

**TARIFF NO. 2**

**CULINARY WATER SERVICE**

**HIDDEN CREEK WATER COMPANY**

- **RATE AND FEE SCHEDULES**
- **RULES AND SERVICE REGULATIONS**
- **FACILITY EXTENSION POLICY**
- **SERVICE MAP**

Effective Date: June 1, 2010

# HIDDEN CREEK WATER COMPANY

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### Water Service Rate Schedule and Fees

Description	Rate
System Expense	\$53.00 per month (Comprised of \$28.50 for Capital Reserves and \$24.50 for Fixed Expenses)
First 12,000 gallons	\$32.00 per month
Monthly Usage from: 12,001 to 50,000 gallons.	\$2.75 per 1,000 gallons
Monthly Usage from: 50,001 to 94,000 gallons.	\$3.75 per 1,000 gallons
Monthly Usage in excess of: 94,001 gallons.	\$7.00 per 1,000 gallons
Water Service Turn-on & Turn-off charges	\$100
Late Fees: (To be assessed each billing period if there is a prior balance owing on a Customer's account.)	\$15
First Time Service Connection Fee: up to 2" service connection. (One time charge for hot tap & install of meter & setter in can with lid.)	\$3,350
First Time Service Connection Fee: up to 2" service connection. (One time charge to set yoke & meter in can.)	\$2,850
Inspection Fee	\$100
Credit Deposit Amount	6 months estimated bill or \$510 whichever is less
Interest rate on Credit Deposit	The deposit shall earn interest at the then established bank savings rate of the Company's banking institution.

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### Rules

1. **Connections:** No unauthorized person will tap any water main or distribution pipe of the Company or insert therein any corporation cock, stop cock, or any other fixture or appliance; or alter or disturb any service pipe, corporation stop, curb stop, gate valve, hydrant, water meter or any other part of the waterworks system or attachment thereto. No person/persons will, without first obtaining a permit from the Company, connect or disconnect any service pipe to or from the mains or distribution pipes of said waterworks system nor to or from any other service pipe now or hereafter connected with said system; nor make any repairs to, additions to, or alterations of any such service pipe, tap, stop cock, or any other fixture or attachment connected with any such service pipe. All materials used and the installation thereof in the conveyance of Company water shall comply with the Utah Department of Environmental Quality standards and specifications.
  
2. **Application for Permit:** A permit shall be obtained from the Company before any service connection can be made to any part of the waterworks system or before any work can be performed upon old or new connections. Such permit shall be issued only upon written application of forms obtainable from the Company and shall be accompanied with detailed drawings showing:
  - a. the location of the proposed connection to the water main and/or distribution pipes;
  - b. size of pipes, pipe materials;
  - c. location of fire hydrant, if applicant elects or is required to install a fire hydrant.;
  - d. location of water connection to residence;
  - e. location of shut off valves;
  - f. irrigation plan;
  - g. all other water features applicant may install between water meter and residence.
  
3. **Metering of Service:** All water delivered by the Company to its Customers shall be metered through water meters. Meters may be checked, inspected, or adjusted at the discretion of the Company, and shall not be opened or adjusted except by authorized representatives of the Company. Only an authorized representative of the Company shall open meter boxes to turn on or off water except in case of emergency or when special permission is given by the Company.
  
4. **Meter Adjustments:** If the meter fails to register at any time, the water delivered during such a period shall be billed at the minimum rate. In the event a meter is recording at less than 95 percent or more than 105 percent of actual, the Company may make such adjustments in the Customer's previous bill as are just and fair under the circumstances.

