GREATER HAZLETON COMMUUNITY AREA NEW DEVELOPMENT ORGANIZATION, INC.

RATES, RULES AND REGULATIONS

GOVERNING THE COLLECTION OF WASTEWATER

IN HUMBOLDT INDUSTRIAL PARK

IN HAZLE TOWNSHIP

LUZERNE COUNTY, PENNSYLVANIA

AND IN

CAN DO CORPORATE CENTER

BUTLER TOWNSHIP

LUZERNE COUNTY, PENNSYLVANIA

Issued: December 15, 2011

Effective: December 16, 2011 Issued in compliance with Commission Order at Public Meeting held December 15, 2011. Docket No. R-2011-2238809

By: Kevin O'Donnell, President

CAN DO, INC. Hazleton, PA 18201

Supplement No. 21 to Tariff Sewer – PA P.U.C. No. 3 Ninth Revised Page No. 2 Cancelling Eighth Revised Page No. 2

LIST OF CHANGES MADE BY THIS TARIFF

Supplement No. 21 is issued in compliance with Commission Order at Docket No. R-2011-2238809 at Public Meeting held on December 15, 2011

Issued: December 15, 2011 Effective: December 16, 2011

Supplement No. 21 to Tariff Sewer – PA P.U.C. No. 3 Ninth Revised Page No. 3 Cancelling Eighth Revised Page No. 3

TABLE OF CONTENTS

<u>ITEM</u> <u>PAGE NO.</u>		PAGE NO.	
Title	Title Page Supplement		
List	of Changes made by this Tariff	Ninth Revised Page 2	
Table	e of Contents	Ninth Revised Page 3	
Sewe	er Rates	Sixth Revised Page 4	ļ
Rule	s and Regulations		
Index	x of Rules		
1.	Definitions	Original Page 5	
2.	The Sewer Tariff	Original Page 6	
3.	Application for Service	Original Page 6	
4.	Service Connections Service Connections, Continues	Original Page 7 Third Revised Page 8	
5.	Meters	Third Revised Page 9	
6.	Bills Due and Payable	Original Page 10	
7.	Prohibited Wastes Prohibited Wastes, Continued	Second Revised Page 11 First Revised Page 11A	
8.	Pretreatment	First Revised Page 12	
9.	General	Original Page 13	
10.	Customer Deposits	Original Page 14	
11.	Amendments	Original Page 14	
12.	Compliance with Regulations	Original Page 14	
13.	Line Extensions	First Revised Pages 15-18	

Issued: December 15, 2011 Effective: December 16, 2011

Supplement No. 21 to Tariff Sewer – PA P.U.C. No. 3 Sixth Revised Page No. 4 Cancelling Fifth Revised Page No. 4

SCHEDULE OF RATES

HUMBOLDT INDUSTRIAL PARK

For service furnished to commercial and industrial establishments.

MINIMUM CHARGES (Billed monthly)		
First 3,333 gallons per month	(I)	\$235.00
ADDITIONAL QUANTITY CHARGES (Billed monthly)		
For each additional 1,000 gallons, or fraction thereof, of measured sewage	(I)	\$10.86
CAN DO CORPORATE CENTER DIVISION		
For service furnished to commercial establishments.		
MINIMUM CHARGES (Billed Monthly)		
First 3,333 gallons per month	(I)	\$216.00
ADDITIONAL QUANTITY CHARGES (Billed Monthly)		
The next 71,667 gallons or fraction thereof, of measured sewage per 1,000 gallons	(I)	\$16.00
All over 75,000 gallons or fraction thereof, of measure sewage per 1,000 gallons	(I)	\$10.78

In the event that a sewage meter is used and that the sewage meters become impaired to the extent that registration of use is not available, Company reserves the right to apply the Water Company's meter readings for the corresponding period to the above rate until sewage metering is again resumed.

