

Second Corrected Attachment B

MOUNTAIN SEWER CORPORATION

**RATES AND FEES SCHEDULE
AND
RULES AND REGULATIONS**

TARIFF NO. 4

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RULES AND 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 SHREDDED 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. TURN-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 15,000 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.** The Company shall use a monthly billing cycle. Bills covering the charges will be issued and shall be due within thirty (30) days after being issued. 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.
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 sewer 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. In that case, the Company can use funds from the Capital Reserve Account until it files for its next rate increase, subject to the provisions in 16(e) and 16(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 and storage reservoirs. 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, fittings, spare pipe pieces 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 from existing customers for system expansion, that is, to extend main lines to serve new areas or new customers or 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 (when applicable), 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 upon request by the Commission or the Division.

- 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 18.
19. **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.
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 emergency or necessary sewer system improvements, maintenance, or repairs, subject to all necessary approvals of such special assessments by the Public Service Commission.
21. **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 thirty (30) days or \$100.00. 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.
22. **Facility Extension Policy.**
 - a. **Definition.** An extension is any continuation of, or branch from, the nearest available existing 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 Customers' 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, pumps, storage, or other sewer plant must be acquired, the Company may require the applicants to pay these costs. Where more than one (1) 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, 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 Company's minimum standards shall be met, which shall also comply with the standards of the Utah State Division of Water Quality. 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, 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 sewer 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 Division of Water 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.

Customer Rights. The Company will:

- Provide service if you are a qualified applicant.
- Offer you at least one (1) 12-month deferred payment plan if you have a financial emergency, at the Company's discretion.
- 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 ten (10) 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.

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 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

*These regulations are included as part of the tariff because they are the ones most inquired about by both the Sewer Company and the Sewer Customers. They are **NOT** all-inclusive but included here as a ready and convenient reference. Regulations may change from year to year, and these may **NOT** be consistent with current regulations – it is the Company's and Customers' responsibility to verify you are using the current regulations.*

The complete and current regulations and rules applicable to all regulated utilities can be found in Utah Code Title 54 and Utah Administrative Rules Section 746.

DEPOSITS AND GUARANTEES

- B1. Each utility shall submit security deposit policies and procedures to the Commission for its approval before the implementation and use of those policies and procedures. Each utility shall submit third-party guarantor policies and procedures to the Commission.
- B2. Each utility collecting security deposits shall pay interest thereon at a rate as established by the Commission. For electric cooperatives and electric service districts, interest rates shall be determined by the governing board of directors of the cooperative or district and filed with the Commission and shall be deemed approved by the Commission unless ten percent or more of the customers file a request for agency action requesting an investigation and hearing. The deposit paid, plus accrued interest, is eligible for return to the Customer after the Customer has paid the bill on time for 12 consecutive months.
- B3. A residential customer shall have the right to pay a security deposit in at least three (3) equal monthly installments if the first installment is paid when the deposit is required.

REGULATION C

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ELIGIBILITY FOR SERVICE

- C1. **Eligibility for Service:** Residential utility service is to be conditioned upon payment of deposits, where required, and of any outstanding debts for past utility service which are owed by the applicant to that public utility, subject to Subsections R746-200-3(B)(2), and R746-200-7(C)(2), Reasons for Termination. Service may be denied when unsafe conditions exist, when the applicant has furnished false information to get utility service, or when the Customer has tampered with utility-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 utility's service, whether the service was received at the applicant's present address or another address. When an applicant cannot pay an outstanding debt in full, residential utility service shall be provided upon execution of a written, deferred payment agreement as set forth in Section R746-200-5.

