

Greater Hazleton Community Area
New Development Organization
T/A CAN DO, Inc. Water Division

Supp. No. 2 to
Tariff Water – PA PUC No. 4

GREATER HAZLETON COMMUNITY AREA NEW DEVELOPMENT ORGANIZATION
T/A CAN DO, INC. – WATER DIVISION

RATES, RULES AND REGULATIONS
GOVERNING THE SALE OF WATER
IN
HUMBOLDT INDUSTRIAL PARK
IN
HAZLE TOWNSHIP
LUZERNE COUNTY, PENNSYLVANIA
IN
EAST UNION TOWNSHIP
IN
SCHUYLKILL COUNTY, PENNSYLVANIA
IN
MCADOO INDUSTRIAL PARK
IN
BANKS TOWNSHIP
CARBON COUNTY, PENNSYLVANIA
AND IN
CAN DO CORPORATE CENTER
IN
BUTLER TOWNSHIP
LUZERNE COUNTY, PENNSYLVANIA

By: Joseph Lettiere, President and Chief Executive Officer
CAN DO, Inc.
Hazleton, PA 18201

NOTICE

This tariff makes increases in existing rates and changes in rules and regulations pursuant to the Pennsylvania Public Utility Commission's Order entered July 11, 2024 at Docket Nos. R-2023-3040151, R-2023-3040153 *et al.*
See page 2.

LIST OF CHANGES MADE BY THIS TARIFF

This tariff makes increases in existing rates and changes in rules and regulations pursuant to the Pennsylvania Public Utility Commission’s Order entered July 11, 2024 at Docket Nos. R-2023-3040151, R-2023-3040153 *et al.*

CAN DO, Inc. (Water Division) (“CAN DO”) is filing a new tariff, rather than a tariff supplement, because it is completely re-writing the rules and regulations in the tariff, as well as changing rates.

CAN DO proposes extensive changes to improve the consistency of its water rules and regulations with its wastewater rules and regulations, to the extent possible. Since many CAN DO customers are both water and wastewater customers, this change should facilitate customer understanding of both tariffs.

In addition, CAN DO proposes reorganizing the material in its rules and regulations so that related topics are discussed together in order to improve the clarity and comprehensiveness of the rules and regulations in the tariff. For example, the rules regarding applications for service, deposits, and payment terms are now found in Sections 3, 4 and 5, rather than being spread out in the tariff. Also, CAN DO proposes putting most of the provisions regarding service lines in a new Section 8 and most of the provisions regarding meters and meter installation in a new Section 9.

CAN DO proposes adding several provisions based on language in the sample tariff for a water utility, published by the Pennsylvania Public Utility Commission (“P.U.C.”). For example, CAN DO proposes to add a rule on the termination of water service by the customer, which is not presently found in the water tariff.

CAN DO proposes revising its rules and regulations to include provisions similar to the rules and regulations of other P.U.C.-regulated water public utilities. For example, CAN DO proposes additional rules regarding limitations of liability.

Finally, CAN DO proposes the elimination of some existing tariff provisions (such as the current rule regarding offsite developing marketing contracts) as unnecessary.

For more information about each specific change proposed in the tariff, please see the attached chart.

List of Changes (Cont'd)

Rule	Previous Rule in Tariff Water – PA PUC No. 3	Change and Reason for the Change
Rule 1 Definitions	Rule 1 Definitions	This Rule has been expanded to include additional definitions, see below, and has been alphabetized.
1.1 Code	New	A definition of “Code” has been inserted for ease of reference to the Pennsylvania Public Utility Code.
1.2 Company	1.1 Company	Add the word “Division” to the definition to be consistent with the name of the Company on the tariff..
1.3 Cross-connection	21.1(A) Definition of Cross-Connection	A sentence has been added to clarify that another source of water supply is a cross-connection.
1.4 Customer	1.2 Customer	The reference to a meter has been deleted because Fire Protection Service need not be metered. In addition, definitions of Wholesale and Retail Customers have been added.
1.5 DEP	New	A definition of “DEP” has been inserted for ease of reference to the Pennsylvania Department of Environmental Protection.
1.6 Fire Protection Service	New	This definition has been added to clarify the tariff.
1.7 General Service	1.7 General Service	Conforming changes were required because “Fire Protection Service” is now a defined term.
1.8 Interconnection	21.1(B) Definition of Interconnection	The existing tariff provision stops in mid-sentence.
1.9 Normal Working Hours	1.6 Normal Working Hours	No substantive changes have been made.
1.10 P.U.C.	New	A definition of “P.U.C.” has been added for ease of reference to the Pennsylvania Public Utility Commission.
1.11 Remote Meter Reading Device	1.5 Remote Meter Reading Device	No substantive changes have been made.
1.12 Service Line	1.4 Service Line	The second sentence in the existing definition (concerning customer responsibility for the line) has been moved to Rule 8.3.
1.13 Short-term Supply Shortage	New	A definition of “Short Term Supply Shortage” has been added to clarify the tariff provisions regarding the Water Conservation Contingency Plan.
Rule 2 The Water Tariff	Rule 2 The Water Tariff	This Rule has been expanded to address additional topics. See below.
2.1 Filing and Availability	2.1	No substantive changes have been made.
2.2 Revisions	2.2	No substantive changes have been made.
2.3 Applications of Tariff	2.3	No substantive changes have been made.
2.4 Rules and Regulations	2.4	No substantive changes have been made.
2.5 Waivers	New	This provision is based on Part III, Section J of the PUC’s sample tariff for a water public utility.
2.6 Amendment of Commission Regulations	New	This provision is based on Part III, Section K of the PUC’s sample tariff for a water public utility.
2.7 Amendment of DEP Regulations	New	This provision is similar to Rule 2.6, but applies to DEP regulations rather than PUC regulations.

Rule	Previous Rule in Tariff Water – PA PUC No. 3	Change and Reason for the Change
Rule 3 Application for Service	Rule 3 Application for Service	This Rule has been expanded to address additional topics. See below.
3.1 Application for Service	3.1	No substantive changes have been made.
3.2 Change in Ownership or Tenancy	New	This provision is based on Part III, Section A.2. of the PUC's sample tariff for a water public utility.
3.3 Acceptance of Application	New	This provision is based on Part III, Section A.3 of the PUC's sample tariff for a water public utility.
3.4 Application Seeking to Reserve Capacity	New	This provision alerts applicants seeking to reserve water capacity of the need to enter into a take or pay agreement pursuant to Rule 17.1.
Rule 4 Deposits	Rule 8 Credit	The tariff has been reorganized so related material is grouped together.
4.1 Customer's Deposit	8.2	Deposits will now be required of customers in the amount of 50% of the cost of the meter.
4.2 Return of Deposit	8.3	No substantive changes have been made.
4.3 Interest on Deposits	8.4	No substantive changes have been made.
4.4 Deposits not Payment	8.5	No substantive changes have been made.
Rule 5 Payment Terms	Rule 11 Payment Terms	The tariff has been reorganized so related material is grouped together.
5.1 Customer's Liability for Charges	8.1	The customer is liable for water service until it is discontinued pursuant to the Tariff.
5.2 Billing Period	11.1	This provision clarifies when bills will be rendered and when they must be paid. It also reduces the amount of the penalty for late payments. Since termination and restoration of service are addressed elsewhere in the tariff, those topics are no longer addressed here.
5.2 Service Discontinued	11.2	This provision simplifies the tariff by referring to the provisions for termination of service by the Company rather than stating special rules for termination of service for non-payment.
5.4 Consumption not Combined	11.3	No substantive changes have been made.
5.5 Meter Registration	14.1	This provision simplifies the tariff by deleting much of the existing Rule 14.1, which conflicts with the existing Rule 11.4.
5.6 Disputed Bills	11.4	This provision clarifies the date on which a customer must pay a disputed bill after the Company's investigation.
5.7 Temporary or Special Service	12.3	No substantive changes have been made.
5.8 Returned Check Charge	New	This provision adds a fee for returned checks.
Rule 6 Discontinuance of Water Service	Rule Discontinuance of Water Service 13 of	The tariff has been reorganized so related material is grouped together.
6.1 Termination by Company	13.1	This provision states two new reasons for discontinuance of water service: making material misrepresentations in an application and theft of service.