(I) Indicates Increase

Issued: December 15, 2011 Effective: December 16, 2011

Tariff Sewer - PA P.U.C. No. 3 Original Page No. 5

RULES AND REGULATIONS

1. Definitions

Whenever used in the Rules and Regulations or elsewhere in the tariff of CAN DO, Inc. Sewer, the following terms shall have the meaning set forth herein:

- 1.1 The word "Company" as used herein, shall mean the CAN DO, Inc. Sewer, a Division of Greater Hazleton Community Area New Development Organization, acting through its properly authorized officers, agents or employees, each acting within the scope of particular duties entrusted to him.
- 1.2 "Customer" as used herein shall mean any industry or commercial establishment contracting for and/or receiving sewer service within the service areas served by the CAN DO, Inc. sewer system.
- 1.3 "Service Line" as used herein shall mean the line connecting the customer's facility to the sewer main in the street and shall include all associated accessories and manhole construction.

2. The Sewer Tariff

- 2.1 Filing and Availability
 - A copy of this Tariff, which is the rates, tules and regulations under which sewer service will be supplied by the Company, to its Customers in Pennsylvania, is on file with the Pennsylvania Public Utility Commission, and is available and open for inspection at the offices of the Company.
- 2.2 Revisions
 - This Tariff may be revised, amended, supplemented and otherwise changed from time to time in accordance with the Pennsylvania "Public Utility Code", and such changes, when effective, shall have the same force and effect as the present Tariff.
- 2.3 Applications of Tariff

 The Tariff provisions apply to any party or parties lawfully receiving sewer service from the Company under the rates set forth therein, and the receipt of sewer service shall constitute the receiver, a Customer of the Company as the term is used herein.
- 2.4 Rules and Regulations

 The Rules and Regulations, filed as a part of this Tariff, are a part of every contract or agreement for service, whether written, oral or implied, made by the Company, and govern all classes of service where applicable.
- 2.5 Statement of Agents
 No agent or employee of the Company has authority to make any promise, agreement or representation inconsistent with the provisions of this Tariff unless that statement, etc., is approved in writing by the P.U.C. and Company.

Issued: February 9, 1994

Effective:

October 1, 1994

Tariff Sewer – PA P.U.C. No. 3 Original Page No. 6

RULES AND REGULATIONS

(continued)

- 3. Application for Service
- 3.1 Any property owner desiring the introduction of a service connection from the Company's main to his or her premises must first make written application on a form furnished by the Company. The application must be signed by the property owner or his duly authorized agent on a contract form prepared the Company for this purpose. Wherever practical, each building will have an independent service line from the main and shall require a separate application.
- 3.2 Where the person desiring sewage facilities is not the owner of the premises, the application must also be signed by the owner. The party or parties making the application will be considered the customer under this contract and will be responsible for all sewage bills and proper observance of the Rules and Regulations.
- 3.3 No owner of any premises connected with the sewer lines of this Company will be allowed to permit another person or premises to use or connect with his service line, not stipulated by his or her application or otherwise, except upon written permit from the Company.
- 3.4 Any violation of the Rules and Regulations of the Company shall render the Contract between the Customer and the Company void, and service may be discontinued by disconnection of lateral to customer's waste line, after compliance with presently effective P.U.C. rules and regulations, remaining so until such time as the Company is satisfied that the customer will observe the rules and regulations. Service will not be connected until the actual costs of the disconnections and reconnections are paid in full.
- 3.5 A new application must be made to, and approved by, the Company upon any change in identity of the contracting customer at the property or in the service as described in the application, and the Company may discontinue the service until such new application has been made and approved.
- 3.6 All state and/or municipal permits or approvals must be secured by the customer.

