

Harmony Heights Water Company
New Harmony, Utah

Original Sheet No. 1
P.S.C. Utah No. 2

HARMONY HEIGHTS WATER COMPANY

**RATE SCHEDULES
AND
RULES AND REGULATIONS**

**TARIFF NO. 2
SUPERSEDES ORIGINAL TARIFF NO. 1**

Issued: April 26, 1999

Effective: April 27, 1999

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WATER SERVICE RATE SCHEDULE

Applicability

Applicable in entire service area to water service for culinary purpose at one point of delivery.

Rates as herein set forth shall apply to each consumer unit. A consumer unit is defined as a single dwelling or any store, service station, cafe, factory, shop, processing plant, or other establishment or concern that might apply for culinary water service for domestic purposes.

The following rate is for a period of one month:

<u>Usage</u>	<u>Fees</u>
First 20,000 gallons	\$25.00 minimum charge for each service connection
Over 20,000 gallons	\$ 1.75 per 1,000 gallons

Standby Service Fee

Standby Service Fee* \$25.00 per month

*Applies to all lots legally deeded from the subdivision to the new lot owners where service mains are in place and where service is available; but no water service has been connected and no water service is used.

Should the Company after proper written notice of payment delinquency be required to disconnect service, said delinquent customer is still required to pay the Standby Service Fee.

Service Connection Fees

One-time charge for each service requiring new meter installation	\$1,250.00
After a disconnect, turn-on service where meter is already in place	\$ 100.00

RULES AND REGULATIONS

- 1. Company Stock per Customer:** As stated in the Company Articles of Incorporation each user will own one or more shares of common stock in the Company. Each lot owner in the Harmony Heights Water Company will be issued shares of company stock according to the specifications required at the time of purchase of said lot or lots.
- 2. Connections:** No unauthorized person shall tap any water main or distribution pipe of the Company and/or insert therein any corporation cock, stop cock or any other fixture or appliance or alter or disturb any service pipe, corporation stop, curb stop, gate valve, hydrant, water meter or any other attachment, being part of the waterworks system and attached thereto. No person shall install any water service pipe or connect or disconnect any such service pipe with or from the mains or distribution pipes of said waterworks system, nor with or from any other service pipe now or hereafter connected with said system, nor make any repairs, additions to, or alterations of any such service pipe, tap, stop cock, or any other fixture or attachments connected with any such service pipe, without first obtaining a written permit from an office of the Harmony Heights Water Company.
- 3. Application for Permit:** Any person desiring to obtain a supply of water from the Company shall make application in writing on the form obtainable from the Company. A water connection permit shall be issued upon receipt of the signed application accompanied by payment of the new installation Service Connection Fee.
- 4. Company Service Connections:** The new installation Service Connection fee shown in this tariff includes a meter, meter box, a cover, and a valved service line, and a one (1") inch service to the Property Line. The Company shall make excavation and installation from the main line connection in the road, from one (1') foot up to three (3') feet beyond the meter. The meter and meter box will be located as directed by the Company. All materials furnished by the Company shall remain its sole and exclusive property.
- 5. Applicant's Service Connection Requirements:** All applicants for water service shall furnish, lay, and install **at their own expense**, that portion of the service not provided by the Company. Installation shall be inspected and approved by the Company before the service line trench is backfilled. A shut-off valve shall be provided by the applicant on each service line, within three (3') feet of the water meter box.
- 6. Metering of Service:** Meters may be checked, inspected, or adjusted at the discretion of the Company. Only authorized representatives of the Company shall open meter boxes to turn on or off water, except in case of emergency or when the Company gives special permission.

RULES AND REGULATIONS (cont'd.)

7. **Meter Adjustments:** If the meter fails to register at any time, the water delivered during such a period shall be billed at the minimum rate. In the event a meter is found to be recording at less than 97 percent or more than 103 percent of actual, the Company may make such adjustments to the customer's previous bill as are just and fair under the circumstances.
8. **Water Use Restriction:** The lot owner or occupant of any structure on said premises which is entitled to the use of water from the Company **shall not supply water** to any other building, trailers, and/or premise in which occupants are residing on a permanent or semi-permanent basis.
9. **Service Turn-on and Turn-off:** Service may be turned off by the Company when so requested by the applicant and/or when the applicant fails to abide by these Rules and Regulations. Whenever the water is turned off at any premises, it shall not be turned on again until the customer pays all delinquent balances owing, which includes any late charges, accrued interest, legal fees and reconnection fee as shown in the rate schedule. Only authorized representatives of the Company shall turn on or off water at the meter box except in case of an emergency or when special permission is granted by the Company.
10. **Disruption Liability:** The Company shall use reasonable diligence to provide continuous water service to its customers, and shall make a reasonable effort to furnish them with a clean, pure supply of water. However, the Company shall not be held liable for damages to any water user by reason of any stoppage or interruption of water supply caused by scarcity of water, accidents to works, water main alterations, additions or repairs, acts of God or other unavoidable causes.
11. **Damage to Facilities:** Costs of any damage resulting from the failure of the owner, agent or tenant to properly protect the water meter or other facilities of the Company installed upon premises supplied with water, shall be assessed against such owner, agent or tenant. Water consumers shall not tamper with or remove the meter, or interfere with the reading thereof.
12. **Reading of Meters:** All meters shall be read by the Company and charges shall be based on the Following:
April through October meters read and billed on a monthly basis.
November through March the monthly minimum rate will be charged and/or unless circumstances require a monthly meter reading and charge.