REGULATION D

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BILLING

- D1. **Billing Cycle.** The Company shall use a billing cycle with an interval between regular periodic billing statements of not greater than two (2) months unless a different billing cycle is approved by the Public Service Commission.
- D2. **Estimated Billing.** A public utility using an estimated billing procedure shall try to make an actual meter reading at least once in a two-month period and give a bill for the appropriate charge determined from that reading. When weather conditions prevent regular meter readings, or when customers are served on a seasonal tariff, the utility will make arrangements with the Customer to get meter reads at acceptable intervals.
- 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. the outstanding balance in the account at the beginning of the current billing cycle using a term such as "previous balance";
 - b. the amount of charges debited to the account during the current billing cycle using a term such as "current service";
 - c. the amount of payments made to the account during the current billing cycle using a term such as "payments";
 - d. the amount of credits other than payments to the account during the current billing cycle using a term such as "credits";
 - e. the amount of late payment charges debited to the account during the current billing cycle using a term such as "late charge";
 - f. the closing date of the current billing cycle and the outstanding balance in the account on that date using a term such as "amount due";
 - 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.** Commencing not sooner than the end of the first billing cycle after the statement due date, a late charge of a periodic rate as established by the Commission may be assessed against an unpaid balance in excess of new charges debited to the account during the current billing cycle. The Commission may change the rate of interest. No other charge, whether described as a finance charge, service charge, discount, net or gross charge may be applied to an account for failure to pay an outstanding bill by the statement due date. This section does not apply to reconnection charges or return check service charges.
- D5. **Statement Due Date.** 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.**
- a. In disputing a periodic billing statement, an account holder shall first try to resolve the issue by discussion with the public utility's collections personnel.
 - b. When an account holder has proceeded pursuant to Subsection R746-200-4(F)(1), the public utility's collections personnel shall investigate the disputed issue and shall try to resolve that issue by negotiation.
 - c. If the negotiation does not resolve the dispute, the account holder may obtain informal and formal review of the dispute as set forth in Section R746-200-8, Informal Review, and R746-200-9, Formal Review.
 - d. 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.
- 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 (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.
 - d. The Customer may dispute the transferred amount pursuant to R746-200-4(F).

REGULATION E

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The complete and current regulations and rules applicable to all regulated utilities can be found in Utah Code Title 54 and Utah Administrative Rules Section 746.

DEFERRED PAYMENT

- E1. **Right to Deferred Payment Agreement.** An applicant or account holder who cannot pay a delinquent account balance on demand shall have the right to receive residential utility service under a deferred payment agreement subject to R746-200-5(B) unless the delinquent account balance is the result of unauthorized usage of, or diversion of, residential utility service. If the delinquent account balance is the result of unauthorized usage of, or diversion of, residential utility service, the use of a deferred payment agreement is at the utility's discretion.
- 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 applicant or account holder agrees to pay the initial monthly installment. The account holder 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 account holder 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.
- E3. **Payment Options.**
- a. If the utility 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 residential 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 residential sewer service plus the monthly deferred payment installment.
 - b. When negotiating a deferred payment agreement with a utility that does not offer a budget billing or equal payment plan, the account holder shall agree to pay the monthly bills for future residential utility service plus the monthly deferred payment installment necessary to liquidate the delinquent bill.
 - c. The terms of the deferred payment agreement shall be set forth in a written agreement, a copy of which shall be provided to the Customer.
 - d. A deferred payment agreement may include a finance charge as approved by the Commission. If a finance charge is assessed, the deferred payment agreement shall

- contain notice of the charge.
- E4. **Breach.** If an applicant or account holder breaches a condition or term of a deferred payment agreement, the public utility may treat that breach as a delinquent account and shall have the right to disconnect service pursuant to these rules, subject to the right of the Customer to seek review of the alleged breach by the Commission, and the account holder shall not have the right to a renewal of the deferred payment agreement. Renewal of deferred payment agreements after the breach shall be at the utility's discretion.

REGULATION F

*These regulations are included as part of the tariff because they are the ones most inquired about by both the Sewer Company and the Sewer Customers. They are **NOT** all-inclusive but included here as a ready and convenient reference. Regulations may change from year to year, and these may **NOT** be consistent with current regulations – it is the Company's and Customers' responsibility to verify you are using the current regulations.*

The complete and current regulations and rules applicable to all regulated utilities can be found in Utah Code Title 54 and Utah Administrative Rules Section 746.

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. 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 meter during the regular route visit to the premises following proper notification and opportunity to make arrangements in accordance with R746-200-4(B), Estimated Billing, Subsection (2).
 - 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 (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 Utah Public Service Commission; and