Rule	Previous Rule in Tariff Water – PA PUC No. 3	Change and Reason for the Change
6.2 Termination by Customer	New	This provision is based on Part III, Section C.1. in the Commission's sample tariff for a water public utility.
6.3 Service Renewed	13.2	No substantive changes have been made.
6.4 Service Restoration Charge	12.1	The charge for restoring service during Normal Working Hours has been increased from \$30 to \$50.
6.5 Service Reconnection Charge	12.2	The charge for reconnecting service during Normal Working Hours, which was disconnected at the ratepayer's request, is increased from \$30 to \$50.
Rule 7 Termination of Free Service Under Certain Contracts and Other Instruments	Rule 20. Termination of Free Service Under Certain Contracts and Other Instruments	The tariff has been reorganized so related material is grouped together.
7.1 Terms and Conditions	20.1	No substantive changes have been made.
Rule 8 Service Line Connections to Main	Rule 5. Customer's Service Installation	The tariff has been reorganized so related material is grouped together.
8.1 Point of Sale	1.3	No substantive changes have been made.
8.2 Right to Reject	5.1	No substantive changes have been made.
8.3 Installation and Maintenance of the Service Line by the Customer	5.2, 1.4	The distinction between customer service line and company service line has been eliminated. In addition, this provision makes clear that the Company must approve designs for the Service Line and connection, will be present when the Service Line is connected to the main, and shall inspect and approve the work when completed.
8.4 Service Line Specifications	5.3	No substantive changes have been made.
8.5 No Additional Tap	5.4	No substantive changes have been made.
8.6 Trench Restriction	5.5	No substantive changes have been made.
8.7 Valve Pit	5.6	The last sentence in this Rule makes clear that the installation and maintenance of the valve pit are the responsibility of the customer.
8.8 Meter Pits	5.7	The last sentence in this Rule makes clear that the installation and maintenance of the valve pit are the responsibility of the customer.
8.9 Backflow Prevention Device and Service Line Strainers	5.8	Customers are now required to annually certify that backflow prevention devices and service line strainers (if any) have been tested at least once in the past twelve months.
8.10 Customer Cross-Connections and Customer Interconnections Prohibited	21.2	No substantive changes have been made.
8.11 Stop Valve	5.9	No substantive changes have been made.
8.12 Pressure Regulators	5.10	No substantive changes have been made.
Rule 9 Meters and Meter Installations	Rule 6 Meters and Meter Installations	The tariff has been reorganized so related material is grouped together.
9.1 Meter Installations	6.1	The last sentence of the existing tariff (regarding the location of meters) has been deleted as redundant.

Rule	Previous Rule in Tariff Water – PA PUC No. 3	Change and Reason for the Change
9.2 Remote Meter Reading Devices	6.2	This paragraph has been revised to permit the use of a wider variety of automatic meter reading technologies.
9.3 Outside Meter Installations	6.3	Meters are placed by the Customer subject to Company inspection, rather than being placed by the Company at the Customer's expense.
9.4 Metered Service	6.4	No substantive changes have been made.
9.5 Meter Installations for Unmetered Fire Service	6.5	The rule has been clarified to state the amount the Customer will be charged if the Company must install the meter setting. The rule has also be clarified to state that the Company will provide the meter pursuant to Rule 9.1.
9.6 Tampering with Utility Equipment on a Customer's Property	6.6	This rule has been clarified, in part, by removing unnecessary verbiage in the first sentence.
9.7 Tampering with Utility Equipment off of the Customer's Property	New	This rule has been added to prohibit Customers from tampering with Company equipment located off of the Customer's property.
9.8 Meters Treated Separately	18.1	No substantive changes have been made.
Rule 10 Meter Tests	Rule 7 Meter Tests	The tariff has been reorganized so related material is grouped together.
10.1 Meter Tests	7.1	No substantive changes have been made.
10.2 Customer Requested Tests	7.2	No substantive changes have been made.
10.3 Meter Test Fees	7.3	This Rule has been clarified to require a fee be paid (subject to potential refund) for all Customer requested meter tests. The fee for the test is stated in 52 Pa. Code § 65.8(h), which is referenced in Rule 10.2, so the fee chart at the end of the existing Rule 7.3 was deleted.
10.4 Meter Test Witnessed by Customer	7.4	No substantive changes have been made.
Rule 11 General	Rule 17 General	The tariff has been reorganized so related material is grouped together.
11.1 Interference with Facilities	17.1	No substantive changes have been made.
11.2 Inspection of Premises	17.2	No substantive changes have been made.
11.3 Limitation on Pumps	17.3	No substantive changes have been made.
11.4 Limitation on Valves	17.4	No substantive changes have been made.
Rule 12 Line Extensions for Bona Fide Service Applicants	Rule 22	The tariff has been reorganized so related material is grouped together.
12.1 Line Extension Definitions	22.1 -22.3, 22.7 – 22.10, 22.13	Some terms are now defined in Rule 1 because they are not unique to Rule 12.
12.2 Line Extensions	Unnumbered paragraph before rule 22.14 – 22.19	The Rule has been revised based on Part III, Section G of the PUC's sample tariff for water public utilities.

Rule	Previous Rule in Tariff Water – PA PUC No. 3	Change and Reason for the Change
Rule 13 Line Extensions for Non Bona Fide Service Applicants	New	Rule 13 has been added to apply to non bona fide service applicants.
13.1 Definitions	New	A non bona fide service applicant is defined as an applicant that is not a bona fide service applicant, as defined in Rule 12.1.
13.2 Requests by a Non Bona Fide Service Applicant	New	Non bona fide service applicants are required to fully fund line extensions.
13.3 Size of Line	New	This rule is based on Rule 12.2D (regarding size of line for line extensions for bona fide service applicants).
13.4 Length of Extension	New	This rule gives the Company discretion to determine the length of an extension for a non bona fide service applicant.
13.5 Construction of the Line Extension	New	Non bona fide service applicants have the option of constructing the extension or paying the costs for the Company to do so.
13.6 Requirement for Extension Agreement	New	This provision describes the Extension Agreement that will be used, whether the applicant constructs the extension or pays the costs for the Company to construct it.
Rule 14 Fire Hydrants	Rule 9 Public Fire Hydrants	The tariff has been reorganized so related material is grouped together.
14.1 Ownership and Maintenance	9.1 Ownership and Maintenance	A sentence has been added to address the installation and maintenance of private fire hydrants.
14.2 Use Restricted	9.2 Use Restricted	This provision has been clarified to allow water from hydrants to be used to fight fires in basements below ground level.
14.3 Change in Locations	9.3 Change in Location	If a municipality orders the change in location of a private fire hydrant, the Customer will pay the costs.
Rule 15 Lawn Sprinkler System	Rule 19 Lawn Sprinkler System	The tariff has been reorganized so related material is grouped together.
15.1 Special Service Connection	19.1 Special Service Connection	The fee for setting or removing a lawn sprinkler meter, or for turning water on or off for a lawn sprinkler system, is increased from \$30 to \$50.
Rule 16 Bulk Service Sales	Rule 24 Bulk Service Sales	The tariff has been reorganized so related material is grouped together.
16.1 Calculation of service charge and volumetric charge	Unnumbered paragraphs on page 24	This provision makes clear that the Company will only provide bulk service if it has all necessary permits and approvals, and has the facilities on Company property, to provide this service. This provision also makes clear that customers will be billed monthly using the quantity charge for Retail Service.
Rule 17 Take or Pay Agreements	New	This provision was added to address situations in which a potential customer wants to reserve water capacity.
17.1 Contracts for the Reservation of Capacity	New	A potential customer who wants to reserve water capacity will be required to execute a take or pay agreement.
Rule 18 Water Conservation Contingency Plan	Rule 23 Water Conservation Contingency Plan	The tariff has been reorganized so related material is grouped together.
18.1 Water Conservation Contingency Plan	23.1 Water Conservation Contingency Plan	A sentence has been added to Subsection E clarifying that restrictions imposed by the Pennsylvania Emergency

Rule	Previous Rule in Tariff Water – PA PUC No. 3	Change and Reason for the Change
		Management Agency will control if they are inconsistent with Company-imposed restrictions.
18.2 Drought Emergency	23.2 Drought Emergency	No substantive changes have been made.
Rule 19 Liability of Company	Rule 16 Liability of Company	Rules 19 and 20 have been combined into one rule.
19.1 Regularity of Service	Rule 15.1 Regularity of Supply	A sentence has been added to the existing Rule 15.1. This sentence comes from Part III, Section I.2 of the Commission's sample tariff for water companies.
19.2 Liability of Company	New	This section has been expanded. Subpart A. is based on Part III, Section I.2 of the Commission's sample tariff for water companies. Subpart B is based on Rule 16.1 in Tariff Water – PA PUC No. 3. Subpart C is based on limitation of liability provisions in other water utilities' Commission-approved tariffs.

