed in conformity with regulations of the Utah State Department of Health.
- d. All measurements, tests and analyses of the characteristics of wastes to which reference is made herein shall be determined in accordance with "Standard Methods for the Examination of Water and Sewage" and shall be determined at the sampling box as provided for above.
- e. No statement contained in this Section shall be construed as preventing any special agreement or arrangement between the Company and any industrial concern whereby an industrial waste of unusual strength or character may be accepted or not accepted by the Company for treatment, subject to agreed payment therefore by the industrial concern if accepted.

14. **Unauthorized Connections.** No unauthorized person shall tap any sewer or sewage works of the Company or insert therein any corporation cock, stop cock or any other fixture or appliance or alter or disturb any service later, corporation stop, curb stop, gate valve, meter or any other attachment, being part of the sewage works and attached thereto. No person shall install any sewer lateral or connect or disconnect any such sewer lateral with or from the sewer mains of said sewage works, 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 sewer lateral, tap, stop cock, or any other fixture or attachments connected with any such sewer lateral, without first obtaining a permit from the Company. All materials used and the installation thereof shall comply with the Utah Department of Environmental Quality standards and specifications.

15. **Disruption Liability.** The Company shall use reasonable diligence to provide continuous sewer service to its customers, but the Company shall not be held liable for damages to any Customer by reason of any stoppage or interruption of sewer service caused by accidents to sewage works, sewer main alterations, additions or repairs, acts of God, acts of third persons, government interference, or other unavoidable or unforeseen causes beyond the Company's control.
16. **Damage to Facilities.** Costs of any damage resulting from the negligence and/or failure of the Customer to properly protect the sewer lateral or other facilities of the Company, including but not limited to vandalism, fire, freezing, or construction work, shall be assessed against such Customer.
17. **Billing and Payments.** Bills covering the charges will be issued and shall be due within twenty (20) days after being issued. If any customer neglects or refuses to pay a sewer service bill when due, the Company's employees shall have the right to go upon the premises and do such work as may be necessary to disconnect the sewer service. Before the service is renewed and reconnected 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. The Company may contract with a third party to handle all bills, billings, and customer payments. The Company will notify the customers of such arrangement. The Company shall be entitled to recover all costs of collection of past due amounts, including court fees and attorneys fees.
18. **Remedies of Company.** For any default or breach by Customer of a Service Agreement, including failure to pay bills promptly, Company, in addition to all other legal remedies provided herein or by law or regulation, may terminate the Service Agreement or suspend service by plugging the service lateral or otherwise. No such termination or suspension will be made without 48 hours written notice to Customer, stating how the Service Agreement has been violated, except in cases of theft or unauthorized use of service by Customer, or in case of a dangerous condition of which the Company is made aware, or in case of utilization by Customer of Service in such manner as to cause danger to persons or property or to jeopardize service to customer or others of which the Company is made aware. Failure of the Company at any time after any such default or breach either to suspend service, to terminate the Service Agreement, or to resort to any other legal remedy, shall not affect Company's right thereafter to resort to or exercise any one or more such remedies for the same or any future default or breach by Customer.
19. **Capital Reserve Accounting Requirements.** A Capital Reserve Account, targeted to equal the annual depreciation expense and annual amortization of the contribution in aid of construction of the Company's sewer system assets and equipment, shall be established, subject to the following:

- a. Capital reserve fees generated from rates shall be deposited into the Capital Reserve Account, which shall be a restricted account such as a separate escrow account, within 30 days from receipt of payments.
- b. Withdrawals from the Capital Reserve Account shall be made for capital replacements and improvements only.
- c. In accordance with Utah Administrative Rule R746-401-3A, expenditures in excess of five (5) percent of total Utility Plant in Service shall require the Company to file a report with the Commission, at least 30 days before the purchase or acquisition of the asset or project, and to obtain written Commission approval before transacting such acquisitions.
- d. Upon submission of the Annual Report to the Public Service Commission, 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 30 days from the receipt of rate payments for each billing cycle and withdrawals that meet requirements 19.a, b and c above. Such detailed accounting, including copies of bank statements and possible other sensitive information, shall be marked as “confidential.”
- e. The balance in the Capital Reserve Account shall be clearly identifiable in the financial statements as a restricted account.
- f. 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 sewer mains, lagoons, and ponds. 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.
- g. 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.