Issued:	February 9, 19	94	Effective:	October 1, 1994

Tariff Sewer - PA P.U.C. No. 3 Original Page No. 7

RULES AND REGULATIONS

(continued)

- 4. Service Connections
- 4.1 Service line connections from the main to the customer property line, for either permanent or temporary service, shall <u>only</u> be made by the Company, or by an authorized representative of the Company.
- 4.2 All cost for materials, installation, excayation and backfilling and inspection associated with construction of the service line and connection to the Company's street sewer main shall be the responsibility of the customer.
- 4.3 Service line installations on customer property shall be the responsibility of the customer and constructed in accordance with Company specifications.
- 4.4 All service lines shall be pre-approved by the Company's representative as to size, kind of pipe, and installation. After all pipe is laid and before any ditch is closed, the work must be inspected and approved by the Company's representative.
- 4.5 All service lines shall be kept in good repair by the customer at the customer's expense. Leaks in service lines from the property line to the premises supplied, shall be promptly repaired. On failure to make such repairs, with reasonable dispatch, the Company will turn off the sewer facilities, and it will not be again turned on until all proper and necessary repairs are made, and the expenses incurred in shutting off and turning on the sewer facilities is paid in full by the Customer.
- 4.6 All service lines shall be laid at least 3½ feet below the surface of the land in a separate trench from any other facility or utility and sufficiently separated from any water or storm sewer line.
- 4.7 The Company shall in no event be responsible for maintenance of, or for damage done by water escaping from or blockage of the lateral or any other pipe or fixture of the customer.
- 4.8 The customer at all times shall comply with state and municipal regulations in reference thereto and shall make any changes thereon which may be required because of change of grade, relocation of mains or otherwise.

Issued: February 9, 1994 Effective: October 1, 1994

Supplement No. 3 to Tariff Sewer – PA P.U.C. No. 3 Third Page No. 8 Canceling Original Page No. 8

RULES AND REGULATIONS

(continued)

4. Service Connections

- 4.9. No roof, storm, surface or ground water of any nature shall be allowed to enter the sewer system. No connections will be allowed with any cesspool, privy vault, eistern or other depository. No standpipe or pipes will be permitted to be connected with the Company sewer. No ground water from foundation drains, or basement drains shall be connected to the sewer system. Basement drains will be permitted to be connected to the sewer, when it can be demonstrated that ground water will not be encountered.
- 4.10 No repairs, alterations, or additions to any drain or sewer connection with the Company's sewer shall be made, unless the person desiring to make the same shall first make application to and receive permission from the Company for doing so.
- 4.11 All building plumbing shall be in accordance with the American Standard National Plumbing Code or local code as adopted.
- 4.12 In case there is any conflict between the Rules and Regulations as to distances between pipes, then the most stringent regulation shall prevail.
- 4.13 All connections to the street main will be at a manhole location unless otherwise approved by the Company. Costs associated with construction and maintenance of the manhole will be the responsibility of the Company.
- 4.14 All sewer service lines must be air-tested and TVed in the presence of a Company representative before being placed in service. (C)
- 4.15 All manholes constructed by the Customer must be water or vacuum tested in the presence of a Company representative before being placed in service. All costs of inspection shall be borne by the Customer.
- 4.16 Unless waived by the Company in writing, inspection/monitoring manholes shall be installed on all service lines at a location approved by the Company and in accordance with Company specifications.
 - 4.17 All connections requiring a public road crossing will require a municipal permit and must be constructed in accordance with municipal specifications.

(1	Indi	cates	Char	100
10	111111	LOCAL CO.	CHA	טענ

Issued: November 15, 2000 Effective: January 20, 2001

Supplement No. 3 to
Tariff Sewer – PA P.U.C. No. 3
Third Page No. 9
Canceling
Original Page No. 9

RULES AND REGULATIONS

(continued)

