

RULE NO. 1 DEFINITIONS

- (a) A "water service connection" is the water service line connecting the Companies water main or lateral to a customer's premises. Where meters are installed it includes the meter and meter equipment.
- (b) "Premises" as used herein shall mean the lot or parcel of land upon which is situated a single-family dwelling, a single commercial establishment or community facility, or in the case of a multiple dwelling where authorized by the Developer, the individual units within such a multiple dwelling.
- (c) "Customer" as used herein is any party who has applied for and is receiving water service at premises.
- (d) "Company" as used herein is Central Water Company, Inc.

RULE NO. 2 APPLICATION FOR SERVICE

- (a) Any person, firm or corporation desiring to make application for services from the Company shall do so by completing and signing an application for service form.
- (b) The Company may reject any application for service when the applicant is delinquent in payment of bills incurred for service previously supplied by the Company.
- (c) The individual in whose name the agreement is made shall be responsible for payment of all bills incurred in connection with service furnished.
- (d) Water furnished by a given lot shall be used on that lot only and the customer shall not be permitted to sell water to any other person, firm or corporation. Water shall not be used for irrigation except when water is available in sufficient quantity so as not to interfere with regular consumption.

RULE NO. 3 SERVICE CONNECTIONS

- (a) Before a water service connection is provided, the owner of the premises to be supplied, or his/her duly authorized representative shall make application for water service upon forms prescribed by the Company. Upon approval of the application, the Company will install the service connection from the main in the street to the meter box.
- (b) The Company will maintain and replace all water service connections from the main in the street to the meter box.
- (c) The Company will make all connections to its mains and will specify the size, kind and quality of all materials entering into the service connections.
- (d) The corporation cock, meter cock, meter box and service pipe from the water main to the meter, will be furnished and installed by and shall remain, the property of the Company and under its sole jurisdiction, Meter will be installed on the property of the customer or on a public way adjoining his/her property.

RULE NO. 4 CUSTOMER SERVICE PIPES

- (a) The Company will specify the size, kind and quality of the materials, which shall be laid between the meter cock and the structure on the premises to be supplied.
- (b) The water service pipe from the meter cock to the place of consumption shall be furnished and installed by the customer at his/her expense and risk. Any repairs, maintenance, replacement or relocation necessary on the

customer's water service pipes or fixtures shall be performed by the customer at his/her expense and risk in a manner approved by the Company.

(c) The customer's service pipes and all connections and fixtures attached thereto shall be subject to the inspection and approval of the Company before the water will be turned on.

(d) The customer's service pipes shall be laid at all points at least two feet below the surface of the ground and shall be installed in trenches at least two feet in a horizontal direction from any other trench wherein are laid gas pipe, service pipe, or other facilities, public or private, unless authorized or approved by the Company. In backfiring the trench, rock or ashes shall not be permitted within one foot of a service pipe and clean soil shall be filled in to a depth of at least one foot over a service pipe,

(e) No fixture shall be attached to or any branch made, in a service pipe between the meter, or lot line, and the street main.

(f) Any repairs, maintenance, replacement or relocation necessary on the customer's water service pipe or fixtures in or upon the customer's premises shall be performed by the customer at his/her expense and risk in a manner approved by the Company.

RULE NO. 5 CROSS-CONNECTIONS AND BACK SIPHONAGE

(a) No pipe or fixtures connected with the mains of the Company shall also be connected with pipes or fixtures supplied with water from any other source.

(b) Piping systems supplying swimming pools or tanks shall be so arranged as to prevent water from reentering the water distribution system by siphonage or other means. An independent supply pipe shall be provided in such a way that its discharge and is at least eight inches above the highest possible water level in such a swimming pool or tank. The Company shall in each case approve these installations.

(c) The plumbing on all premises supplied from the Company water system shall conform to the Commonwealth of Virginia Sanitary Codes or Botetourt County whichever may be applicable.

RULE NO. 6 METERS AND METER INSTALLATIONS

(a) The Company shall determine the type and size of any meter to be installed,

(b) Meters will be furnished, installed and removed by the Company and shall remain its property.

(c) Meters will be maintained by the Company at its expense, except damage to any meter, **meter box, yokes, meter box lid, or electronics** arising out of, or caused by negligence or carelessness of the customer **or the customer's agents. The customer will be billed by the company for the total cost of the repairs made by the companies certified water works operator or his/her agent.**

(d) The customer receiving water through a meter shall promptly notify the Company of any defect in or, damage to the meter of their connection.

RULE NO. 7 METER TESTS AND TEST FEES

(A) All meters shall be accurately tested before installation. Meters shall also be periodically tested in accordance with

State Corporation Commission Regulations. The Company may at any reasonable hour remove any meter for routine tests, repairs or replacement.

(b) The Company shall upon request of a customer, and if he so desires in his/her presence or that of his/her authorized representative, makes without charge a test of the accuracy of the meter in use at his/her premises, provided that the meter has not been tested within a period of two years previous to such request, A written report of the result of the test will be furnished to the customer.