TABLE OF CONTENTS

		<u>Page</u>	
Title Page			
List of Changes Made by this Tariff	Original Page	2	
Table of Contents	Original Page	9	
Schedule of Rates – Retail Service	Original Page	10	(C)
Schedule of Rates – Wholesale Water Rates	Original Page	11	
Rules and Regulations			
Index of Rules			
1. Definitions	Original Page	12	
2. The Water Tariff	Original Page	13	
3. Application for Service	Original Page	14	
4. Deposits	Original Page	15	
5. Payment Terms	Original Page	16	
6. Discontinuance of Water Service	Original Page	17	
7. Termination of Free Service Under Certain Contracts and Other Instruments	Original Page	18	
8. Service Line Connections to Main	Original Page	19	
9. Meters and Meter Installation	Original Page	21	
10. Meter Tests	Original Page	23	(C)
11. General	Original Page	23	
12. Line Extensions for Bona Fide Service Applicants	Original Page	24	
13. Line Extensions for Non Bona Fide Service Applicants	Original Page	28	
14. Fire Hydrants	Original Page	29	
15. Lawn Sprinkler System	Original Page	30	
16. Bulk Service Sales	Original Page	30	
17. Take or Pay Agreements	Original Page	31	
18. Water Conservation and Contingency Plan	Original Page	31	
19. Liability of Company	Original Page	34	

SCHEDULE OF RATES

RETAIL SERVICE

Minimum Charges (Billed Monthly)

<u>Meter Size</u>	<u>Charge per Month</u>
5/8 inch	39.00 (I)
1-1/2 inch	\$50.36 (I)
2 inch	\$100.71 (I)
3 inch	\$152.36 (I)
4 inch	\$201.42 (I)
6 inch	\$257.59 (I)
8 inch	\$355.07 (I)

QUANTITY CHARGE (Billed Monthly)

	<u>Charge per Month</u>
The First 50,000 Gallons per Month	\$11.16 per Thousand gallons (I)
All Over 50,000 Gallons per Month	\$4.67 per Thousand gallons (I) or a fraction thereof

SPRINKLER CHARGES (Billed Monthly) FIRE SERVICE

	<u>Charge per Month</u>
8 inch Diameter Stand Pipe	\$178.81 per each Stand Pipe (I)
10 inch Diameter Stand Pipe	\$199.98 per each Stand Pipe (I)

Conditions:

Water from sprinklers is intended to be used for fighting fires. Any water used for purposes other than fighting fires will be billed at the Quantity Charge set forth above. The quantity of water used from sprinklers for other than fighting fires will be based on meter readings, where possible. If a meter reading cannot be used, the Company will estimate the usage. (C)

PUBLIC OR PRIVATE FIRE HYDRANTS (Billed Monthly)

Fire Hydrant Rate	\$22.60	(I)
-------------------	---------	-----

(I) Denotes Increase

Conditions:

Water from fire hydrants is intended to be used for fighting fires. Any water used for purposes other than fighting fires shall be billed at the Quantity Charge set forth above. The quantity of water used from fire hydrants for other than fighting fires will be based on meter readings, where possible. If a meter reading cannot be used, the Company will estimate the usage. (C)

TEMPORARY METER DURING CONSTRUCTION CHARGES

RATE: \$69.83 per month during construction period, plus actual gallonage of water consumed at the Quantity Charge set forth above.

WHOLESALE WATER RATES

CAPACITY CHARGE (Billed Monthly)	\$1,271.80 per month	(I)
QUANTITY CHARGE	\$3.36 per thousand gallons or a fraction thereof	(I)

Wholesale water rates will be charged to Wholesale Customers, as defined herein. (C)

**RULES AND REGULATIONS GOVERNING THE
DISTRIBUTION AND SALE OF WATER**

1. Definitions

1.1 Code

The Code is the Pennsylvania Public Utility Code, 66 Pa. C.S. § 101 *et seq.*

1.2 Company

The Company is CAN DO, Inc., Water Division.

1.3 Cross-connection

A Cross-connection is any pipe, valve, or other physical connection, or other arrangement or device connecting the pipelines of the Company, or facilities directly or indirectly connected therewith, to and with pipes or fixtures by which any contamination might be admitted or drawn from lines other than the Company's into the distribution system of the Company, or into lines connected therewith. Without limiting the generality of the foregoing, a physical connection directly or indirectly connecting the pipelines of the Company, or the Customer, to any other independent source of water supply (such as a private well) is a Cross-connection.

1.4 Customer

The Customer is any party contracting for and/or receiving water service through a connection.

A. Wholesale Customer: A properly permitted private water system, a municipality or municipal authority water system, or a public utility water system (as defined in the Code).

B. Retail Customer: any Customer that is not a Wholesale Customer.

1.5 DEP

DEP means the Pennsylvania Department of Environmental Protection.

1.6 Fire Protection Service

Fire Protection Service means fire service (such as sprinklers for fire suppression) or public or private fire hydrant service.

1.7 General Service

(C)

General Service is water service to a commercial or industrial Customer, excluding Fire Protection Service.

1.8 Interconnection

An Interconnection is a structural connection arrangement by which the Company's facilities can be supplied with water from, and or supply water to a properly permitted private water system, a municipality or a municipal authority water system or a public utility water system.

(C)

1.9 Normal Working Hours

Normal Working Hours are 8:30 a.m. to 5:00 p.m., except on weekends and holidays.

1.10 P.U.C.

The P.U.C. is the Pennsylvania Public Utility Commission.

(C)

1.11 Remote Meter Reading Device

A Remote Meter Reading Device is a device which, by electrical impulse or otherwise, transmits readings from a meter to a more accessible location.

1.12 Service Line

A Service Line is the line connecting the street main to the Customer's facility, through which the Customer receives water service.

(C)

1.13 Short-term Supply Shortage

A Short Term Supply Shortage is an emergency which causes the total water supply of the Company to be inadequate to meet maximum system demand.

2. The Water Tariff

2.1 Filing and Availability

A copy of this Tariff, which is the rates, rules and regulations under which water service will be supplied by the Company, to its Customers in Pennsylvania, is on file with the P.U.C., and is available and open for inspection at the office of the Company.

(C)

2.2 Revisions

This Tariff may be revised, amended, supplemented and otherwise changed from time to time in accordance with the Code, and such changes, when effective, shall have the same force and effect as the present Tariff.

(C)

2.3 Applications of Tariff

The Tariff provisions apply to any party or parties lawfully receiving water service from the Company under the rates set forth therein, and the receipt of water 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 Waivers

The Company may, at its sole discretion, waive any of the Rules contained herein that operate for the benefit of the Company; provided, that no such waiver will be valid unless in writing and signed by an authorized representative of the Company, and provided that no waiver will be allowed where the waiver would constitute a violation of the Code, P.U.C. regulations, or of any other applicable law or regulation.