5. Meters

- 5.1 For most customers, the Company will base its charges for sewage service on the water meter readings.
- 5.2 If water is used by the customer's industrial process and thereby reducing the amount of sewage discharged, the customer may request the use of an additional meter or meters to compute the actual sewage discharge for purposes of billing. All meters used for computing sewage discharge shall be provided and installed by the customer. All such meters and their location must be approved by the Company and no repairs or changes will be permitted to be made to said meters except under the direction of an authorized person designated by the Company.
- 5.3 When it is deemed necessary by the Company for a customer's sewage discharge to be measured with a sewage meter, the Company will furnish, install and maintain a suitable meter at a location to be provided by the customer and that is acceptable to the Company.
- 5.4 Sewage meters shall be of a type and kind satisfactory to the Company. The Company shall seal the meter, and it will not be tampered with by the customer. The meter shall be placed in a protected location within a building or manhole so as to measure the entire flow of sewage discharge.
- 5.5 In case any meter used in measuring sewage shall be damaged or tampered with, then and in that event, the Company will read the water meter and the number or gallons of the water meter readings for the corresponding period will be the amount of use billed to the customer. This will be used regardless of whether or not any amount of the water has been consumed in the process of an industry.
 - 5.6 Meter testing shall be done in conformity with the provisions of the Rules and Regulations of the Pennsylvania Public Utility Commission of the Commonwealth of Pennsylvania, and a Certificate of Accuracy shall be furnished to the Company by the Testing Facility or Manufacturer. Meters shall be recalibrated every 6 months and the results sent to the Company. (C)
 - 5.7 The Inspector, Meter Reader, or other properly authorized representative of the Company shall have access at all reasonable hours to the premises supplied for the purpose of reading meters or making necessary inspections, or supervising the installation of service lines or repair or removal of meters.

(C) Indicate	s Change		
Issued:	November 15, 2000	Effective:	January 20, 2001

Tariff Sewer – PA P.U.C. No. 3 Original Page No. 10

RULES AND REGULATIONS (continued)

- 6. Bills Due and Payable
- 6.1 Bills for service will be rendered as specified on the schedule of rates and are due and payable upon presentation.
- 6.2 The presentation or nonpresentation of a bill shall not be held to be a waiver of any of the Rules and Regulations.
- 6.3 Delayed Payment. The period of billing, either monthly or quarterly, will be at the discretion of the Company. If the bill is not paid within thirty (30) days after the date rendered, a delayed payment charge of 5% per month will be added, and, if the bill if not paid within forty (40) days after date rendered, service may be discontinued by disconnection of the service line after notification in compliance with presently effective PUC Rules and Regulations. After all bills have been paid in full, an additional charge may be made for reconnection to the system, which charge shall be the costs of disconnection and reconnection. The disconnection and reconnection charge must be paid to the Company prior to restoration of service.
- 6.4 No persons will be permitted to turn on the sewer service for building purposes except an employee or agent of the Company. Upon completion of the new buildings, the sewer service shall be shut off by the plumber, and shall not be turned on until Customer requests service to begin.
- 6.5 If the meter fails to register, then the Customer will be rendered a bill based on the reading of the water meter.
- 6.6 If the water meter also fails to register, or is registering improperly, then the Customer will be billed on the basis of the average bill presented for sewage service during the six (6) months prior consumption.
- 6.7 The Company will presume service is being rendered from the time the sewage is turned on to the time the Customer gives notice in writing to the Company to discontinue service and charges will be made accordingly. Metered consumers shall notify the Company to allow a reasonable period of time to read the meter and prepare a final bill.

Issued:	February 9, 1994	Effective:	October 1, 1994

Supplement No. 14 to Tariff Sewer-PA P.U.C. No, 3 Second Revised Page No. 11 Cancelling First Revised Page No. 11

RULES AND REGULATIONS (Continued) 7. Prohibited Wastes

7.1 No person shall discharge or cause to be discharged into the sewer system any sanitary sewage or industrial wastes exceeding the following maximum allowance discharge limits;

Applicable to All Service Areas Except where Humboldt North limits Govern (C)