(c) If a meter test has been conducted within the past twenty-four months, and the customer still desires a test, the customer must pay \$45.00 for the test unless the meter is found to have an average error greater than two percent, in which case the test will be at no charge to the customer.

(d) Whenever a test of a meter reveals it to have an average error of more than two percent, the Company shall bill or refund to the customer, as the case may be, such percentage of the amount of bills, covering the consumption indicated by the meter for the previous six months, as the meter was found to be in error at the time of the test, unless it can be shown from the records of either party that the error found has existed for a greater or lesser period, in which case the adjustment shall cover such actual period.

RULE NO. 8 CUSTOMER DEPOSITS

(a) Before providing water service the Company may require of any customer a cash deposit or other suitable guarantee to secure the performance by the customer of the terms and conditions of the Company under which water service is supplied. The amount of the deposit shall be determined in the following manner. An amount equal to the estimated bill for (not to exceed) two months usage.

(b) The deposit of each residential customer will be refunded after not more than one year of satisfactory credit or after final settlement of the customer's account, whichever is first, Simple interest on the Deposit will be paid at the rate determined annually by the State Corporation Commission from the date of the deposit receipt to the date of the deposit refund, Credit of interest shall be made annually.

(c) If the customer fails to maintain satisfactory credit with the Company, it may require a deposit from the customer, which will be held until the customer has established satisfactory credit for a period of not less than one year.

RULE NO. 9 DISCONTINUANCE OF WATER SERVICE

(a) Water service maybe discontinued by the Company after ten days written notice for any of the following reasons:

1. For willful or indifferent waste of water due to any cause.
2. For failure to protect and maintain the service pipe or fixtures on the property of the customer in a condition satisfactory to the Company.
3. For non-payment of any account 30 days past due for water service, or for any fee or charge accruing under these Rules and Regulations and the effective Schedule of Rates, except that the residential service of a customer shall not be terminated for non-payment of basic nonresidential services.
4. For violation of any rule or regulation of the Company,

(b) The following reasons are cause for immediate discontinuance of water service.

1. For molesting or tampering by the customer, or others with the knowledge of the customer, with any meter cock, seal, or any other appliance of the Company controlling or regulating the customer's water supply service.
- 2, For failure to provide the Companies employees free and reasonable access to the premises supplied, or for obstructing the way of ingress to the meter or other appliance of the Company controlling or regulating the customers water supply service,

(c) Discontinuing the supply of water service to a premises for any reason shall not prevent the Company from pursuing any lawful remedy by action of law or otherwise for the collection of monies due from the customer.

(d) When water service to a customer has been terminated for any of the above reasons, other than temporary vacancy of the premises, it will be renewed only after the connections, circumstances or practices, which caused the water service to be discontinued are corrected to the satisfaction of the Company, and upon payment of all charges due and payable by the customer in accordance with these Rules and Regulations and the effective Schedule of Rates.

RULE NO. 10 TURN-ON OR TURN-OFF CHARGES

(a) When it has been necessary to discontinue water service to any premises because of a violation of these Rules and Regulations, or because of non-payment of any bill, a charge at \$50.00 may be made for turning on the water. This charge, together with any arrears that may be due the Company for charges against the customer, must be paid before the water service will be resumed.

(b) After the initial water installation, a charge of \$50.00 will be made for any meter turn-on or turn-off. This will apply to changes of occupancy or when non-payment of bills is involved.

(c) If the meter is removed at the discretion of the Company, a charge of \$50.00 will be made for the reinstallation and connection of the meter.

RULE NO. 11 CHANGE OF OCCUPANCY

No less than **fifteen** days notice must be given in person, or in writing at the Company's office to discontinue service or to change occupancy. The outgoing party shall be responsible for all water consumed up to the time of departure. If the incoming occupant requests that an interim meter reading and calculation is made to split the billing of a normal billing cycle a \$50.00 reading charge will be charged to the new occupant.

RULE NO. 12 METER READING-BILLINGS-COLLECTIONS

(a) Customers are responsible for furnishing the Company with their correct address. Failure to receive bills will not be considered an excuse for nonpayment nor permit an extension of the date when the account will be considered delinquent.

(b) Meters will be read and bills issued in arrears of water usage. Each "Premises" as described in Rule No.1 shall be billed separately for service. The period of time covered by these bills will be determined by the Company and shall be no less than one month.

(c) Bills will be computed in accordance with the Company's published rate schedule and will be based on the amount consumed for the period covered by the meter reading. Exceptions are made where a customer orders turn off or turn on for less than one month's service, the minimum charge for one full months service will apply.

(d) Payments are accepted by mail, or in person at the company office.

(e) Charge for service commences when meter is installed and connection made regardless if there is any water consumption.

(f) Failure to receive bills will not be considered an excuse for non-payment nor permit an extension of the date when the account will be considered delinquent.