- h. The Company shall list the Customer's charge for payment to the Capital Reserve Account as a separate line item ("Capital Reserve Fee") in each billing statement.
 - i. Interest accruing on funds in the Capital Reserve Account shall become a part of the Capital Reserve Account and can only be used in accordance with this paragraph 19.
20. **Special Assessments.** The Company reserves the right to levy special assessments as necessary to pay for or reimburse the Company for expenses attributed to extraordinary or unforeseen emergency or necessary sewage works improvements, maintenance, or repairs, subject to all necessary approvals of such special assessments by the Public Service Commission.
21. **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.

**REGULATION A
FACILITY EXTENSION POLICY**

- A1. **General.** The treatment facilities and sewer collection lines of the Company have limited capacity and therefore any significant increase in loading of quantity or quality of wastewater in these facilities must be reviewed and approved by the Company.
- A2. **Costs.** The total cost of extensions including engineering, labor, and materials shall be paid by the applicants for such extensions. Additional capital facilities, pumps, lagoons, storage, or other utility plant acquired, upgraded, or constructed by the Company to service the subdivision shall be paid by the developer through impact fees, connection fees, assessments, or other sources. Advance payment of the connection fees for a proposed subdivision is an express condition precedent to receiving final plat approval by the Company.
- A3. **Subdivision Extensions.** The Company will make no extensions to or within a subdivision. All extensions to or within a subdivision shall be made by and at the sole cost of the developer of the subdivision and only in strict accordance with plans and specifications approved by the Company.
- A4. **Other than Subdivision Extensions.** The Company will install an extension at its own cost to a Customer's point of delivery other than to or within a subdivision if the estimated cost thereof does not exceed a sum equal to four times the annual revenue, estimated by the Company, to be derived by it from sewer service at the Customer's point of delivery. If the estimated cost of such main extension exceeds a sum equal to four times such annual revenue, the Applicant shall pay over to the Company, as a cash contribution in aid of such construction, an amount equal to such excess, prior to the commencement of construction by the Company. Joint or several applications may be made for such extension and the amount of any contribution in aid of the construction of the extension applied for shall be divided among such Applicants equally or upon such other basis as may be agreed upon by the Applicants and the Company.
- A5. **Extensions to Become Property of the Company.** All extensions shall become the property of the Company free and clear of all liens and encumbrances from the moment of their connection to the lines of the Company, regardless of whether such extensions are within or without a Subdivision, and regardless of whether such extensions are made at the Company's own costs, at the cost of a subdivision developer, or with contributions in aid of construction. Under no circumstance shall the Company be required to refund any contribution in aid of construction, connection fee, or other monies to any person in the event of subsequent extensions or connections to its lines. Under no circumstance will the Company be required to permit a connection of an extension to its lines until it is satisfied that there are no liens or encumbrances against the extension to be connected to its lines.
- A6. **Insufficient Capacity.** In no event will the Company make or authorize an extension where the capacity of any of its facilities is insufficient to handle the anticipated load

from any Customer or group of Customers, except on such terms and conditions as shall be agreed upon between the Company and the Applicant in writing.

- A7. **Application Review Documents.** Developers or persons requesting line extensions must submit three (3) copies of the Preliminary Plat (or Recorded Plat if available) to the Company showing proposed road and lot developments. The Preliminary Plat will be accompanied by a written letter containing the following information:
1. A brief description of the project
 2. Time schedules
 3. Property ownership
 4. Status of all required governmental approvals
 5. Geographic location of the facility and area served with necessary reference to maps and exhibits
 6. A brief description of topography of the project area
 7. Estimates of future population, and commercial and industrial growth for the area to be served
 8. Quantity of wastewater to be disposed
 9. Complete information on industrial wastewater discharges that presently enter the sewer or that will be connected to an existing or proposed sewer, including estimates of future discharges of this type
 10. A discussion of present and possible future problems of ground water and storm water infiltration into sewers

This request for review of the project must be accompanied by a fee of \$300 to cover the cost of review and necessary actions by the Company in processing the application. This fee is nonrefundable and the application is only valid for one year if the project has not reached the construction stage in the one year's time. The Company will process the application for development or line extension in an expeditious manner and advise the Applicant in writing within thirty (30) days or as soon thereafter as reasonably possible as to the Company's position on the project. The Company requires all Applicants to use a licensed, professional engineer of the Applicant's selection for each project.