Discharge Parameter	Composite	<u>Grab</u>
Biological Oxygen Demand (BOD), mg/L	300	600
Chemical Oxygen Demand (COD), mg/L	600	1200
Suspended Solids (TSS), mg/L	300	600
TKN, mg/L	60	120
Ammonia Nitrogen, mg/L	30	60
pH Index	6.5 to 8.5	6.0 to 9.5
Copper, mg/L	<u> -</u>	1.0
Chronium, mg/L		
Hexavalent	-	0.05
Trivalent	-	1.0
Total Solids, mg/L	2	1500
Zinc, mg/L	-	1.0
Cyanide, mg/L	•	0.05
Phenols, mg/L		0.05
FOG (Fats, Oils, and Grease)		
Mineral, mg/L	<i>-</i>	50
Vegetable and Animal, mg/L	-	50
Combustible Product	•	Maximum 40°F
·		Closed cup flash pt.
Temperature, °F	50 °F Above ambient	Shall not cause plant
	WW t	emp. to exceed 104^{0} F

- Any gasoline, benzene, naphtha, fuel oil, or other inflammable or explosive liquid, solid or gas.

Any underground garbage

Any ashes, cinders, sand, mud, straw, shavings, metal, detergent, glass, rags, feathers, tar, plastics, wood, paunch manure ar any other solid or viscous substance capable of causing obstruction or other interference with the proper operation of the sewer system.

- Other metals of Concern: Arsenic, Mercury, Silver, Cadmium, Lead, Nickel, and Molybdenum.

(C) Indicates Change

ISSUED: December 20, 2007

EFFECTIVE: February 29, 2008

Supplement No. 14 to Tariff Sewer-PA P.U.C. No, 3 First Revised Page No. 11A Cancelling Original Page No. 11A

RULES AND REGULATIONS
(Continued)
7. Prohibited Wastes (Continued)

Applicable to Humboldt North Only

(C)

The effluent limits established by the Greater Hazleton Joint Sewer Authority will govern all wastewater discharges from customers in the Humboldt North service area. In the case where the Greater Hazleton Joint Sewer Authority does not include a particular effluent limit, such limit will be governed by the effluent limit set forth in the currently effective CAN DO tariff.

7.2 Sampling: Customers discharging any wastewater to the Company's system other than domestic wastewater shall provide weekly composite analysis of the parameters of concern. Composite sample shall be a flow weighted composite for the hours of process wastewater discharge. Parameters of concern shall be based on the individual customer's discharge.

(C) Indicates Change

ISSUED: December 20, 2007

EFFECTIVE: February 29, 2008

Supplement No. 3 to Tariff Sewer - PA P.U.C. No. 3 First Revised Page No. 12 Canceling Original Page No. 12

RULES AND REGULATIONS (continued)

8. Pretreatment

- 8.1 If a customer is informed that it cannot allow its sewage to enter the lines because it exceeds the maximum allowable discharge limits, then and in that event, the Customer will be required to construct such pre-treatment plants, basins, or other facilities as may be required to pre-treat the sewage so that it will meet the discharge requirements.
- 8.2 At the discretion of the Company, customers discharging process waste from their facility into the sewage line may be required to monitor their discharge and submit periodic reports to the Company.
- 8.3 All outside basins, pits or pre-treatment plants shall be so constructed that no fumes or odors shall emanate from them.
 - They must be protected in such a way that they will not be considered what the Courts (a) of Pennsylvania have termed to be an "Attractive Nuisance".
 - In establishing its protection, the Customer shall protect their plant, pits or basins or (b) machinery so that they will not be accessible to unauthorized persons. A chain link fence and warning signs must be used wherever possible.
- 8.4 All pits, basins, and pre-treatments plants shall be constructed on that part of the property of the Customer so that there will be no drippage, drainage, leakage, seepage, spillage, or leachage, overground or underground, to any adjacent property, and pits and basins shall be so "lined" with a material that will prevent such drippage, drainage, leakage, seepage, spillage or leachage. All lined facilities shall meet Pennsylvania Department of Environmental Protection requirements. (C)
- 8.5 All such pits, basins, and pre-treatment plants shall be erected on that part of Customer's land as shall be approved by an authorized representative of the Company.
- 8.6 All construction, maintenance, repairs and costs of operation of said pits, basins and pre-