# HIDDEN CREEK WATER COMPANY

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### Rules (continued)

5. **Service Connections:** Any party desiring to obtain a service connection from the Company shall make application in writing. All service connections shall occur at the direction of the Company. All materials furnished/installed by the Company shall remain the property thereof. Excavation and installation shall be made from the main line connection to three feet beyond the meter on the applicant's side of the meter.
6. **Service Line:** A service line is defined as all water system features and/or materials installed on the side of the meter which is closest to applicant's residence (and furthest away from the Company's main line). All service line materials and installation shall be provided by the applicant at their sole expense. The applicant shall provide a shut-off valve on the water service line in an accessible location separate from the water meter box and as reasonably close to the water meter box as is possible. Installation shall be inspected and approved in writing by the Company before the service line trench is backfilled.
7. **Water Use Restriction:** The applicant or occupant of any building or premises entitled to the use of water from the Company shall not supply water to any other building or premises without written permission of the Company. The applicant or occupant may not use nor is entitled to use any water from the Company that is not metered. The only exception to use unmetered Company water is when an applicant or occupant uses Company water from fire hydrant(s) to prevent, control or stop a fire after which the applicant or occupant will immediately contact the Company and disclose such usage.
8. **Service Turn-on and Turn-off:** Only authorized representatives of the Company shall turn on or off water at the meter box except in case of emergency or when special permission is granted by the Company. Service may be turned off by the Company when so requested by the applicant. When service is turned off by the Company when the applicant fails to timely pay the applicable water fees/charges or when the applicant fails to abide by these Rules and Regulations the Company will follow the procedures required in Public Service Commission Rule "R746 200 7 Termination of Service," and as outlined in this Tariff in Service Regulation No. 5. Whenever the water is turned off at any premises, it shall be turned on again only upon payment in full of the applicable charge shown in the Rate Schedule and/or when the applicant complies with the Rules and Regulations.
9. **Disruption Liability:** The Company shall use reasonable diligence to provide continuous water service to its Customers, and shall make a reasonable effort to furnish them with a clean, pure supply of water that meets applicable State and Federal water

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### Rules (continued)

guidelines. The Company, its directors, officers, employees, or hired independent contractors, shall not be held liable for damages to any Customer by reason of any stoppage or interruption of water supply caused by scarcity of water and/or accidents to water system and/or water main alteration, additions or repairs and/or acts of God and/or other unforeseeable or unavoidable causes.

10. **Damage to Facilities:** Costs of any damage resulting from the negligence and/or failure of customer, owner, applicant, agent or tenant to properly protect the water meter or service line related to a service connection, or other facilities of the Company installed upon the 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 person/ persons, applicant or customer shall tamper with or remove the meter, or interfere with the reading thereof.
11. **Reading of Meters:** All meters shall be read monthly by the Company from April 1st through October 1st, weather permitting. Winter months shall be billed at the minimum usage amount. The actual winter usage, should it exceed the minimum usage amount during the winter months, shall be billed in total on the first billing which shows the first meter reading taken in the calendar year.

As an assurance to the water Customers that they will not be billed at tier 3 rates as a result of a leak that was not readily or visually noticeable (i.e. flooded basement or water on lawn) by the Customer, during the time period that the meters are not read monthly, the maximum monthly billing adjusted after the first spring reading cannot exceed that of the maximum usage allowed through tier 2, unless it can be established that the Customer actually used an excessive amount of water (i.e. there was no leak or there was a leak that was readily or visually noticeable by the Customer during the non-meter read period of time). If the Company suspects (due to a Customer's atypical water consumption) and/or detects a leak related to the Customer's service line, it shall notify the Customer within 5 calendar days. Once notified by the Company of a suspected and/or detected leak, the Customer shall have 15 calendar days from the time of notice sent by the Company to repair the leak. Failure by the Customer to repair a leak within 15 calendar days from the time of notice by the Company or when readily or visually noticeable by the Customer shall result in full billings based on the water flowing through the Customer's meter. The language applies only during the time periods that the meters are not read monthly.

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### Rules (continued)

12. **Billing and Payments:** Bills covering charges shall be due on the first of the month after the date the current bill was prepared. The Company shall charge a late fee at the amount per the Rates and Fees Schedule for each billing period where there exists a prior balance owing on a Customer's account.