- A8. **Agreement and Final Plat.**
- a. A written Agreement will be prepared by the Company covering the requirements and obligations of the Company and Applicant. This Agreement (2 copies) will be forwarded to the Applicant for signature and returned to the Company for review and approval by the Company.
 - b. The Applicant shall furnish three (3) copies of the Plat of the project. The estimated Company engineering costs for the project shall be submitted to the Company at this time and shall be held by the Company in escrow without interest until such time as a deed has been received and accepted by the Company for the improvements. At this time the escrow money will be returned to the Applicant. If the project is not completed and the deed accepted by the Company then the total amount of escrow money will be retained by the Company for use in payment of project costs incurred by the Company.
 - c. The Company shall process the Agreement and plat for approval by the

Company. As an express condition precedent to receiving final plat approval, the connection fees shall be paid. The Applicant will be advised in writing as to the Company approval of the project. One copy of the signed Agreement will be forwarded to the Applicant.

A9. Design and Construction.

- a. The Applicant (upon receipt of project approval by the Company) will have detailed Final Construction plans and specifications prepared by the project engineer showing specific sewer line information. (Reference must be made on the Final Construction Plans to the Survey Benchmark.) Four (4) copies of the Final Construction Plans and specifications will be submitted to the Company for review and approval by the Company. All design and construction shall comply with all rules and regulations of the Utah State Department of Health then in effect.
- b. The Company will advise the applicant in writing of final approval of the Final Construction Plans and specifications and return a copy with the Company Engineer approval stamp, after which the Applicant shall accomplish necessary preparation of the project such as rough grading of roads and staking of front lot lines with steel fence posts at least five (5) feet above grade level. When this has been accomplished by the Applicant, construction stakes of 10 foot offset and no more than 100 feet apart will be set by the project engineer and Cut Sheets given to the Company by the project engineer. The Applicant is responsible for awarding a construction contract as appropriate. After the above items have been accomplished a Pre-Construction Conference shall be held at the Company office with the Applicant, project engineer, contractor and Company personnel in attendance. Construction will not begin until after this Pre-Construction Conference. A review of Company policies for construction as well as a review of the approved Final Construction plans will be held at the Pre-Construction Conference.
- c. Inspection during construction will be performed by the Company and project engineer and acceptance of facilities shall be based on Company approval of construction to plans and specifications previously prepared by the project engineer and approved by the Company and their Engineer. Any necessary construction deviation from the Company approved Final Construction Plans or specifications must be approved in writing by the Company and their Engineer during the construction period for final acceptance of the project by the Company. Air test and/or water test will be performed on all lines as required by the Company to insure quality construction and Company personnel shall be present at each air/water test written verification, signed by the person performing the air/water test, will be provided the Company showing that the sewer pipe installation met the Company standards for testing. One day of Company regular working hours notice shall be given for need of inspection. Inspection on weekends and holidays will not be provided by Company unless prior written approval has been obtained from the Company at least one regular working day before the weekend or holiday.

Construction work must not be covered without written Company approval.

A10. Acceptance by Company.

- a. Before final acceptance of the project the Applicant shall furnish written evidence to the Company that payment has been made for all labor, materials, engineering costs and other miscellaneous project costs in connection with the project. The total sewer project costs must be identified to the Company for purposes of financial record.
- b. Backfill and road surfacing shall be guaranteed by the Applicant as required by the appropriate governmental authority. Written evidence of the guarantee shall be furnished to the Company by the Applicant for a period of two (2) years after acceptance by the Company. The Company may refuse future application for developments or line extensions from Applicant in default on any development or line extension guarantee requirement.
- c. Sewer facilities as identified in the Agreement which are to become the property of the Company will be conveyed to the Company by a form prepared by the Company and signed by the Applicant. Three (3) copies of the final Recorded Plat showing street addresses for each lot must be furnished to the Company before final acceptance of the project. Sewer facilities that are not on public property and are to be owned and operated by the Company shall be accompanied by appropriate permanent easement prepared by the Company and signed by the Applicant (or Recorded Plat where possible) of at least ten (10) feet wide for Company maintenance and operation functions. In addition, four (4) copies and a reproducible master of the As-Built Drawing, prepared and stamped by the project engineer, will be provided for Company use and retention. The As-Built Drawing will only show sewer line information in relation to streets and lots and will identify by reference any approved deviation from Company approved Final Construction Plans and specifications.
- d. The Company shall furnish in writing, notice of final acceptance of the project including such things as acceptance of the facilities and receipts of all appropriate fees.