2.6 Amendment of Commission Regulations

Whenever P.U.C. regulations in Title 52 of the Pennsylvania Code are duly amended in such a way as would produce a difference between them and this tariff, this tariff is deemed to be amended so as to be consistent with the amendments to the regulations, except that if application of the amendment to Title 52 is discretionary, this tariff will remain unchanged.

2.7 Amendment of DEP Regulations.

Whenever DEP regulations in Title 25 of the Pennsylvania Code are duly amended in such a way as would produce a difference between them and this tariff, this tariff is deemed to be amended so as to be consistent with the amendments to the regulations, except that if application of the amendment to Title 25 is discretionary, this tariff will remain unchanged.

(C)

3. Application for Service

3.1 Application for Service

Service connections will be made and water will be furnished upon written application by the prospective Customer (or his properly authorized agent) on a contract form prepared by 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 Change in Ownership or Tenancy

A new application must be made to the Company upon any change in ownership where the owner of the property is the Customer, or upon any change in the identity of a lessee where the lessee is the Customer. The Company shall have the right to discontinue or otherwise interrupt water service upon three days' notice if a new application has not been made and accepted for the new Customer.

(C)

3.3 Acceptance of Application

An application for service is considered accepted by the Company only upon written approval by the Company.

3.4 Application Seeking to Reserve Capacity

An applicant seeking to reserve a certain amount of the Company's water capacity will be required to enter into a take or pay agreement pursuant to Rule 17.1.

4. Deposits

4.1 Customer's Deposit

Deposits will be required from all Customers. The amount of the deposit will be 50% of the cost of the meter.

4.2 Return of Deposit

The deposit will be returned to the depositor when it has paid all bills for service over a period of twelve (12) consecutive months, as set forth under Rule 5 (Payment Terms).

4.3 Interest on Deposits

Interest on deposits will be paid at the rate governed by 52 Pa. Code § 56.57. Upon deposit held for more than a year, the Company will pay to the depositor at the end of each calendar year the interest accrued thereon.

4.4 Deposits not Payment

Deposits shall not be considered as payment on account of a bill during the time the Customer is receiving water service.

5. Payment Terms

5.1 Customer's Liability for Charges

A Customer is liable for all water service furnished to such premise until such times as service is discontinued pursuant to Rule 6.

5.2 Billing Period

Bills for water service will be rendered monthly for service furnished during the preceding month. The Company may offer Customers the option of paying bills in person, by mail, or electronically. Payments will be due by the end of the month in which the bill is rendered. A penalty of 1.5% per month will be added to the overdue amount of the bill if it is not paid by the due date.

5.3 Service Discontinued

Service may be discontinued for nonpayment of bills pursuant to Rule 6.1 of this Tariff.

(C)

5.4 Consumption not Combined

The use of water by the same Customer in different premises or localities will not be combined and each installation shall stand by itself.

5.5 Meter Registration

The quantity of water recorded by the meter shall be accepted as correct by both the Company and the Customer, except that bills may be disputed pursuant to Rule 5.6.

5.6. Disputed Bills

In the event of a dispute between the Customer and the Company respecting any bill, the Company will forthwith make such investigation as may be required by the particular case and report the result thereof to the Customer. When the Company has made such a report to the Customer, either: (1) sustaining the bill as rendered, or, (2) submitting a corrected bill, payment will be due not less than 20 days after the date of the Company's report. Failure to pay shall render the Customer and its service liable to the penalties herein provided. Any amounts received by the Company in excess of the amount disclosed to be due by the Company's investigation of the dispute shall be forthwith returned to the Customer if the error arose from any cause other than the incorrect estimating of a Customer's consumption for the period in dispute.

5.7 Temporary or Special Service

Payments in advance of furnishing service may be required for construction of facilities and furnishing special equipment.

5.8 Returned Check Charge

A charge of \$25 will be assessed any time a check presented to the Company for payment on account has been returned by the payor bank for any reason.

6. Discontinuance of Water Service

6.1 Termination by Company

Service rendered may be discontinued by the Company after ten days' written notice for any of the following reasons:

- A. For submitting an application for service that contained material misrepresentations.
- B. For willful or indifferent waste of water due to any cause, including failing to repair any known leaks in the Service Line.
- C. For failure to protect from injury or damage the meter and connections or for failure to protect and properly maintain the service pipe or fixture on the property of the Customer.
- D. For molesting or tampering by the Customer or others with the knowledge of the Customer, with any meter, connections, service pipe, curb valve, seal or any other appliance of the Company controlling or regulating the Customer's water supply.
- E. For failure to provide the Company's employees free and reasonable access to the premise supplied or for obstructing the way of ingress to the meter or other appliances controlling or regulating the Customer's water supply.
- F. For non-payment of any account or any fee or charge accruing under the application.
- G. For installing or maintaining an unauthorized connection.
- H. Theft of service, which shall include taking service without having made a proper application for service.
- I. For any material violation of any rule in the tariff.

(C)

6.2 Termination by Customer

Where a Customer requests the Company to discontinue service, the following rules shall apply:

A. Customer to Notify Company

A Customer who wishes to have service discontinued shall give at least three (3) days' notice to the Company, specifying the date on which service is to be discontinued. In the absence of proper notice, the Customer shall be responsible for all service rendered until the time that the Company shall have actual or constructive notice of the Customer's intent to discontinue service.

B. Customer Requests Reconnection

A Customer discontinuing service remains a Customer for purposes of paying turn-on fees pursuant to this Tariff for a period of nine (9) months. Where a Customer requests turn-on of service within nine (9) months of disconnection, the Customer shall be subject to monthly minimum billing for the period of disconnection.

6.3 Service Renewed

When water service to any premise has been terminated for any reason, it will be renewed only after the conditions, circumstances, or practices which caused the water service to be discontinued are corrected and all fees paid.

(C)

6.4 Service Restoration Charge

When water service to any premise has been terminated because of nonpayment of a bill or other violation of the Rules and Regulations, a \$50.00 charge will be required to restore service during Normal Working Hours. Other than Normal Working Hours, a charge equivalent to the cost incurred by the Company in restoring service, will be made; and this charge together with all other amounts which may be due the Company by the Customer must be paid before the water service is restored.

6.5 Service Reconnection Charge

When water service to any premise has been discontinued at the request of the ratepayer, a \$50.00 charge will be required during Normal Working Hours to re-connect service to the same premises when service remains in the name of the ratepayer who requested the discontinuance. Other than Normal Working Hours, a charge equivalent to the cost incurred by the Company in re-connecting service will be made.

7. Termination of Free Service Under Certain Contracts and Other Instruments

7.1 Terms and Conditions

Notwithstanding any contrary provision contained in any deed, grant, contract, franchise, permit, consent or other instrument (other than an instrument expressly set forth in and

constituting a part of this tariff) made, executed or delivered between the Company or any predecessor in interest and a Customer of the Company or any predecessor in interest:

- A. Every person who takes water shall pay for all water taken as provided in the applicable schedule of rates set forth herein and subject to the Rules and Regulations of the Company.
- B. No credit off-set or other allowance shall be allowed by the Company against any water bill on account of the making, execution, or delivery of, or pursuant to any provisions of, any such instrument.

8. Service Line Connections to Main

8.1 Point of Sale

The point of sale of water service or fire service is the control valve and box adjacent to the curb line or property line.

8.2 Right to Reject

The Company may refuse to connect with any piping system, or furnish water through one already connected, if such system is not properly installed and maintained or if the piping system on the Customer's premise is not at a sufficient depth to prevent freezing. The Company may also refuse to connect, or furnish water, if lead base solder has been used in any plumbing beyond the Company's main. It shall be the Customer's responsibility to provide, subject to Company verification, the Company with Certification that no lead has been used.

8.3 Installation and Maintenance of the Service Line By the Customer

Installation and maintenance of the Service Line and connection with the Company's facilities (including the main) shall be the responsibility of the Customer. The Company will review and approve designs for the Service Line and connection, Company personnel will be present when the Service Line is connected to the main, and shall inspect and approve the connection when work is completed, all at the Customer's expense (based on the costs incurred by the Company).