If a bill becomes delinquent, the Company, after following the procedures required in Public Service Commission Rule "R746-200-7 Termination of Service," and as outlined in this Tariff in Service Regulation No. 5, shall have the right to go upon the premises and do such work as may be necessary to disconnect the water service. Before service is restored to the Customer whose bill has become delinquent, 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, per the Rate and Fee Schedule, for reconnection shall be paid.

13. **Capital Reserve Accounting Requirements:**

- a. Capital reserve amounts generated from rates shall be deposited into a restricted account, such as a separate escrow account, within 30 days from receipt of payments.
- b. Withdrawals shall be made from the Capital Reserve Account for capital replacements and improvements only.
- c. In accordance with Utah Administrative Rule R746-401-3A, expenditures in excess of five percent of total Utility Plant in Service, shall require the Water 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. Hidden Creek shall provide an 'annual accounting' of the Capital Reserve Account (in summary format) with its Annual Report and at any such other time as the Commission requests. The 'annual accounting' shall show, at a minimum, the beginning balance, annual deposits, annual withdrawals, and the ending balance. Included with the Annual Report, the Water Company shall also provide a separate detailed 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 a, b and c above. Such detailed accounting, including copies of bank statements and possible other sensitive information shall be marked as "confidential."

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### Rules (continued)

- e. The balance in the 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: the distribution pipe mainlines, storage reservoirs, wells and surface water intakes, etc. Expenditures that qualify as capital expenditures are those which extend the life of an asset and/or enhance its original value with better quality materials or system upgrades.
  - ii. Capital improvements do not include such minor expenses 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 such 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 replacement funds received from existing Customers for system expansion, that is, to extend main lines to serve new areas or Customers or to install new services. Funds for the expansion of the system should come from new development, connection fees, assessments or other sources so that those benefitting from the improvement contribute the funds for its construction.
- g. Allocation of Partial Payments to Capital Reserve Account -- In the event any payment from a Customer is a partial payment of any given billed invoice by Hidden Creek Water Company, that payment shall be used first to cover the fixed and variable expenses, with the remainder of such partial payment to apply towards the Capital Reserve Account. 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. Billing for the Capital Reserve Account -- The Company shall list the Customer's charge for payment to the Capital Reserve Account as a separate line item in each billing statement.

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### Rules (continued)

14. **Discontinuance of Service:** Any Customer wishing to discontinue service shall advise the Company at least three days in advance of the day on which he/she wants service disconnected to his/her residence. See also, Service Regulation No. 5 for additional requirements. Such final bill shall be due and payable upon receipt.
15. **Regulated Usage:** Whenever the Company shall determine that the amount of water available to its distribution system has diminished to such a volume that, unless restricted, the public health, safety and general welfare is likely to be endangered, it may prescribe rules and regulations to conserve the water supply during such emergency. Such rules and regulations may include, but shall not be limited to, the restriction to certain hours (or total prohibition) of the use of water for outdoor watering.
16. **Changes and Amendments:** The right is reserved to amend or add to these Rules and Regulations as experience may show it to be necessary and as such amendments or additions are approved by the Public Service Commission of Utah.
17. **Special Assessments:** A Special Assessment may be assessed for unexpected and costly expenses to the water system which cannot be foreseen, covered by monies generated by billing nor reasonably incorporated into the rates. The Company may request from the Utah Public Service Commission a Special Assessment. After public notice and a hearing are held the Public Service Commission will issue an Order, and any amounts approved by the Commission will be due and payable by all water system Customers according to the terms and conditions of the Special Assessment's Report and Order.
18. **Backflow Prevention:** All applicants requesting connection to or Customers connected to the water system shall provide, at their sole expense, any and all back-flow prevention/protection device(s) deemed necessary by the Company and to comply with the regulations and rules of the Utah Department of Environmental Quality to protect the water quality of the water system from potential back-flow incidence. All Customers, at their sole expense, shall submit annually to the Company (in the springtime and before the Customer's use of outside irrigation water) the required proof of certification of inspection of the Customer's back-flow prevention device(s).