	•		74. *15.	
Issued:	November 15, 2000	Effective:	January 20, 2001	
(C) Indica	ates change			
aı	y acts of negligence in connection w	ith the same.		
	eatment plants shall be at the cost of	•	istomer will be solely	liable

Tariff Sewer - PA P.U.C. No. 3 Original Page No. 13

RULES AND REGULATIONS

(continued)

8. Pretreatment (continued)

- 8.7 The customer is responsible for acts of negligence in connection with the pits, basins and pretreatment plants and shall pay the cost of damages that may result from negligence.
- 8.8 Pits, basins, and pre-treatment plants shall be cleaned on a regular schedule and such schedule shall be submitted to the Company for its approval. The scheduled cleaning must be at specific time intervals so that no odors will emanate therefrom.
 - (a) The Company shall have the right to approve or disapprove the schedule of cleaning and if said pits, basins, and pre-treatment plants are not cleaned regularly, then the Company may clean the aforesaid pits, basins, and pre-treatment plants without any liability thereto, and charge the Customer for said cleaning.
 - (b) The latter remedy shall not be used by the Company without having given seventy-two (72) hours notice to the Customer.

9. General

- 9.1 Should any Customer, whether accidentally or otherwise, discharge any material into the Sanitary Sewer System, that interferes with, impedes, or in any other way adversely affects the operation of the Sewage Disposal System, then and in that event, the Customer will be required to pay to the Company whatever charges, final costs, or other expenses that are incurred by the Company as a result of any breakdown, slow-down, hold-up, clean-up, repairs, or additional time needed for processing the sewage.
- 9.2 The Company shall have the right to limit the quantity of sewage during any emergency period.
- 9.3 No rain or snow run-off will be permitted in the Sanitary Sewers.

Issued:	February 9, 1994	Effective:	October 1, 1994

Tariff Sewer – PA P.U.C. No. 3 Original Page No. 14

RULES AND REGULATIONS

(continued)

10. <u>Customer's Deposits</u>

- 10.1 No deposit shall be required of any Customer. However, if any Customer becomes delinquent as hereinbefore set forth for more than thirty (30) days, then a deposit equivalent of the highest monthly bill rendered during the period of service shall be required of the Customer in order to indemnify the Company against any further breaches of these Rules as to payment.
- Deposit will be returned to the Customer when it shall have paid undisputed bills for service over a period of twenty-four (24) months next succeeding the date of default. Any Customer having any deposit shall pay bills for sewage services as rendered in accordance with the rules of the Company and the deposit shall not be considered as payment on account of a bill during the time the Customer is receiving sewage service.
- Interest will be paid on any deposits at the rate of six (6%) percent per annum without deduction for any taxes thereon.

11. Amendments

- 11.1 The Company reserves the right to alter or amend these Rules and Regulations in the manner provided by Law.
- 12. Compliance with Regulations
- 12.1 Rule Complying with Commission Regulation Regarding Discount or Non-Penalty Period for the Commonwealth of Pennsylvania. The Commonwealth of Pennsylvania and any agency thereof shall be entitled to a thirty (30) day period from the due date of any bill without the imposition of a penalty.