A11. Wastewater Entering Company Facilities. Building connection will not be made to Company facilities, nor will wastewater be allowed to enter Company lines until such time as the project has been completed and written notice received by the Applicant that the project has been accepted by the company. In addition, application must be made to the Company for each connection and all applicable connection fees and hookup fees must be paid to the Company in the amount set forth elsewhere in this tariff. The Applicant for each connection must sign an application form and provide property address, billing address and name of owner prior to a connection permit being issued. The project will not be connected to existing Company owned lines nor will ground water or wastewater be allowed to flow through Company lines until written permission is obtained from the Company. It is the policy of the Company that no ground water will be allowed in Company lines during the construction phase of the project or otherwise.

**REGULATION B
DEPOSITS AND GUARANTEES**

- B1. **Security Deposits.** A security deposit is required of all Customers, without discrimination, to assure payment of bills. Such deposits shall cover the monthly rate for a minimum of 60 days. The security deposit may be waived if the Customer can provide one (1) of the following:
- a. A letter of credit from another utility company (minimum of 12 months previous service), with no delinquent charges in 12 months, no return payment charges, no disconnections for non-payment, and no bankruptcies or liens filed.
 - b. Third-party guarantees in lieu of security deposits shall be permitted from qualified guarantors. The Company shall consider a guarantor of residential service qualified if the guarantor is a current Customer of the Company and has not received a 10-day written notice of disconnection within the last 12 months.
- B2. **Installments.** When a security deposit is required, the Customer shall have the right to pay the deposit in three (3) equal monthly installments if the first installment is paid when the deposit is required.
- B3. **Return of Deposits.** The deposit paid is eligible for return to the Customer after the Customer has paid the bill on time for twelve (12) consecutive months. Accrued interest on the deposit amount, if any, may be retained by the Company.

**REGULATION C
ELIGIBILITY FOR SERVICE**

- C1. **Eligibility for Service:** Sewer service is conditioned upon payment of deposits, and upon payment of any outstanding debts for past utility service which are owed by the applicant to the Company. Sewer service may also be denied when unsafe conditions exist, when the applicant has furnished false information to get sewer service, or when the applicant/customer has tampered with Company-owned equipment. 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. **Customer's Statement of Rights and Responsibilities.** The Company will provide a copy of the "Customer's Statement of Rights and Responsibilities" when sewer service is extended to an account holder, annually, and upon first notice of an impending service disconnection.
- C3. **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 applicant has knowledge of the account responsibility.

**REGULATION D
BILLING**

- D1. **Fees to be Paid.** All Customers connected to the Company's sewer system shall pay the monthly fees for connected customers set forth in the Rates and Fees Schedule of this Tariff. All owners of platted and recorded lots in the Company's service area that are not currently connected to the sewer system shall pay the monthly standby fees set forth in the Rates and Fees Schedule of this Tariff.
- D2. **Periodic Billing Statement.** The Company shall use a billing cycle that has an interval between regular periodic billing statements of not greater than two (2) months. 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.
- D3. **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 Service.
- D4. **Statement Due Date; Standby Fees.** Bills covering the charges will be issued and shall be due within twenty (20) days after being issued. If any customer neglects or refuses to pay a sewer service bill or any other obligation due to the Company when due, the Company may take such actions and remedies as authorized by law, regulation, or these Sewer Service Regulations. The standby fee may be paid monthly or annually in advance by March 1st of each year. Any unpaid standby fees for a particular premise, including those fees incurred by a prior owner, along with any accumulated interest, must be paid in full before sewer service will be provided.
- D5. **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 try to resolve that issue by negotiation. If the negotiation does not resolve the dispute, the account holder may obtain informal review by contacting the Division of Public Utilities and formal review with the Public Service Commission. While an account holder is proceeding with either informal or formal review of a dispute, no termination of service shall be permitted if amounts not disputed are paid when due.
- D6. **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 (4) 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.

**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 sewer 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 upon request.
- E2. **Deferred Payment Agreement.** An applicant or account holder shall have the right to a Deferred Payment Agreement, consisting of 12 months of equal monthly payments, if the full amount of the delinquent balance plus interest shall be paid within the 12 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.**
- a. If the Company has a budget billing or equal payment plan available, it shall offer the customer the option of:
 - i. agreeing to pay monthly bills for future sewer service as they become due, plus the monthly deferred payment installment, or
 - ii. agreeing to pay a budget billing or equal payment plan amount set by the Company for future sewer service plus the monthly deferred payment installment.
 - b. If the Company does not have budget billing or equal payment plans available:
 - i. When negotiating a deferred payment agreement, the customer shall agree to pay the monthly bills for future sewer service plus the monthly deferred payment installment necessary to liquidate the delinquent bill.
- E4. **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 Commission, and the customer shall not have the right to a renewal of the Deferred Payment Agreement. Renewal of Deferred Payment Agreement after the breach shall be at the Company's discretion.