RULES AND REGULATIONS (cont'd.)

13. Billing and Payments: Bills covering the charges will be sent monthly and shall be due fifteen (15) days after being rendered.

14. Delinquent Accounts: If any customer neglects or refuses to pay a water service bill or any other obligation due to the Company within thirty (30) days from the date of said billings, the customer will be assessed interest at the rate of eighteen (18%) percent per annum, plus a late fee of twenty-five (25%) percent of the delinquent past due amount as required by the by-laws of the Corporation (Article 8.2) and the Public Service Commission of Utah.

Should any account become sixty(60) days delinquent, the customer will be notified and the following action can be taken: a) Payment arrangements satisfactory to the Company can be negotiated; b) interest and late fee will still be applicable; c) should any legal action be required, all legal fees and expenses incurred will be required to be paid by the stockholder; d) in case of severe delinquency, a lien will be placed on said property. Company's employees shall have the right to go upon the premises and do such work as may be necessary to disconnect the water service. Before any service is renewed, all accounts due must be paid in full, plus the established tariff fee for reconnection shall be paid.

15. Standby Service Fee: This fee is due and payable as required by paragraph 13 and 14 above. All regulations for delinquent accounts will apply. No new Service Connection will be granted until all fees and accounts are paid in full.

16. Requested Discontinuance of Service: Any customer wishing to discontinue service shall notify the Company so that the meter can be read for a final billing. Such final bill shall be due and payable upon receipt.

17. Regulated Usage: Whenever the Company shall determine that the amount of water available to its distribution system has diminished to such a volume that, unless restricted, the public health, safety and general welfare is likely to be endangered, it may prescribe rules and regulations to conserve the water supply during such emergency. Such rules and regulations may include, but shall not be limited to, the restriction to certain hours (or total prohibition) of the use of water for outdoor watering.

18. Changes and Amendments: The right is reserved to amend or add to these Rules and Regulations as experience may show it to be necessary and as such amendments or additions are approved by the Public Service Commission of Utah.

RULES AND REGULATIONS (cont'd.)

19. **Credit Deposit:** The Company may at its option, and in lieu of established credit, require a deposit from the customer to assure payment of bills; such deposits shall be a minimum of Fifty (\$50.00) dollars. After six (6) months, said deposit would be refunded when credit has been established. No interest will be accrued on this fee.
20. **Additional Stockholders Responsibility:** Should stockholder lease or rent said property, the stockholder will be billed and remain responsible for all charges incurred to the Harmony Heights Water Company as per paragraph 13 and 14.

FACILITY EXTENSION POLICY

1. **Definition:** An extension is any continuation of or branch from, the nearest available existing line of the Company, including any increase of capacity of an existing line to meet the Customers' requirements.
2. **Costs:** The total cost of extensions including engineering, labor, and materials shall be paid by the applicants. If because of the extension and/or the additional water customers, which would require additional water rights, pumps, storage, or other water plant expansion, the Company may require the applicants to pay these costs. Where more than one customer is involved in an extension the costs shall be pro-rated on the basis of the street frontage distances involved or upon such other basis as may be mutually agreed by the applicants. Sufficient valves and fire hydrants must be included with every installation.
3. **Construction Standards:** Minimum standards of the Company shall be met, which standards shall also comply with the standards of the Utah State Division of Drinking Water. The pipeline shall be installed only along dedicated streets and highways.
4. **Water Storage and Supply:** Except as provided for in paragraph 2 herein above, all costs for providing increased water supply and storage shall be paid by the Company. This cost shall include the installation and operation of pumps as required for proper pressure regulation of the system.
5. **Ownership:** Completed facilities and water rights shall be owned, operated, and maintained by the Company, including and through meters as detailed in the Tariff Rules and Regulations.
6. **Temporary Service:** The Customer will pay the total cost for the installation and removal of any extension for service to a venture of a temporary or speculative nature. Such costs will be estimated and paid before work is begun on the extension.