Issued: February 9, 1994 Effective: October 1, 1994

Supplement No. 2 to Tariff Sewer – PA P.U.C. No. 3 First Revised Page No. 15 Canceling Original Page No. 15

(C)

RULES AND REGULATIONS

(continued)

13. <u>Line Extensions</u>

Line Extension Definitions:

- Annual Line Extension Costs: The sum of the Company's additional annual operating and maintenance costs, debt costs and depreciation charges associated with the construction, operation and maintenance of the line extension.
- 13.2 <u>Annual Revenue: (For Line Extension Purposes)</u> The Company's expected additional annual revenue from the line extension based on the Company's currently effective tariff rates and on the average annual usage of customers similar in nature and size to the bona fide service applicant.
- 13.3 Bona Fide Service Applicant: (For Line Extension Purposes) Any industry or commercial establishment applying for sewer service to an existing or proposed structure within the utility's certificated service territory for which a valid occupancy or building permit has been issued. An applicant shall not be deemed a bona fide service applicant if:
 - a) applicant is requesting sewer service to a building lot or subdivision;
 - b) the request for service is part of a plan for the development of a residential dwelling or subdivision; or
 - c) the applicant is requesting special utility service.
- 13.4 <u>Company Service Line</u>: The Company Service Line as used in Rule 13 shall refer to the sewer line from the collection system facilities of the Company which connects to the customer service line at the hypothetical or actual line or the actual property line and shall determine the terminal point for the Company's responsibility for the street service connection.
- 13.5 Customer: See Rule 1.2.
- 13.6 <u>Customer Service Line</u>: The Customer Service Line as used in Rule 13 shall refer to the sewer line extending from the curb, property line or utility connection to the Customers point of discharge.
- 13.7 <u>Debt Costs</u>: The Company's additional annual cost of debt associated with financing the line extension investment based on the current debt ratio and weighted long-term debt cost rate for that utility or that of a comparable jurisdictional sewer utility.
- 13.8 <u>Depreciation Charges</u>: The utility's additional annual depreciation charges associated with the specific line extension investment to be made based on the current depreciation accrual rates for that Company or that of a comparable jurisdictional sewer company.

(C) Denotes C	hange		
Issued:	May 7, 1999	Effective:	July 6, 1999

Supplement No. 2 to Tariff Sewer – PA P.U.C. No. 3 First Revised Page No. 16 Canceling Original Page No. 16

- 13.9 <u>Line Extension: (For Line Extension Purposes)</u> An addition to the Company's main line which is necessary to serve the premises of a customer.
- 13.10 Operating and Maintenance Costs: (For Line Extension Purposes) The utility's average annual operating and maintenance costs associated with serving an additional customer, including customer accounting, billing, collections, power purchased, chemicals, and other variable costs based on the current total Company level of such costs, as well as costs particular to the specific needs of that customer.
- 13.11 <u>Public Utility</u>: Persons or corporations owning or operating equipment or facilities in this Commonwealth for collecting, pumping, treating and disposal to or for the public for compensation.
- 13.12 <u>Special Utility Service</u>: Business service which exceeds that required for ordinary purposes. See additional clarification in the line extension portion of this tariff.

Line Extensions:

Whenever a developer, owner or occupant of a property within the service territory of the Company requests the Company to extend service to such property, the Company will extend service under the following conditions:

- 13.13 Requests by Bona Fide Service Applicant: Each Company shall file with the Commission, as part of its tariff, a rule setting forth the conditions under which facilities will be extended to supply service to an applicant within its service area. Upon request by a bona fide service applicant, a utility shall construct line extensions within its franchised territory consistent with the following directives:
 - (a) Line extensions to bona fide service applicants shall be funded without customer advance where the annual revenue from the line extension will equal or exceed the Company's annual line extension costs.
 - (b) If the annual revenue from the line extension will not equal or exceed the Company's annual line extension costs, a bona fide service applicant may be required to provide a customer advance to the utility's cost of construction for the line extension. The utility's investment for the line extension shall be the portion of the total construction costs which generate annual line extension costs equal to annual revenue from the line extension. The customer advance amount shall be determined by subtracting the utility's investment for the line extension from the total construction costs.