8.4 Service Line Specifications

The Company must approve the size, kind and quality of the facilities laid between the Company's main and the structure on the premise to be supplied.

(C)

8.5 No Additional Tap

Unless otherwise permitted by these rules and regulations, no fixture shall be attached to or any branch made in the service pipe between the meter and the water main.

8.6 Trench Restriction

The Service Line shall not be laid in the same trench with drain or wastewater pipe, the facilities of any other public utility or of any municipality or municipal authority, that provides a public utility service, or within three (3) feet of any open excavation, unless a written exception is granted by the Company. Service Lines shall not be covered until inspected and approved by a qualified representative of the Company, at the Customer's expense (based on the costs incurred by the Company).

8.7 Valve Pit

On Service Lines to be used for fire service only or for both General Service and fire service, a valve pit must be installed to specifications acceptable to the Company. The valve pit shall be located as close to the property line as practical and shall be used to divide the General Service lines and fire service lines. When used to divide the General Service lines and fire service lines, the valve pit will also serve as the meter pit. Installation and maintenance of the valve pit (including the plumbing in the valve pit) shall be the responsibility of the Customer.

(C)

8.8 Meter Pits

On Service Lines not used for fire service, a meter pit shall be installed to specifications acceptable to the Company. The meter pit shall be located as close to the property line as practical. Installation and maintenance of the meter pit (including the plumbing in the meter pit) shall be the responsibility of the Customer.

8.9 Backflow Prevention Device and Service Line Strainers

- A. On Service Lines for General Service, a backflow prevention device of a type approved by the Company must be installed. The location of the backflow prevention device shall be approved by the Company.
- B. On Service Lines to be used concurrently for General Service and fire service, the Service Line must, in addition, have an approved fire service line strainer. The backflow prevention device and/or strainer, shall be owned and maintained by the Customer.
- C. The Customer shall annually certify to the Company, in an acceptable form, that backflow prevention devices and service line strainers (if any) have been maintained, are in working order, and have been tested at least once in the past twelve months. They are also subject to Company inspection at reasonable times upon reasonable notice.

8.10 Customer Cross-Connections and Customer Interconnections Prohibited

Customer Cross-Connections and Customer Interconnections shall not be permitted. No new Customer Cross-Connections shall be installed and no existing Customer Cross-Connections shall be continued. A Customer Cross-Connection shall be considered to be eliminated if the method of backflow prevention is approved by an employee for the Company. The cost of the installation and the material of backflow prevention shall be paid for by the Customer.

8.11 Stop Valve

The Customer shall install a stop valve on the Service Line immediately inside of the foundation wall of the building supplied. Such valve should be located as to be easily accessible and to provide proper drainage for the pipes in the building.

8.12 Pressure Regulators

The customer shall be responsible for determining its need for the installation and maintenance of a pressure regulator or valve in its premises.

(C)

9. Meters and Meter Installations

9.1 Meter Installations

The Company will furnish for each Customer, without charge, a suitable meter and will keep the same in repair. In case of misuse or damage to the meter attributable to the Customer, the expense of all costs of repair or replacement shall be borne by the Customer.

9.2 Remote Meter Reading Devices

In the event the Company installs meters capable of being read remotely, this work will be done at no cost to the Customer. In the case of misuse or damage to the meter attributable to the Customer, the expense of repair must be borne by the Customer. If, in the opinion of the Company, the Remote Meter Reading Device and related equipment can be installed, the Customer cannot refuse such installation. If access is denied, the Company may impose a meter reading fee equal to the cost of manually reading the meter or may terminate service.

9.3 Outside Meter Installations

All meters shall be placed in a meter pit or valve pit by the Customer subject to Company inspection. The option of such installation shall be left to the discretion of the Company. Any outside meter installation requested by the Customer shall be at the Customer's expense.

9.4 Metered Service

All service provided by the Company must be metered, except as provided by Rule 9.5.

9.5 Meter Installations for Unmetered Fire Service

Within 45 calendar days of notification by the Company, an unmetered fire service Customer shall provide a suitable meter setting at its own expense. The Company will provide the Customer with standard specifications for the meter setting. Any Customer who does not provide a suitable meter setting within the 45-day period, will be subject to termination of service or, at the option of the Company, the installation will be made by the Company and a surcharge equal to the cost of labor and material for installing the meter setting will be applied to the Customer's bill. The Company will furnish the meter pursuant to Rule 9.1.

9.6 Tampering with Utility Equipment on a Customer's Property

(C)

When a meter or other utility equipment on a Customer's premises have been tampered with and the Customer enjoys the use of or receives benefit from the water service intended to be metered, it may be reasonably inferred that the Customer tampered with the meter or other utility equipment. The penalties for tampering with such equipment include, but are not limited to, termination of service and recovery by the Company of all costs related to the tampering (including payment for such water as the Company may estimate that the Customer used, based on the Customer's past water usage and other available information, at the highest rate permitted for that Customer's rate class).

9.7 Tampering with Utility Equipment off of the Customer's Property

No customer shall tamper or interfere with utility equipment or facilities (including wells, water treatment and water distribution facilities) located off of the Customer's property. The penalties for tampering or interfering with such equipment or facilities include, but are not limited to, termination of service and recovery by the Company of all costs related to the tampering or interference.

9.8 Meters Treated Separately

When more than one metering station is installed upon a Customer's premise at the request of a Customer or due to conditions existing upon the premise of the Customer, then each metering station shall be treated separately as if it belonged to a separate Customer.

10. Meter Tests

10.1 Meter Tests

All meters are accurately tested before installation. Meters are also periodically tested in accordance with the regulations of the P.U.C. The Company may at any time remove any meter for routine tests, repairs or replacement and may, at its option and expense test any meter when the Company has reason to believe that it is registering inaccurately.

10.2 Customer Requested Tests

Any Customer may request the Company to make a special test of the accuracy of a meter, which test will be made in accordance with 52 Pa. Code § 65.8.

10.3 Meter Test Fees

A fee shall be paid for a special test, which shall be paid in advance by the Customer. The amount of the fee is set forth at 52 Pa. Code § 65.8(h). If the said meter be found upon said test to be accurate within the limits specified in 52 Pa. Code § 65.8(a), the fee shall be retained by the Company, but if not so found, the cost shall be borne by the Company and the fee paid by the Customer will be refunded. A report of the test will be made to the Customer. If the meter is not found to be accurate, the meter shall forthwith be repaired by the Company or another meter which has been properly repaired shall be installed, and the Customer's bill shall be adjusted in accordance with 52 Pa. Code § 65.9.

(C)

10.4 Meter Test Witnessed by Customer

The test of a meter requested by a Customer must be witnessed by the Customer or his duly authorized representative.

11. General

11.1 Interference with Facilities

No person shall turn the water on or off at any street valve, curb stop, curb valve or other street connection or disconnect or remove any meter without the consent of the Company. The control of the water supply by the Customer shall be by means of a separate stop valve.

11.2 Inspection of Premises

All Service Lines, meters, fire protection service lines, stand pipes, storage tanks and fixtures, including any and all fixtures within the premises receiving the supply of water, shall, at all reasonable hours, be subject to inspection by any duly authorized employee of the Company

11.3 Limitation on Pumps

Unless otherwise specifically authorized by the Company, Customers will not be permitted to install pumps that take water directly from the service pipes or water mains but must have an adequately sized intervening vessel vented to the atmosphere into which to receive water and from which it may be pumped.

11.4 Limitation on Valves

Unless otherwise specified, quick acting or motorized valves are not permitted.

12. Line Extensions for Bona Fide Service Applicants

12.1 Line Extension Definitions

The following definitions shall apply to this Rule:

A. Annual Line Extension Costs

The sum of the Companys additional annual Operating and Maintenance Costs, Debt Costs and Depreciation Charges associated with the construction, operation and maintenance of the Line Extension.

B. Annual Revenue

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.

C. Bona Fide Service Applicant

Any business applying for water service to an existing or proposed structure within the Company'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:

1. the applicant is requesting water service to a building lot, or subdivision;
2. the request for service is part of a plan for the development of a residential dwelling or subdivision; or
3. the applicant is requesting Special Utility Service.