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### Rules (continued)

19. **Informal Review, Mediation and Formal Review:**

- a. Informal Review -- A person who is unable to resolve a dispute with the utility 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.
- b. Mediation -- If the utility 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.
- c. 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.

# HIDDEN CREEK WATER COMPANY

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### Service Regulations

#### **Regulation I**

##### **Deposits and Guarantees**

A security deposit is required of all Customers to assure payment of bills, but may be waived if the Customer can provide one of the following:

1. 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.
2. Another option is to provide us with a current credit report including public records. The current credit report can have no associated foreclosures, bankruptcies, liens, judgments, and no accounts listed as having been more than 60 days past due.

When a security deposit is required, the Customer shall have the right to pay the deposit in 3 equal monthly installments if the first installment is paid when the deposit is required.

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.

Deposits shall earn interest at the then established bank saving rate of the Company's banking institution. The company shall provide to the Customer a bank statement summarizing the interest earned on the customer's deposit account. 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.

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## TARIFF NO. 2

### Service Regulations (continued)

#### **Regulation No. II**

##### **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 the Company. Service may be denied when unsafe conditions exist, when the applicant has furnished false information to get utility service, or when the Applicant/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 applicants present address or another address.

The Company will provide a copy of the "Customer's Statement of Rights and Responsibilities" when utility service is extended to an account holder, annually and upon first notice of an impending service disconnection.

##### **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 utility, the utility 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 he has knowledge of the account responsibility.

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## TARIFF NO. 2

### Service Regulations (continued)

#### **Regulation No. III**

##### **BILLING**

###### **Billing Cycle**

The Company shall use a billing cycle that has an interval between regular periodic billing statements of not greater than two months.

If a meter reader cannot gain access to a meter to make an actual reading, the Company shall take appropriate additional measures in an effort to get an actual meter reading. These measures shall include, but are not limited to, scheduling of a meter reading at other than normal business hours, making an appointment for meter reading, or providing a prepaid postal card with a notice of instruction upon which an account holder may record a meter reading. If after two regular route visits, access has not been achieved; the Company will notify the Customer that arrangements need to be made to have the meter read as a condition of continuing service.

###### **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:

1. the outstanding balance in the account at the beginning of the current billing cycle using a term such as "previous balance";
2. the amount of charges debited to the account during the current billing cycle using a term such as "current service";
3. the amount of payments made to the account during the current billing cycle using a term such as "payments";
4. the amount of credits other than payments to the account during the current billing cycle using a term such as "credits";
5. the amount of late payment charges debited to the account during the current billing cycle using a term such as "late charge";

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### Service Regulations (continued)

6. 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";
7. a listing of the statement due date by which payment of the new balance must be made to avoid assessment of a late charge;
8. 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;
9. the following notice: "If you have any questions about this bill, please call the Company."

#### **Late Charge**

The Company shall charge a late fee at the amount consistent with the established tariff for each billing period where there exists a prior balance owing on a Customer's account by following the procedures required in Public Service Commission Rule "R746-200-7 Termination of Service," and as outlined in Service Regulation 5 below.

#### **Statement Due Date**

Bills covering charges shall be due on the first of the month after the date the current bill was prepared. An account holder shall have not less than 20 days from the date the current bill was prepared to pay the new balance, which date shall be the statement due date.

#### **Disputed Bill**

In disputing a periodic billing statement, an account holder 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.

#### **Unpaid Bills**

When transferring unpaid bills from inactive or past accounts to active or current accounts the following limitations shall apply:

1. The Company may only transfer bills between similar classes of service, such as residential to residential, not commercial to residential.

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## TARIFF NO. 2

### Service Regulations (continued)

2. Unpaid amounts for billing cycles older than four years before the time of transfer cannot be transferred to an active or current account.
3. 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.