Issued:	May 7, 1999	Effective:	July 6, 1999	

Supplement No. 2 to Tariff Sewer – PA P.U.C. No. 3 First Revised Page No. 17 Canceling Original Page No. 17

(c) The Company's investment for the line extension shall be based on the following formula, where X equals the utility's investment attributed to each bona fide applicant:

X = [AR-OM] divided by [I+D]; and,

AR = the Company's annual revenue

OM = the Company's operating and maintenance costs

I the Company's current debt ratio multiplied by the Company's weighted

long-term debt cost rate

D = the Company's current depreciation accrual rate

13.14 Customer Advance Financing, Refunds and Facilities on Private Property:

- (a) When a customer advance is required of a service applicant and an additional customer or customers attach service lines to the line extension within ten years, the utility shall refund a portion of the advance to the customer. Deposits made for additional facilities other than the line extension are contributions in aid of construction and need not be refunded.
- (b) The Company will refund to the applicant, during a period of ten (10) years from the date of the extension deposit, a per-customer amount for each additional bona fide service applicant from whom a street service connection shall be directly attached to such main extension as distinguished from extensions or branches thereof. Provided, however, that the total amount refunded shall not exceed the original deposit without interest, and provided that all or any part of the deposit not refunded within said 10 year period shall become the property of the Company and shall be treated as Contributions in Aid of Construction for ratemaking purposes. The per Customer refund amount shall equal the utility's investment attributed to each bona fide applicant as calculated in the formula contained in this tariff.
- (c) A utility shall require a Customer to pay, in advance, a reasonable charge for service lines and equipment installed on private property for the exclusive use of the customer.
- (d) Special Utility Service shall mean business service which exceeds that required for ordinary purposes. By way of illustration and not limitation, special utility service shall include: the installation of facilities such as oversized mains and booster pumps as necessary to provide adequate capacity, or service to large wastewater discharge commercial and industrial facilities. An otherwise bona fide applicant requesting service which includes a "special utility service" component is entitled to Bona Fide applicant status, including the corresponding Company contribution toward the costs to the line extension which do not meet the special utility service criteria.

Issued:	May 7, 1999	Effective:	July 6, 1999	

Supplement No. 2 to Tariff Sewer – PA P.U.C. No. 3 First Revised Page No. 18 Canceling Original Page No. 18

- 13.15 Requirement for Extension Deposit Agreement: Where extension of facilities is not fully funded by the Company pursuant to Rule 13.1 of this Section, the extension by the applicant of an Extension Deposit Agreement for customer contribution or advance shall be a condition of extending the facilities. Upon notice that the Company is prepared and able to go forward with the work, the applicant will deposit with the Company the amount specified in the Extension Deposit Agreement.
- 13.16 Size of Line: The Company shall have the exclusive right to determine the type and size of lines to be installed and the other facilities required to render adequate service. However, where the Company decides to install a pipe larger than necessary to render extension of adequate service to the applicant, estimated or actual cost figures in the Extension Deposit Agreement shall include only the material and installation cost for a pipe the size of which is necessary to provide adequate service to the applicant. Any incremental costs of a larger pipe will be the responsibility of the Company. All estimated or actual cost figures referred to in the Extension Deposit Agreement shall include a reasonable allowance for overhead costs and taxes as appropriate. The minimum pipe size for main extensions will be eight (8) inches.
- 13.17 <u>Length of Extension</u>: In determining the necessary length of an extension, the terminal point of such extension shall be at that point in the curb line, which is equidistant from the side property lines of the last lot for which sewage service is requested. A Company service connection will be provided only for customer service lines that extend at right angles from the curb line in a straight line to the premises to be served.
- 13.18 Cost True-up: At the conclusion of the line extension project there shall be a reconciliation of the actual costs incurred to the amount of extension deposit that has been paid by the customer. If the actual cost exceeds the deposit, the applicant shall be responsible for payment to the Company of the difference. If the deposit exceeds the actual cost, the Company shall refund the difference.

···			
ssued:	May 7, 1999	Effective:	July 6, 1999