(C)

D. Debt Costs

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 the Company.

E. Depreciation Charges

The Company's additional annual depreciation charges associated with the specific Line Extension investment to be made based on the current depreciation accrual rates for the Company.

F. Line Extension

An addition to the Company's main line which is necessary to serve the premises of a Customer.

G. Operating and Maintenance Costs

The Company's average annual operating and maintenance costs associated with serving an additional Customer, including customer accounting, billing, collections, water purchased, 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, such as line flushing.

(C)

H. Special Utility Service

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, booster pumps and storage tanks as necessary to provide adequate flows or to meet specific pressure criteria, or service to large water consuming commercial and industrial facilities.

12.2 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:

A. Requests by Bona Fide Service Applicant

Upon request by a Bona Fide Service Applicant, the Company shall construct Line Extensions within its franchised territory consistent with the following:

1. 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.

2. 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 Company's cost of construction for the Line Extension. The Company'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 Company's investment for the Line Extension from the total construction costs.
3. The Company's investment for the Line Extension shall be based on the following formula, where X equals the Company's investment attributed to each Bona Fide Service Applicant:

(C)

$$\begin{array}{ll} X & = \text{[AR — OM] divided by [I + D]; and} \\ \text{AR} & = \text{the Company's Annual Revenue} \\ \text{OM} & = \text{the Company's Operating and Maintenance Costs} \\ \text{I} & = \text{the Company's current debt ratio multiplied by the Company's} \\ & \quad \text{weighted long-term debt cost rate} \\ \text{D} & = \text{the Company's current depreciation accrual rate} \end{array}$$

B. Customer Advance Financing, Refunds, and Facilities on Private Property

1. 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 Company shall refund a portion of the advance to the Customer. Deposits made for additional facilities other than the Line Extension, such as booster pumps, storage tanks and the like, are contributions in aid of construction and need not be refunded.
2. 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 Company's investment attributed to

each Bona Fide Service Applicant as calculated in the formula contained in this tariff.

3. The Company 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.
4. An otherwise Bona Fide Service Applicant requesting service which includes a Special Utility Service component is entitled to Bona Fide Service Applicant status, including the corresponding Company contribution toward the costs to the Line Extension which do not meet the Special Utility Service criteria.

C. Requirement for Extension Deposit Agreement

Where extension of facilities is not fully funded by the Company pursuant to this Rule 12.2, the execution 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.

(C)

D. 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 six (6) inches in diameter pursuant to P.U.C. regulation at 52 Pa. Code § 65.17(b).

E. Length of Extension

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 water service is requested. A Company service connection will be permitted only for Customer Service Lines that extend at right angles from the curb line in a straight line to the premises to be served.

F. 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 applicant. 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.

13. Line Extensions for Non Bona Fide Service Applicants

13.1 Definitions

A Non Bona Fide Service Applicant is a business applying for water service that does not satisfy the definition of a Bona Fide Service Applicant in Rule 12.1.C. Without limiting the generality of the foregoing, an applicant for special utility service is a Non Bona Fide Service Applicant.

(C)

13.2 Requests by a Non Bona Fide Service Applicant

Whenever a Non Bona Fide Service Applicant requests the Company to extend service to property in the Company's service territory, service will be extended, as provided in this Rule 13. Line extensions will be fully funded by the Non Bona Fide Service Applicant, except as provided in this Rule 13.

13.3 Size of Line

The Company will 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 requires the installation of a pipe larger than necessary to render extension of adequate service to the applicant, the Non Bona Fide Service Applicant will only be responsible for 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. The minimum pipe size for main extensions will be six (6) inches in diameter, pursuant to P.U.C. regulation at 52 Pa. Code § 65.17(b).

13.4 Length of Extension

The Company will have the sole discretion to determine the necessary length of an extension.

13.5 Construction of the Line Extension

The Non Bona Fide Service Applicant will have the option of constructing the line extension or paying all costs for the Company to construct the line extension. If the Non Bona Fide Service Applicant chooses to construct the line extension, the Company will

provide the Customer with specifications for the line extension. Designs and plans for the line extension must be submitted to, and approved by, the Company prior to the commencement of construction. Company personnel may inspect the construction, and must approve the line extension before the Bona Fide Service Applicant turns the line extension over to the Company. Following approval, the Company will own and maintain the line extension.

13.6 Requirement for Extension Agreement

- A. An Extension Agreement will be required for any line extension by a Non Bona Fide Service Applicant.
- B. Where the applicant constructs the project, but the line extension is not fully funded by the applicant, the Extension Agreement will estimate the amount of the Company's contribution. The Extension Agreement also will require the Company to pay the estimated amount of its contribution to the Customer, subject to a reconciliation of the actual amount of the Company's contribution, compared to the estimated amount of the Company's contribution.
- C. Where the Company constructs the line extension, a Customer contribution or advance will 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 Agreement. All estimated or actual cost figures referred to in the Extension Agreement will include a reasonable allowance for overhead costs and taxes as appropriate. At the conclusion of the line extension project, there shall be a reconciliation of the actual costs incurred compared to the amount of extension deposit that has been paid by the applicant. 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 will refund the difference.

(C)

14. Fire Hydrants

14.1 Ownership and Maintenance

All public fire hydrants will be furnished, installed, and paid for by the Company, and shall be inspected and maintained by the Company. All private fire hydrants will be furnished, installed, and paid for by the Customer, and shall be inspected and maintained by the Customer.

14.2 Use Restricted

The use of fire hydrants, whether owned by the Company or by the Customer, will be restricted to the taking of water for the extinguishing of aboveground fires and water shall

not be taken from any fire hydrant for construction purposes, extinguishing underground fires (including mine fires, but water from a hydrant may be used to fight fires in the basement of a building), sprinkling streets, flushing sewers or gutters or for any other use unless specifically permitted by the Company for the particular time and occasion. If the Company grants permission to use fire hydrants for purposes other than the extinguishment of fires, such use will be approved only if an approved backflow prevention device is attached to the hydrant. Said device shall be furnished by the Customer.

14.3 Change in Location

Whenever a change in location of a private fire hydrant is ordered by the municipality, such change will be made at the Customer's expense.

15. Lawn Sprinkler System

15.1 Special Service Connection

Upon request of the Customer, the Company will install a service connection and meter to supply an underground lawn sprinkler system. The Customer will be charged for the entire cost of this installation, excluding the cost of the meter. Should it be necessary to remove or reinstall the meter on a lawn sprinkler system on a seasonal basis, the cost for this service shall be paid for by the Customer. Upon request of the Customer to turn the water on or off for a lawn sprinkler system on a seasonal basis, the cost of this service shall be paid for by the Customer. The Customer shall be charged \$50.00 each time it requests the meter to be set or removed or the water to be turned on or off.

(C)

16. Bulk Service Sales

16.1 Calculation of service charge and volumetric charge

Provided that the Company has all requisite DEP and other permits and approvals for bulk service sales, and has the facilities located on Company property to make such bulk service sales, the Company shall impose a per-load fixed service charge for water purchased on a bulk truckload basis from facilities located on Company property. The bulk service fixed service charge will be determined annually by accumulating the costs of the current year related to bulk sales divided by the number of bulk truckloads sold in the prior year. The bulk service fixed charge will be charged on a per truckload basis irrespective of the volume of each truckload sale and shall be paid in addition to the cost of the water purchased.

Customers will be billed monthly for water sold on the bulk truckload basis using the quantity charge for Retail Service.

17. Take or Pay Agreements

17.1 Contracts for the Reservation of Capacity

A potential customer who wishes to reserve a certain amount of the Company's water capacity shall be required to enter into an agreement by which the Company will be paid a certain minimum amount each month, as determined by the Company, regardless of the amount of water received from the Company. A contract with a municipal corporation shall not be effective until it has been submitted to, and approved by, the P.U.C., if required by 66 Pa. C.S. § 507.