# HIDDEN CREEK WATER COMPANY

## TARIFF NO. 2

### Service Regulations (continued)

#### **Regulation No. IV**

##### **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, 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.

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.

##### **Payment Options**

1. If the Company has a budget billing or equal payment plan available they shall offer the account holder the option of:
  - a. agreeing to pay monthly bills for future residential utility service as they become due, plus the monthly deferred payment installment, or
  - b. agreeing to pay a budget billing or equal payment plan amount set by the Company for future residential utility service plus the monthly deferred payment installment.
  
2. If the Company does not have budget billing or equal payment plans available:
  - a. When negotiating a deferred payment agreement, the account holder shall agree to pay the monthly bills for future residential utility service plus the

# HIDDEN CREEK WATER COMPANY

## TARIFF NO. 2

### Service Regulations (continued)

monthly deferred payment installment necessary to liquidate the delinquent bill.

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. If a finance charge is assessed, the deferred payment agreement shall contain notice of the charge.

#### **Breach**

If an applicant or account holder 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 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 Company's discretion.

# HIDDEN CREEK WATER COMPANY

## TARIFF NO. 2

### Service Regulations (continued)

#### **Regulation No. V**

##### **Termination of Service**

A delinquent account is a residential utility service bill which has remained unpaid beyond the statement due date.

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:

1. A statement that the account is a delinquent account and should be paid promptly;
2. A statement that the account holder should call the Company if he/she has a question concerning the account;
3. A statement of the delinquent account balance, using a term such as "delinquent account balance."

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 utility service if the account holder pays the undisputed portion of the account.

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.

##### **Reasons for Termination of Service**

Residential utility service may be terminated for the following reasons:

1. Nonpayment of a delinquent account;
2. Nonpayment of a deposit when required;
3. Failure to comply with the terms of a deferred payment agreement or Commission order;
4. Unauthorized use of, or diversion of, residential utility service or tampering with wires, pipes, meters, or other equipment;
5. Subterfuge or deliberately furnishing false information; or

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## TARIFF NO. 2

### Service Regulations (continued)

6. Failure to provide access to meter during the regular route visit to the premises following proper notification and opportunity to make arrangements.

#### **The following shall be insufficient grounds for termination of service.**

1. 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;
2. 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 utility's service, whether the service was received at the current account holder's present address or another address;
3. When the delinquent account balance is less than \$25.00, unless no payment has been made for two months;
4. Failure to pay an amount in bona fide dispute before the Commission;
5. Payment delinquency for third party services billed by the regulated utility company, unless prior approval is obtained from the Commission.

#### **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.

# HIDDEN CREEK WATER COMPANY

## TARIFF NO. 2

### Service Regulations (continued)

#### **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 utility's service, without specific prior approval by the Commission. Account holders eligible for this protection can get 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 utility's service. Thereupon, the Company shall mark and identify applicable meter.

#### **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, therefore.

#### **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:

1. Statement of Customer Rights and Responsibilities under existing state law and Commission rules;
2. The Commission-approved policy on termination of service for the Company;
3. the availability of deferred payment agreements and sources of possible financial assistance, including but not limited to state and federal energy assistance programs;
4. informal and formal procedures to dispute bills and to appeal adverse decisions, including the Commission's address and telephone number;
5. specific steps, printed in a conspicuous fashion that may be taken by the consumer to avoid termination of service;

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### Service Regulations (continued)

6. the date on which payment arrangements must be made to avoid termination of service; and
7. 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.

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.

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 account holders of the third-party notification procedure at the time of application for service and at least once each year.

In rental property situations where the tenant is not the account holder, and that fact is known to the Company, the Company will post a notice of proposed termination of service on the premises in a conspicuous place and will make reasonable efforts to give actual notice to the occupants by personal visits or other appropriate means at least five calendar days before the proposed termination of service. The posted notice will contain the information specified above. This notice provision applies to residential premises when the account holder has requested termination of service or the account holder has a delinquent bill. If 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.