(g) In those cases where meters are installed, if the meter should fail to register for any reason, or if the meter reader should be unable to gain admittance to the premises at the time the meter is due to be read, an estimated bill will be submitted. Such bill shall be based on an average of the consumption shown by three previous

consecutive billing periods, Or, in the case of a new customer, where previous consumption cannot be so used for computing average consumption, reasonable estimated consumption shall be utilized.

(h) Bills are due when rendered, delinquent after the 25th day after the date of billing. A late payment charge of 1 1/2% per month will be imposed on the delinquent account.

(i) Delinquent notices may be mailed to the customer 30 days after the regular billing date, and if payment is not made within 10 days after the date of mailing (or 40 days after rendering of the original bill) service may be discontinued.

(j) Bad check charge shall be \$25.00 per check.

RULE NO. 13 COMPLAINTS AND ADJUSTMENTS

(a) There shall be no abatement of the minimum rates in whole or in part by reason of the extended absence of the customer and no abatement shall be made for leaks or for water wasted by improper or damaged service pipes or fixtures belonging to the customer: Except however, that in the case of an underground leak an adjustment may be made for fifty percent of the amount of excess in a water bill due to this cause, based on an average of previous three consecutive periodic bills, provided the customer promptly and properly repairs such leak when detected.

b) If the customer believes his/her bill to be in error, he shall present his/her claim to the Company's office before the bill becomes delinquent. Such claim, if made after the bill becomes delinquent, shall not be effective in preventing assessment of service charges nor of discontinuance of service as heretofore provided. The customer may pay such a bill under protest and said payment shall not prejudice his/her claim.

RULE NO. 14 PRESSURE AND CONTINUITY OF SUPPLY

(a) The Company does not guarantee a sufficient or uniform pressure, or an uninterrupted supply of water, and customers are cautioned to provide sufficient storage of water where an absolutely uninterrupted supply must be assured, such as for steam boilers, domestic hot water systems, gas engines, etc.

(b) In high-level sections where pressure is low, the customer shall, if he desires a higher pressure than that furnished at the mains of the Company, install at his/her own expense a tank and/or booster pump, or a type and installation approved by the Company.

(c) Where the pressure to customer's premises is greater than he wishes, it shall be his/her responsibility to install the proper regulating device to reduce the pressure to the extent desired.

(d) The Company will supply water at a minimum pressure of 20 psi at the service connection.

RULE NO. 15 INTERRUPTIONS IN WATER SUPPLY

(a) 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 reason, 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.

(b) While it is the intention of the Company to give notice in advance of any work, which must be done, that will necessitate any interruption of the supply, such notice is to be considered an accommodation and not a requirement on the part of the Company. Property owners must so regulate their installations connected with the water supply system that damage will not occur if water is shut off without notice.

(c) The Company will undertake to use reasonable care and diligence in order to prevent and avoid interruptions and fluctuation in the service, but it cannot and does not guarantee that such will not occur.

RULE NO. 16 EXTENSION OF MAINS

The Company will extend its water distribution system of mains and laterals to supply consumer, where application for service has been made, under the following terms and conditions.

(a) Where the cost of the extension does not exceed three and one-half times the estimated normal annual consumption revenue from bonfire applicants whose service pipes will be directly connected to the extension and from whom the Company has received applications for service upon forms provided by the Company for this purpose, the Company will install, at its own cost and expense, the necessary extension.

(b) Where the cost of making an extension exceeds three and one-half times the estimated normal annual revenue, the applicant or applicants shall deposit with the Company the excess cost of the extension, that is, the difference between the estimated cost of the extension and the three and one-half times the estimated normal annual revenue from the applicant or applicants and other person whose applications are received on or before the work of making the extension has begun.

(c) Any deposit so made shall remain without interest, in the possession of the Company, subject to refunds as follows:

After the completion of the extension when and as additional benefited consumers are secured whose service lines are directly connected to such extension, the Company will refund to the original depositor or depositors an amount equal to three and one-half times the estimated annual revenue from such additional consumers. Refunds will be made for a period of ten years only from date of original deposit, and the total of such refunds will in no event exceed the amount of the original deposit. All or any part of the deposit not refunded within said ten-year period shall remain the property of the Company.

(d) The ownership of the extensions installed under this rule shall at all times be in the Company; its successors and assigns.

(e) The Company reserves the right to determine the size of the pipe necessary in making such extensions.

RULE NO. 17 GENERAL

(a) The service pipe, meters and fixtures on the customer's premises shall be accessible to the Company for observation or inspection at reasonable hours.

(b) No person shall turn the water on or off at any street valve corporation cock, meter cock or other connection, or disconnect or remove any meter or disturb any connection pipe or service lines without the consent of the Company. Penalties provided by law for any such unauthorized action will be rigidly enforced;

(c) No employee or agent of the Company shall have the right or authority to bind it by any promise, agreement or representation contrary to the letter or intent of these Rules and Regulations.

(d) Any Complaint about the service or employees of the Company shall be made at the office of the Company or in writing.

The telephone number for billing and service complaints is 540-342-6600. CENTRAL WATER COMPANY, INC.