18. Water Conservation Contingency Plan

18.1 Water Conservation Contingency Plan

A. General

If the Company is experiencing a Short Term Supply Shortage, the Company may request general conservation of inside water uses and may impose mandatory conservation measures to reduce or eliminate non-essential uses of water.

B. Voluntary Conservation

The Company shall first request voluntary curtailment of all non-essential uses of water.

C. Mandatory Conservation

If voluntary conservation does not achieve satisfactory results, mandatory conservation may be imposed. If any Customer refuses to comply with such mandatory measures, the Company may, after proper notice and explanation, either adjust the outside water valve connection in a manner which will restrict water flow up to one half, or otherwise restrict flow such as by the insertion of a plug device. If Customer compliance is still not achieved, complete service termination may be imposed by an Administrative Law Judge or other presiding officer following an expedited hearing.

D. Non-essential uses of water

Non-essential uses of water include, at a minimum, those contained in 52 Pa. Code § 65.1, as follows:

(C)

1. The use of hoses, sprinklers or other means for sprinkling or watering of shrubbery, trees, lawns, grass, plants, vines, gardens, vegetables, flowers or other vegetation.
2. The use of water for washing automobiles, trucks, trailers, trailer houses or any other type of mobile equipment.
3. The washing of streets, driveways, parking lots, service station aprons, office buildings, exteriors of homes, sidewalks, apartments or other outdoor surfaces.
4. The operation of any ornamental fountain or other structures making a similar use of water.
5. The use of water for filling swimming or wading pools.
6. The operation of any water-cooled comfort air conditioning which does not have water-conserving equipment.
7. The use of water from fire hydrants for construction purposes or fire drills.
8. The use of water to flush a sewer line or sewer manhole.
9. The use of water for commercial farms and nurseries other than a bare minimum to preserve plants, crops, and livestock.

(C)

E. Water Rationing Plan

In addition to the provisions as set forth above, the Pennsylvania Emergency Management Agency is authorized to promulgate, adopt, and enforce a Water Rationing Plan by virtue of the Emergency Management Services Code, 35 Pa. C.S. §§ 7101 *et seq.*, as implemented by a Drought Emergency Proclamation by the Governor of Pennsylvania. Where inconsistent with Company-imposed restrictions pursuant to this tariff, PEMA restrictions shall control.

18.2 Drought Emergency

In the event of a drought emergency, as declared by a River Basin Commission and/or by a proclamation or executive order issued by the Governor, the Company is authorized to collect fines and/or excess use charges set forth in its Local Water Rationing Plan if filed with and approved by the Pennsylvania Emergency Management Agency.

19. Liability of Company

19.1 Regularity of Service

The Company will undertake to use reasonable care and diligence in order to prevent and avoid interruptions and fluctuations in service, but cannot and does not guarantee that such will not occur. The Company may at any time shut off the water in the mains in case of accident, or for the purpose of making connections, alterations, repairs, changes or for other reasons, and may restrict the use of water to reserve a sufficient supply for public fire service or other emergencies whenever the public welfare may require it. The Company will, so far as circumstances permit, notify Customers to be affected by any interruptions in the water service.

19.2 Liability of Company

A. Limitation of Damages

The Company's liability to a Customer for any loss or damage from any excess or deficiency in the pressure, volume or supply of water, due to any cause other than willful misconduct or negligence by the Company, its employees or agents, shall be limited to an amount no more than the minimum charge for the period in question.

(C)

B. Responsibility for Customer Facilities

The Company shall not be liable for any loss or damage caused by reason of any break, leak or other defect in a Service Line, a Customer's interior pipes or fixtures, or other installations, except where the damage is a result of the negligence or willful misconduct of the Company, its employees or agents.

C. Limitation of Liability

The Company shall not be liable in any action where the loss or damage involves an act of God or does not involve a duty of the Company, including, but not limited to, breaks or leaks on facilities that are not owned by the Company. Further, the Company shall not be liable in any action where the loss or damage does not involve a breach of a duty of the Company, including, but not limited to, where the Company does not receive actual notice, whether written or oral, that a Company facility is in need of repair.

Greater Hazleton Community Area
New Development Organization
T/A CAN DO, Inc. Water Division

Supp. No. 3 to
Tariff Water – PA PUC No. 4

GREATER HAZLETON COMMUNITY AREA NEW DEVELOPMENT ORGANIZATION
T/A CAN DO, INC. – WATER DIVISION

RATES, RULES AND REGULATIONS
GOVERNING THE SALE OF WATER
IN
HUMBOLDT INDUSTRIAL PARK
IN
HAZLE TOWNSHIP
LUZERNE COUNTY, PENNSYLVANIA
IN
EAST UNION TOWNSHIP
IN
SCHUYLKILL COUNTY, PENNSYLVANIA
IN
MCADOO INDUSTRIAL PARK
IN
BANKS TOWNSHIP
CARBON COUNTY, PENNSYLVANIA
AND IN
CAN DO CORPORATE CENTER
IN
BUTLER TOWNSHIP
LUZERNE COUNTY, PENNSYLVANIA

By: Joseph Lettiere, President and Chief Executive Officer
CAN DO, Inc.
Hazleton, PA 18201

NOTICE

This tariff makes changes in rules and regulations to implement a small business payment arrangement program.
See page 2.

LIST OF CHANGES MADE BY THIS TARIFF

This tariff makes changes in rules and regulations to implement a small business payment arrangement program in accordance with the settlement approved by the Pennsylvania Public Utility Commission's Order entered July 11, 2024 at Docket Nos. R-2023-3040151, R-2023-3040153 *et al.* In addition, this tariff corrects a typographical error in the Table of Contents.

List of Changes (Cont'd)
(Reserved)

(C)

(Reserved)

(C)

(Reserved)

(C)

(Reserved)

(C)

(Reserved)

(C)

(Reserved)

(C)

TABLE OF CONTENTS

		<u>Page</u>
Title Page		
List of Changes Made by this Tariff	First Revised Page	2
Table of Contents	First Revised Page	9
Schedule of Rates – Retail Service	Original Page	10
Schedule of Rates – Wholesale Water Rates	Original Page	11
Rules and Regulations		
Index of Rules		
1. Definitions	Original Page	12
2. The Water Tariff	Original Page	13
3. Application for Service	Original Page	14
4. Deposits	Original Page	15
5. Payment Terms	Original Page	16
6. Discontinuance of Water Service	Original Page	17
7. Termination of Free Service Under Certain Contracts and Other Instruments	Original Page	18
8. Service Line Connections to Main	Original Page	19
9. Meters and Meter Installation	Original Page	21
10. Meter Tests	Original Page	23
11. General	Original Page	23
12. Line Extensions for Bona Fide Service Applicants	Original Page	24
13. Line Extensions for Non Bona Fide Service Applicants	Original Page	28
14. Fire Hydrants	Original Page	29
15. Lawn Sprinkler System	Original Page	30
16. Bulk Service Sales	Original Page	30
17. Take or Pay Agreements	Original Page	31
18. Water Conservation and Contingency Plan	Original Page	31
19. Liability of Company	Original Page	33
20. Small Business Payment Arrangement Program	Original Page	34

(C)

20. Small Business Payment Arrangement Program

20.1 Definitions

Small Business Customer means a person, sole proprietorship, corporation, association or other business entity which employs fewer than 250 employees that is a Retail Customer of the Company. If the Retail Customer has more than one location (including locations not served by the Company), all employees of the Retail Customer shall be counted for purposes of determining whether the Retail Customer is a Small Business Customer.

Force Majeure Event means an act of God; fire; explosion; action of local, state or federal government; unusual shortage of materials; strike or other labor unavailability; riot or war. A pandemic shall not be a Force Majeure Event.