# HIDDEN CREEK WATER COMPANY

## TARIFF NO. 2

### Service Regulations (continued)

#### **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.

#### **Customer-Requested Termination of Service**

The Customer shall advise the Company at least three 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 working days of the requested disconnect date. The Customer will not be liable for the services rendered to or at the address or location after the four days, unless access to the meter has been delayed by the Customer.

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 days of the requested disconnection date.

#### **Restrictions Upon Termination of Service Practices**

The Company will not use termination of service practices other than those set forth in these regulations. A utility shall have the right to use or pursue legal methods to ensure collections of obligations due it.

#### **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.

# HIDDEN CREEK WATER COMPANY

## TARIFF NO. 2

Service Regulations (continued)

### **Regulation No. VI**

#### **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. (see next page)

# HIDDEN CREEK WATER COMPANY

## TARIFF NO. 2

### Service Regulations: Rights

#### **Hidden Creek Water 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 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.

#### **You, the Customer will:**

Use services safely and pay for them promptly.

Contact **Hidden Creek Water Company** when you have a problem with payment, service, safety, billing, or customer service.

Notify **Hidden Creek Water Company** about billing or other errors.

Contact **Hidden Creek Water Company** when you anticipate a payment problem to attempt to develop a payment plan.

Notify **Hidden Creek Water Company** when you are moving to another residence.

Notify **Hidden Creek Water Company** about stopping service in your name or about stopping service altogether.

Permit access for meter readers and other essential **Hidden Creek Water Company** personnel and equipment.

To contact **Hidden Creek Water Company**:

- call **(801) 491-8477** or e-mail **TracyTanMac@aol.com**, Monday thru Friday between 9 a.m. and 4 p.m.
- For EMERGENCIES related to water system operation (lack of water service, low water pressure, etc.) call (801) 491-7371.

If you have a problem call **Hidden Creek Water 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 **1(800) 874-0904** Toll Free Statewide

