LEGACY SWEETWATER, INC.

RATES AND FEES SCHEDULE
AND
RULES AND REGULATIONS

TARIFF NO. 2

Effective date: Month Day, Year Docket No. 25-2280-03

INDEX

WATER RATES, FEES, AND OTHER CHARGES

The following schedule of Water Rates, Fees, and Other Charges applies to each "Customer." For company purposes, a "Customer" refers to a lot owner within the company's service area who has applied for and been approved to receive company water service for culinary use at a single-family dwelling.

REVISED Monthly Water Rates	
	Monthly Charges
REVISED Base Rate	**$251.00 per month**
Usage per 1,000 gallons per month:	
Tier 1 (1 to 5,000 gals)	$2.00
Tier 2 (5,001 to 10,000 gals)	$4.00
Tier 3 (10,001 to 15,000 gals)	$8.00
Tier 4 (15,001 to 20,000 gals)	$16.00
Tier 5 (> 20,001 gals)	$32.00
REVISED Standby Fees *	**$75.50 per month**
Fees and Other Charges	
	Charges per each Occurrence
First time service connection hook-up fee	$3,900
Disconnect fees *(Includes Voluntary and Involuntary)*	$120
Re-connect fees	$120
Ownership change fee	$50
Shut off notice fee	$150
Late fee on bills 30 or more days past due	$50 plus interest, (see below)
Interest rate on bills past due by 30 days or more	18% per annum (1.5% per month)
Returned check fees	$50
Filing and releasing liens, per occurrence	$150 each
Unwarranted service call	$50
Charge for service call to repair Customer-owned Infrastructure	Actual cost of repair
Theft of service charge	$1,000

* This applies to a lot where the water service is available but not connected to the Company water system. Once connected, a Customer must pay the monthly Base Rate amount, regardless of seasonal usage, and involuntary or voluntary disconnection.

RULES AND REGULATIONS

1. **Acquiring Company Water Service.** Any lot Owner in the Company Service Area desiring to obtain water service from the Company shall submit a completed application to the Company in writing. The Company may issue a form for such purposes. As a condition of approval, the applicant shall: 1) agree to comply with all Company Rules and Regulations; and 2) submit payment of the First Time Service Connection Fee.

2. **First-Time Service Connection Fee.** The Connection Fee charge apply to all new connections. As a condition of receiving water service, a Customer shall pay the Connection Fee for all first-time water connections. The Connection Fee includes a lateral line to the meter, the meter, meter box, cover, and valved service line to the property line, all of which shall remain the sole and exclusive property of the Company.

3. **Connecting to the Company Water System.** Once the Company has approved an application for Company water service, the Customer shall make a written request, and the Company will oversee the installation of the items identified in paragraph 2 above. All engineering and water system design decisions related to the installation of such facilities shall be under the sole authority of the Company. Any excavation, construction, and installation between the Company's Water System and up to three (3) feet within the Customer's property line shall exclusively be made by the Company or its formal delegate. All materials and installation specifications used to convey Company water shall comply with the Utah Department of Environmental Quality standards and specifications. The Company shall own all infrastructure up to the Customer's property line.

4. **Unauthorized Connections to the Company Water System.** No person shall tap any water main or distribution pipe of the Company or insert therein any corporation cock, stop cock, or any other fixture or appliance or alter or disturb any service pipe, corporation stop, curb stop, gate valve, hydrant, or any other attachment to the Company's Water System. No person shall install any water service pipe or connect or disconnect any such service pipe with or from the mains or distribution pipes of the Company's Water System, nor with or from any other service pipe now or hereafter connected with said system, nor make any repairs, additions to, or alterations of any such service pipe, tap, stop cock, or any other fixture or attachments connected with any such service pipe, without first obtaining a permit from the Company.

5. **Receiving Water Service.** Before a Customer receives water service, the Company must inspect and approve the use of the Customer's Service Line as adequate to convey Company water. The Customer must pay the Turn-On Service Fee for the Existing Connection to begin water service.

6. **Water Use Restrictions/Theft of Services.** The owner or occupant of any building or premises entitled to the use of water from the Company shall not supply water to any other facility or premises without the Company's written permission. The owner or occupant may not use any water from the Company that is not metered.