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 (1) month, whichever is less;
- b. the public utility is not required to provide the continuation or restoration described in R746-200-7(D)(1)(a) more than two (2) 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:
 - A. followed R746-200-5 on offering a deferred payment agreement; or
 - B. if R746-200-5 does not apply, allowed the Customer one (1) 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 (10) calendar days before a proposed termination of residential utility service, or at least 30 calendar days before a proposed termination if the residential utility service customer has provided to the public utility a life-supporting equipment statement, a public utility shall give written notice of disconnection for nonpayment to the account holder. The 10-day or 30-day time period is computed from the date the notice is postmarked or the date it is electronically sent to customers eligible for electronic delivery. The notice shall be given by first class mail or delivery to the premises unless the Customer has voluntarily enrolled in a paperless electronic billing program in which case the notice may be sent by electronic mail. The notice shall contain a summary of the following information:
 - a. a Statement of Customer Rights and Responsibilities under existing state law and Commission rules;
 - b. the Commission-approved policy on termination of service for that utility;
 - 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, website, 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. subject to the provision of Subsection R746-200-1(E), Customer Information, a conspicuous statement, in Spanish, that the notice is a termination of service notice, and that the utility 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 forty-eight (48) hours before termination of service is scheduled, the utility shall 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 utility or by the Customer in response to a mailed notice, the utility shall 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 utility 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 (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 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 (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 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 (ten) 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 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 twenty-four (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.

REGULATION G

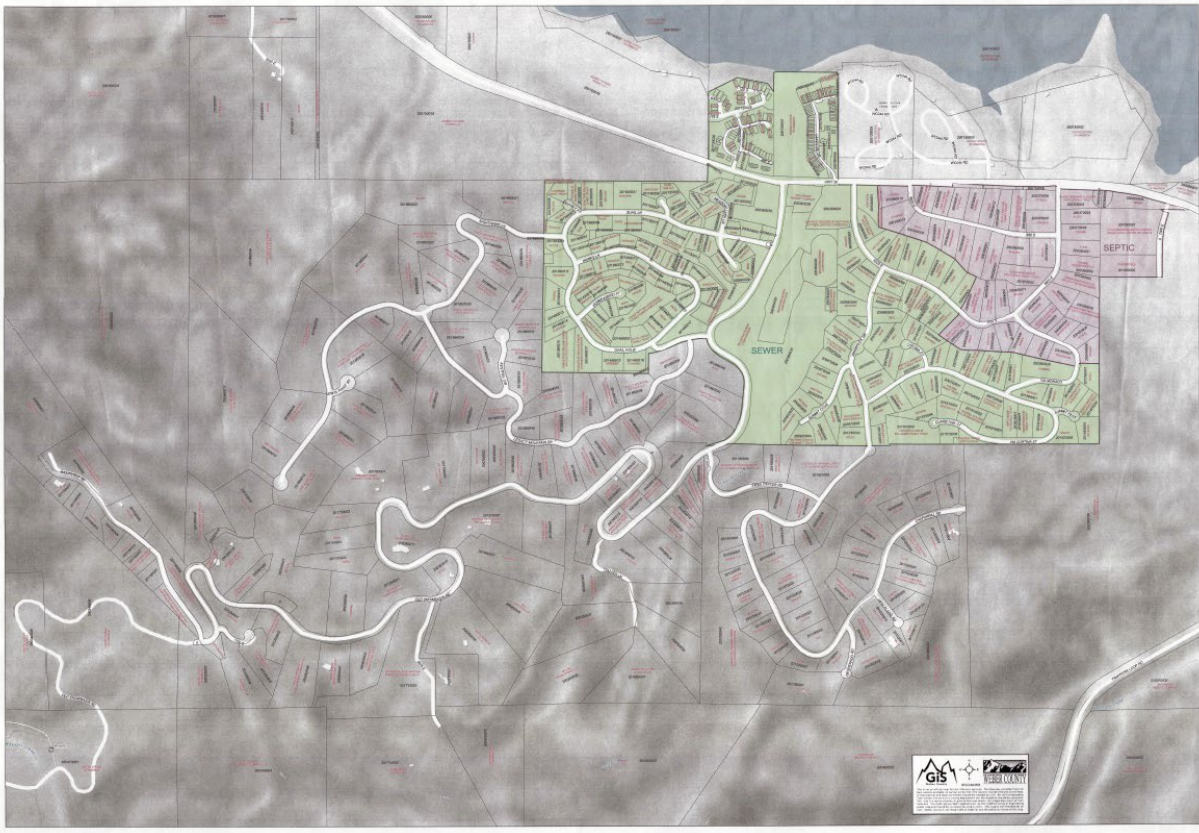
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INFORMAL REVIEW, MEDIATION, AND FORMAL REVIEW

- 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. **Division Access to Information During Informal Review or Mediation --** The utility and the complainant shall provide documents, data, or other information requested by the Division, to evaluate the complaint within five (5) business days of the Division's request, if reasonably possible or as expeditiously as possible if they cannot be provided within five (5) business days.
- G4. **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.

SERVICE AREA MAP



Effective date: October 1, 2023

Docket No. 22-097-01