REGULATION F
TERMINATION OF RESIDENTIAL SERVICE

- F1. **Delinquent Account.** A delinquent account is a sewer 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. A late notice or reminder notice will include the following information:
- a. A statement that the account is a delinquent account and should be paid promptly;
 - b. A statement that the account holder should call the Company if he/she has a question concerning the account;
 - c. A statement of the delinquent account balance.
- A copy of the “Statement of Customer Rights and Responsibilities” will be issued to the account holder with the first notice of impending service disconnection.
- F3. **Investigation and Negotiation.** When the account holder 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 sewer service if the account holder pays the undisputed portion of the account.
- F4. **Reasons for Termination of Service.**
- a. Residential sewer service may be terminated for the following reasons:
 - i. Nonpayment of a delinquent account;
 - ii. Nonpayment of a deposit when required;
 - iii. Failure to comply with the terms of a deferred payment agreement or Commission order;
 - iv. Unauthorized use of, or diversion of, residential sewer service or tampering with wires, pipes, meters, or other equipment; or
 - v. Subterfuge or deliberately furnishing false information.
 - 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. Cohabitation of a current account holder with a delinquent account holder whose sewer 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 (2) 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 Commission; and
 - vi. Complaints filed with either or both the Company or regulatory agencies.

- F5. **Restrictions upon Termination of Service During Serious Illness.** Residential utility service may not be terminated and will be restored if terminated when the termination of service will cause or aggravate a serious illness or infirmity of a person living in the residence. Upon receipt of a statement, signed by an osteopathic physician, a physician, a surgeon, a naturopathic physician, a physician assistant, a nurse, or a certified nurse midwife, as the providers are defined and licensed under Title 58 of the Utah Code, either on a form obtained from the Company or on the health care provider's letterhead stationery, which statement legibly identifies the health infirmity or potential health hazard, and how termination of service will injure the person's health or aggravate their illness, the Company will continue or restore residential utility service for the period set forth in the statement or one month, whichever is less; however, the person whose health is threatened or illness aggravated may petition the Commission for an extension of time. During the period of continued service, the account holder is liable for the cost of residential utility service. No action to terminate the service may be undertaken, however, until the end of the period of continued service.
- F6. **Restrictions upon Termination of Service to Residences with Life-Supporting Equipment.** The Company will not terminate service to a residence in which the account holder or a resident is known by the Company to be using an iron lung, respirator, dialysis machine, or other life-supporting equipment whose normal operation requires continuation of the Company's service, without specific prior approval by the Commission. Account holders eligible for this protection may obtain it by filing a written notice with the Company, which notice form is to be obtained from the Company, signed and supported by a statement and specifically identifying the life-support equipment that requires the Company's service. Thereupon, the Company shall mark and identify the applicable meter.
- 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 sewer 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 10 calendar days before a proposed termination of residential utility service, the Company shall give written notice of disconnection for nonpayment to the account holder. 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 Commission rules;
 - b. The 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 Commission's address and telephone number;
 - e. specific steps, printed in a conspicuous fashion that may be taken by the consumer 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 15 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, if such a third party is 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 account holders 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 (5) 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 nonpayment 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 30 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 (3) days in advance of the day on which he/she wants service disconnected to his/her residence. The Company will disconnect the service within four (4) 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 (4) days, unless disconnection 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 he/she wants service disconnected and sign an affidavit that he/she is 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 (4) 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 these regulations. The Company shall have the right to use or pursue legal methods to ensure collections of obligations due it.
- F16. **Reconnection of Discontinued Service.** The company will have personnel available 24 hours each day to reconnect utility service. Service will be reconnected 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.

REGULATION G
INFORMAL REVIEW, MEDIATION AND FORMAL REVIEW

- G1. **Informal Review.** A person who is unable to resolve a dispute with the Company concerning a matter subject to Public Service Commission jurisdiction may obtain 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 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.

REGULATION H
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.

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.
- Let you pay a security deposit in three (3) installments, if one is required.
- Follow specific procedures for service disconnection, which include providing you notice postmarked at least 10 days before service is disconnected.
- Offer winter shut-off protection of energy utility service to qualifying ratepayers.
- Advise you of sources of possible financial assistance in paying your bill.
- Continue service for a reasonable time if you provide a physician's statement that a medical emergency exists in your home.
- Give you written information about Commission rules and your rights and responsibilities as a Customer under those rules.

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 problem 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.

SERVICE AREA MAP