7. **Customer Service Line.** The Customer is responsible for installing a Customer Service Line extending from the Company-owned lateral distribution line ending at the Customer's property line to the building seeking water service on the Customer's lot. All costs for Customer Service Line materials and installation shall be provided and paid for by the Customer, except that the meter, meter box, and meter cover shall, in all instances, be installed and owned by the Company. The Customer owns the Customer Service Line and is responsible for any required maintenance, repair or replacement of the Customer Service Line. The Customer shall provide a shut-off valve on each Customer Service Line , which shall be located in a location accessible to the Company. The shut-off valve(s) shall be separate from the water meter box. Each Customer Service Line installation shall be inspected and approved by the Company before the Customer Service Line trench is backfilled.

8. **Backflow Prevention.** A Customer who has obtained a permit to connect to the Company Water System or to perform work on an existing connection to the Company Water System shall provide, at their sole expense, any and all backflow prevention/protection device(s) deemed necessary by the Company and to comply with the regulations and rules of the Utah Department of Environmental Quality to protect the water quality of the water system from a potential backflow incidence. The Customer is responsible for maintenance, repair, and any required proof of certification or inspection costs. Evidence of inspection certifications must be submitted to the Company upon its request. The Company will order the inspection and bill the Customer for the service if the Customer fails to perform the required testing or submit the testing certification promptly or within one (1) month after the Company's request.

9. **Meters.**
   a. **Metering of Service**: All water the Company delivers to its Customers shall be metered through water meters. Meters may be checked, inspected, or adjusted at the discretion of the Company, and shall not be opened or adjusted except by authorized representatives of the Company. Only authorized representatives of the Company shall open meter boxes to turn the water service on or off, except in case of emergency or when the Company gives special permission.

   b. **Meter Adjustments**: If a meter fails to register at any time, the water delivered during such a period shall be billed at the rate for the average water usage of the preceding three months. In the event a meter is found to be recording at less than 97 percent (97%) or more than 103 percent (103%) of actual, the Company may make such adjustments to the Customer's previous bill as are just and fair under the circumstances.

c. **Tampering with Meters**: No Customer or person shall tamper with or remove the meter or interfere with the reading thereof.

d. **Reading of Meters**: If the meters are inaccessible to read, for example, during winter months, Customers shall be billed at the minimum usage amount. The actual winter usage, should it exceed the minimum usage amount during the winter months, will be billed in total on the first billing, which corresponds to the first meter reading taken in the calendar year.

10. **Emergency Regulation of Water Use.** Whenever the Company determines that the amount of water available to distribute to its Customers has diminished to such a volume that, unless restricted, the public health, safety, and general welfare is likely to be endangered, the Company may adopt rules and regulations to conserve the water supply during such an emergency. Such rules and regulations may include, but shall not be limited to, the restriction to certain hours (or total prohibition) of water use for outdoor watering.

11. **Service Turn-on and Turn-off.** Only authorized representatives of the Company shall turn the water service on or off, except in case of an emergency or when the Company grants special permission. The Company may turn off service when requested by the Customer, if the Customer fails to pay the required service fees or otherwise abide by these regulations as permitted by Utah Administrative Code R746-200-7, Termination of Service. If the Company turns off service to a Customer, the Customer must pay all delinquent balances owed, late charges, and reconnection fees as shown in the rate schedule before the Company turns on service.

12. **Disruption Liability.** The Company shall use reasonable diligence to provide continuous water service to its Customers. It shall make a reasonable effort to furnish all Customers with a clean, pure supply of water that meets applicable State and Federal water guidelines for culinary needs. The Company shall not be held liable for damages to any Customer or water user by reason of any stoppage or interruption of water service caused by a scarcity of water, accidents to works, water main alterations, additions or repairs, acts of God, acts of third persons, governmental interference or directive, or other unavoidable causes beyond the Company's control.

13. **Damage to Facilities.** Costs of any damage resulting from the negligence and/or failure of the owner, agent, or tenant to adequately protect the Customer Service Line or Company facilities installed upon or adjacent to premises supplied with water, including but not limited to vandalism, fire, freezing, or construction work, shall be assessed against such Customer, owner, applicant, agent, or tenant. No Customer or person shall tamper with or remove the Customer Service Line or infrastructure or interfere with it.

14. **Discontinuance of Service.** Any Customer wishing to discontinue service shall notify the Company in writing at least three (3) business days in advance so that the connection can be prepared for a final billing. Such a final bill shall be due and payable upon receipt.