20.2 Eligibility

- A. A Small Business Customer shall be eligible for a one-time payment arrangement plan, either a six-month payment arrangement plan or a twelve-month payment arrangement plan.
 - 1. A Small Business Customer shall be eligible for a six-month payment arrangement plan if it is unable to pay the amount due to the Company for at least two consecutive months.
 - 2. A Small Business Customer shall be eligible for a twelve-month payment arrangement plan if it is unable to pay the amount due to the Company for at least two consecutive months because of a Force Majeure Event.
- B. The Company reserves the right to institute civil proceedings against the Small Business Customer or otherwise collect amounts due to the Company from the Small Business Customer.
- C. The Company reserves the right to include a claim for uncollectible amounts in a rate case.

20.3 Six-Month Payment Arrangement Plans

- A. The Small Business Customer shall contact the Company to enter into a payment arrangement. Upon confirmation that the Small Business Customer is eligible for a six-month payment arrangement plan, the Company will send the Small Business Customer a letter confirming its acceptance into a six-month payment arrangement plan and describing the terms and conditions of the six-month payment arrangement plan.

- B. During the term of the six-month payment arrangement plan, the Small Business Customer will pay the amount due for service each month. In addition, each month, the Small Business Customer will pay 1/6th of the amount in arrears at the time of acceptance into the payment plan. The late payment fee described in Section 5.2 shall be waived for Small Business Customers who timely pay amounts due to the Company during the term of the six-month payment arrangement plan.
- C. The Company may terminate a six-month payment arrangement plan if the Small Business Customer does not timely pay all amounts due to the Company during the term of the six-month payment arrangement plan.

(C)

20.4 Twelve-Month Payment Arrangement Plans

- A. The Small Business Customer shall contact the Company to enter into a payment arrangement. Upon confirmation that the Small Business Customer is eligible for a twelve-month payment arrangement plan, the Company will send the Small Business Customer a letter confirming its acceptance into a twelve-month payment arrangement plan and describing the terms and conditions of the twelve-month payment arrangement plan.
- B. During the term of the twelve-month payment arrangement plan, the Small Business Customer will pay the amount due for service each month. In addition, each month, the Small Business Customer will pay 1/12th of the amount in arrears at the time of acceptance into the payment plan. The late payment fee described in Section 5.2 shall be waived for Small Business Customers who timely pay amounts due to the Company during the term of the twelve-month payment arrangement plan.
- C. The Company may terminate a twelve-month payment arrangement plan if the Small Business Customer does not timely pay all amounts due to the Company during the term of the twelve-month payment arrangement plan.

INFORMATION REQUIRED BY 52 PA. CODE § 53.52(a)

52 Pa. Code § 53.52(a)(1): The specific reasons for each change.

Response:

In *Pennsylvania Public Utility Commission v. Greater Hazleton Community Area New Development Organization, Inc. t/a CAN DO, Inc.*, Docket Nos. R-2023-3040151, R-2023-3040153 *et al.* (the “2023 Base Rate Cases”), the parties reached a settlement of all issues in the case (the “Settlement”). One provision in the Settlement was: “Within 30 days after entry of the Commission’s final order in these proceedings, CAN DO agrees to meet with OSBA representatives to discuss a formal payment arrangement program for commercial and industrial customers.” *See* Recommended Decision of Administrative Law Judge Conrad A. Johnson, issued May 28, 2024, p. 8. Administrative Law Judge Johnson recommended that the Settlement be approved without modification by the Commission, and the Commission approved the Settlement without modification.

Following the entry of the Commission’s order on July 11, 2024, representatives of CAN DO and the OSBA exchanged e-mails and engaged in negotiations regarding a formal payment arrangement program for commercial and industrial customers. The OSBA and CAN DO ultimately agreed on language to be inserted into CAN DO’s water and wastewater tariffs to implement a payment arrangement program for small business customers. The draft language was subsequently shared with all the other active parties to the 2023 Base Rate Cases. The Commission’s Bureau of Investigation and Enforcement and the Office of Consumer Advocate each advised CAN DO and the OSBA that they do not oppose the tariff change.

In addition, there was a typographical error in the Table of Contents (on the Original Page 9, Rule 19 is shown as beginning on page 34 instead of page 33).

52 Pa. Code § 53.52(a)(2): The total number of customers served by the utility.

Response:

As of June 30, 2023, CAN DO’s water system had 25 commercial customers, 93 industrial customers and 1 wholesale (sale for resale) customer. 2023 Base Rate Cases, Recommended Decision p. 11. As of June 30, 2023, CAN DO’s wastewater system had 79 industrial customers and 24 commercial customers (CAN DO’s wastewater system does not serve any wholesale or residential customers). *Id.*

52 Pa. Code § 53.52(a)(3): A calculation of the number of customers, by tariff subdivision, whose bills will be affected by the change.

Response:

It is difficult to predict the number of customers whose bills will be affected by the change because payment arrangements will only be available to Small Business Retail Customers that are at least two months behind in their payments to CAN DO.

52 Pa. Code § 53.52(a)(4): The effect of the change on the utility's customers.

Response:

The change will make it easier for Small Business Retail Customers that are at least two months behind on their water bills to become current on their bills. This will mitigate the risk that other water customers will need to pay the cost of CAN DO's uncollectible debt for Small Business Retail Customers.

52 Pa. Code § 53.52(a)(5): The direct or indirect effect of the proposed change on the utility's revenue and expenses.

Response:

The proposed change could increase CAN DO's revenue, and decrease its expenses, by allowing CAN DO to promptly collect amounts due from delinquent water customers without the need for a civil court action to collect amounts due.

52 Pa. Code § 53.52(a)(6): The effect of the change on the service rendered by the utility.

Response:

None.

52 Pa. Code § 53.52(a)(7): A list of factors considered by the utility in its determination to make the change. The list shall include a comprehensive statement about why these factors were chosen and the relative importance of each. This subsection does not apply to a portion of a tariff change seeking a general rate increase as defined in 66 Pa. C.S. § 1308 (relating to voluntary changes in rates).

Response:

In its 2023 Base Rate Cases, CAN DO agreed to enter into discussions with the OSBA about a formal payment arrangement program for commercial and industrial customers. CAN DO agreed to the tariff change in order to offer water customers who are starting to fall behind on their water bills an opportunity to catch-up by entering into a payment arrangement. CAN DO believes it is appropriate to offer an extended payment arrangement plan to Small Business Retail Customers who experience a force majeure event (such as a fire or strike). Nevertheless, CAN DO believes it is important to promote fairness to all customers, including those who are paying their water bills on time. As a result, payment arrangements are limited to one per customer (just as Chapter 14 generally limited the Commission's authority to grant payment arrangements to one payment arrangement per customer).

52 Pa. Code § 53.52(a)(8): Studies undertaken by the utility in order to draft its proposed change. This paragraph does not apply to a portion of a tariff change seeking a general rate increase as defined in 66 Pa. C.S. § 1308.

Response:

No studies were undertaken, but the OSBA conducted informal discovery while negotiating the tariff change.

52 Pa. Code § 53.52(a)(9): Customer polls taken or other documents which indicate customer acceptance and desire for the proposed change. If the poll or other documents reveal discernable public opposition, an explanation of why the change is in the public interest shall be provided.

Response:

No customer polls were taken. However, CAN DO respectfully submits that the proposed change is in the public interest. CAN DO negotiated the tariff change with the Commonwealth's advocate for small business customers in Commission proceedings. In addition, the other active parties to the 2023 Base Rate Cases do not object to the tariff change.

52 Pa. Code § 53.52(a)(10): Plans the utility has for introducing or implementing the changes with respect to its ratepayers.

Response:

CAN DO will notify its customers about the tariff change when it is approved by the Commission.

CAN DO is a nonprofit economic development organization whose overarching mission is to improve the quality of life in the Greater Hazleton Area through the creation and retention of a full range of opportunities. CAN DO follows through on that mission, in part, by assisting its small business ratepayers and working with them to get them current on their bills. CAN DO will advise its Small Business Retail Customers about the availability of formal payment arrangement plans when customers come to CAN DO needing a little help paying their bills

52 Pa. Code § 53.52(a)(11): FCC, FERC or Commission orders or ruling applicable to the filing.

Response:

Please see Administrative Law Judge Johnson's Recommended Decision, and the Commission's Order, in the 2023 Base Rate Cases.