# HIDDEN CREEK WATER COMPANY

## TARIFF NO. 2

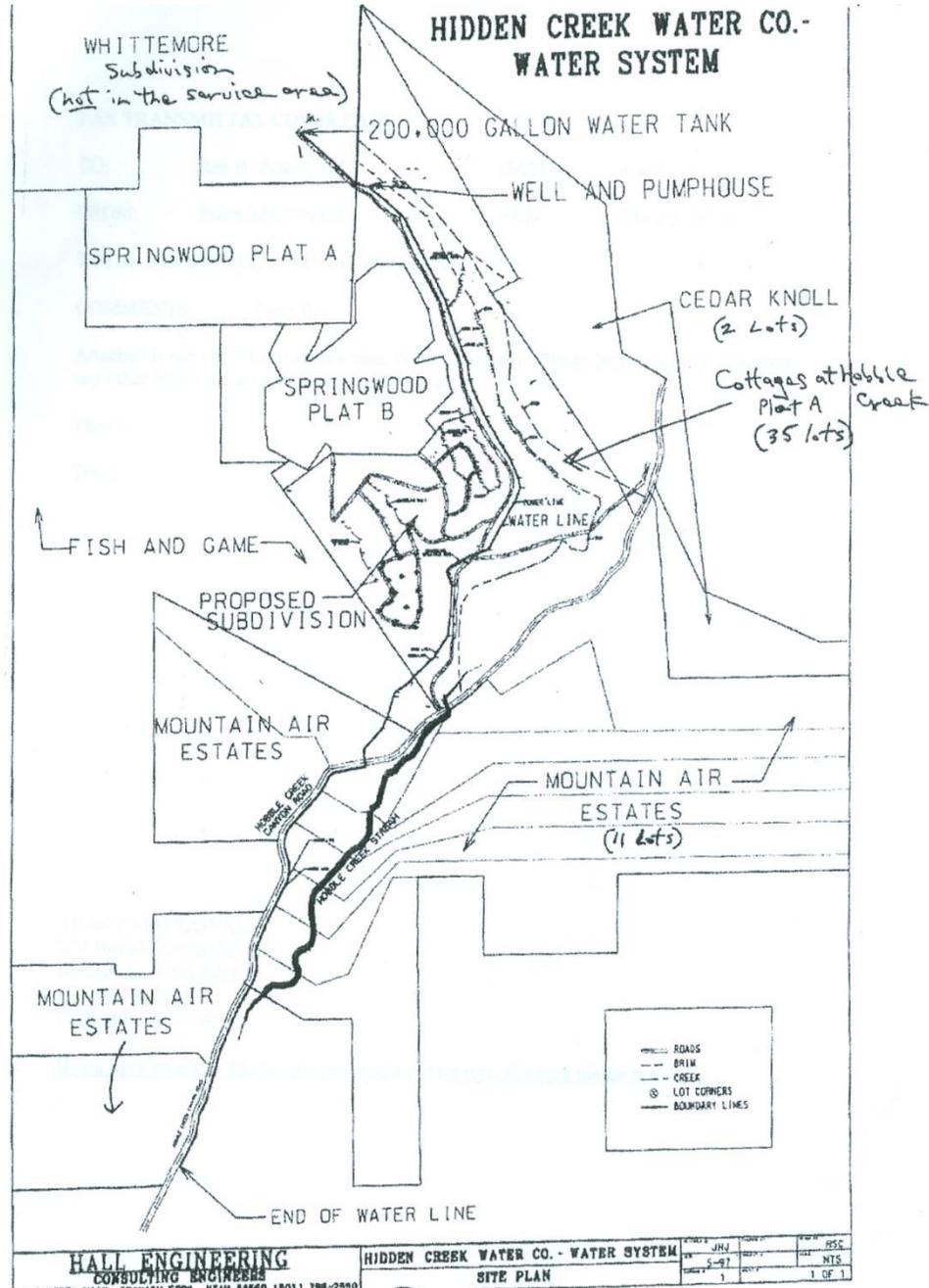
### Facility Extension Policy

**Definition:** An extension is any continuation of, or branch from the nearest available existing water distribution line owned by the Company, including any increase of capacity of an existing line and/or existing supply and/or existing storage to meet the applicant's requirements.

1. **Costs:** The total cost of extensions, including engineering, labor, and materials, shall be paid by the applicant or as agreed upon between the applicant and the Company as decided by the Company at the Company's sole discretion. Where more than one applicant is involved in an extension, the costs shall be pro-rated on the basis of the street frontage distances involved or upon such other basis as may be mutually agreed by the applicants. Sufficient valves, pressure reducing devices, fire hydrants and any other infrastructure installation mandated by the Company and/or the Utah Department of Environmental Quality must be designed to be included and installed with every installation.
2. **Construction Standards:** Minimum standards of the Company shall be met, which standards shall also comply with the standards of the Utah Department of Environmental Quality. Pipe sizes shall be designated by the Company. Pipeline shall be installed only along dedicated streets, highways or within utility easements.
3. **Ownership:** Completed extensions shall be deeded/transferred to the Company then owned, operated, and maintained by the Company. 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.
4. **Temporary Service:** A permit shall be obtained from the Company before any temporary service connection can be made to any part of the waterworks system or before any work can be performed upon old or new connections. The applicant will pay the total cost for the installation and removal of any service extension of a temporary nature. All work shall comply with the Company's rules and regulations and meet the minimum standards of the Utah Department of Environmental Quality.

# HIDDEN CREEK WATER COMPANY TARIFF NO. 2

## Service Map



Rates and wording changes approved and confirmed the 3rd day of August, 2010 pursuant to the Report and Order of the Public Service Commission of Utah, Docket No. 09-2440-01. Final Tariff approved on Oct. 14, 2010, with an effective date of June 1, 2010.