15. **Billing and Payments.** The Company shall use a billing cycle, weather permitting, with an interval between regular periodic billing statements of not greater than two (2) months. Bills covering the charges shall be due within thirty (30) days after being issued. If any Customer neglects or refuses to pay a water service bill or any other obligation due to the Company within thirty (30) days of the date of issuance, such service account shall be considered delinquent. Termination of a delinquent account requires the Company to follow Utah Administrative Code R746-200-7, Termination of Service. If applicable, the established tariff charge for disconnect/re-connect and 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.

16. **Capital Reserve Accounting Requirements.** The minimum Capital Reserve Account funding, is equal to the annual depreciation expense and yearly amortization of the contribution in aid of construction of the Company's Water System assets and equipment, shall be established, subject to the following:

   a. Any excess fees collected from usage and/or overage rates, after deducting for any variable expenses, shall also be deposited into the Capital Reserve Account.

   b. The balance in the Capital Reserve Account shall be clearly identifiable in the Company's financial statements.

   c. Withdrawals from the Capital Reserve Account shall be made primarily for capital replacements and improvements.

      i. Should the Company have financial obligations from expenses that are a necessary cost of doing business but do not necessarily qualify as a capital replacement or improvement, the Company can use funds from the Capital Reserve Account until it files for its next rate increase.

   d. Upon request by the Commission or the Utah Division of Public Utilities (Division), the Company shall also provide a detailed account of the Capital Reserve Account which may consist of monthly billing receipts and bank statements.

e. 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 Customers or install new services. Funds for the system's expansion should come from new developments, impact fees, connection fees, assessments, or other sources so that those benefiting from the improvement contribute the funds for its construction.

f. 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. Upon request by the Commission or the Division, the Company shall provide a reconciliation that clearly indicates the circumstances surrounding those instances when the Capital Reserve Account was not fully funded.

17. **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 Commission.

18. **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 essential water system improvements, maintenance, or repairs, subject to all the required approvals of such special assessments by the Commission.

19. **Credit Deposit.** The Company may, at its option, and in lieu of established credit, require a deposit from the Customer to assure payment of bills; such deposits shall be a minimum of 30 days or $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 savings rate of the Company's banking institution. Interest will be credited to the Customer's account.

20. **Facility Extension Policy.**

a. **Definition.** An extension is any continuation of, or branch from, the nearest available existing water distribution line of the Company, including any increase of capacity of an existing line, supply, or storage to meet the Customers' requirements.

b. **Expansion Costs paid for by New Customers.** The total cost of extensions, including engineering, labor, and materials, shall be paid by the New Customer or as agreed upon between the New Customer and the Company as decided by the Company at the Company's sole discretion for such extensions. If additional water rights, pumps, storage, wells, distribution lines, or other water plant infrastructure must be acquired because of the extension and the addition of new Customer(s), the Company should require the new Customer to pay these costs. Where more than one new Customer is involved in an extension, the costs shall be pro-rated based on the street frontage distances involved or upon such other basis as may be mutually agreed by the New Customers and the Company. Sufficient valves, pressure-reducing devices, fire hydrants, and any other infrastructure installation mandated by the Company and/or the Utah Department of Environmental Quality must be designed to be included and installed with every facility extension.

c. **C. The Company or Existing Customers shall not pay for Expansion Costs.** Funds for the system’s expansion should come from New Customers of the new development through impact fees, connection fees, assessments, or other sources so that those Customers benefiting from the improvement contribute the funds for its construction.

d. **Construction Standards.** The Company’s minimum construction standards shall be met, which shall also comply with the Utah State Division of Drinking Water standards. The Company shall designate pipe sizes. Distribution lines shall be installed only along dedicated streets or highways, or within utility easements unless otherwise approved in writing by the Company.

e. **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 regular operation and maintenance of the extension's supply, storage, and delivery infrastructure to the Company’s Water System.

f. **Temporary Service.** A permit shall be obtained from the Company before any temporary service connection can be made to any part of the Company’s Water 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 begins on the extension. All work shall comply with the Company’s Rules and Regulations and meet the minimum standards of the Utah Department of Environmental Quality.

STATEMENT OF UTILITY CUSTOMER RIGHTS AND RESPONSIBILITIES

The Public Service Commission of Utah (Commission) has established rules regarding the relationship between a utility Company and its Customers. 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.
- At the company's discretion, offer you at least one (1) 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 service disconnection procedures, including providing you with 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 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 if 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 essential Company personnel and equipment.

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

If you have a problem, call the Company first. If you cannot resolve the issue, you may obtain an informal review of the dispute by calling the Utah 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