Areas of Proposed Service

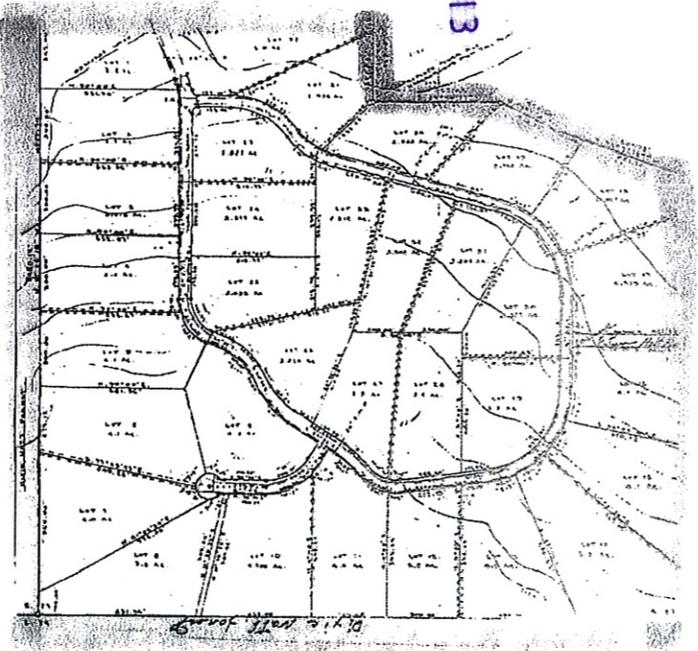
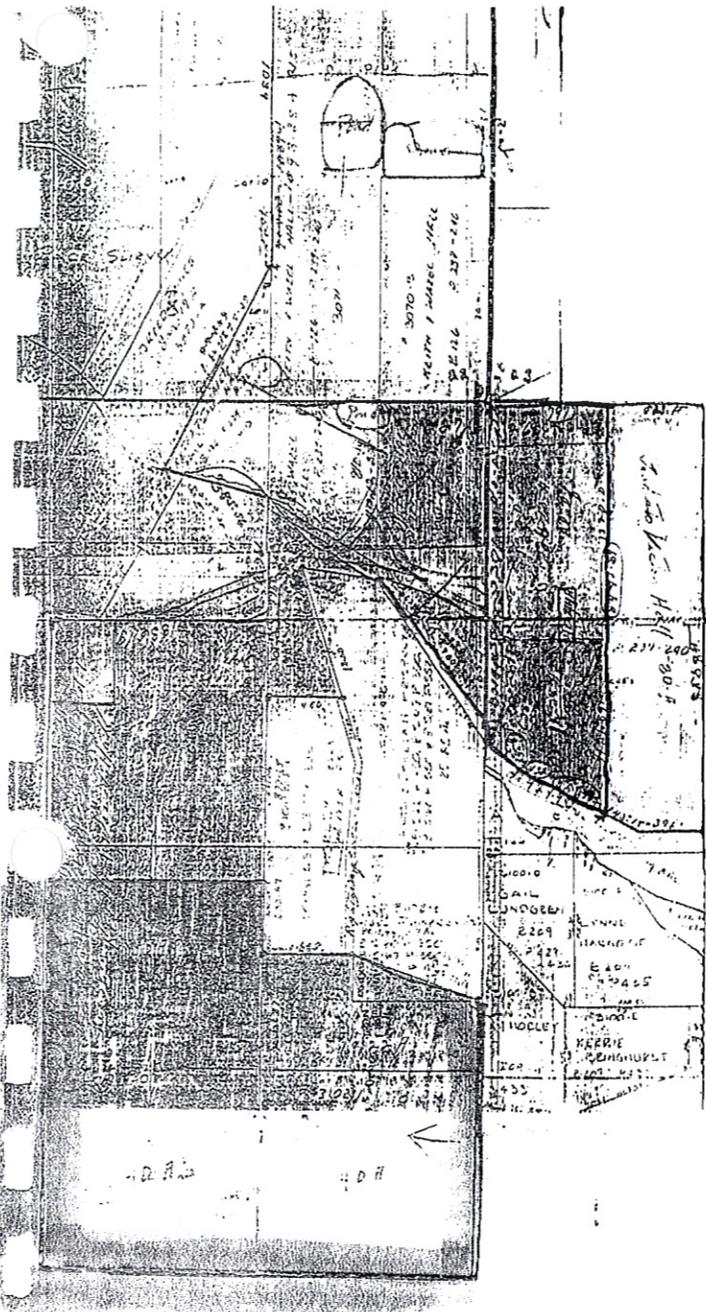
(Legal Description, Map and Drawings of "Harmony Heights Subdivision")

Legal Description of Proposed Service

Beginning at the Southeast Corner of Section 22, Township 38 South Range 3 West, Salt Lake Base and Meridian, and running thence North along the Section Line 1320 feet; thence N. 89°51'30" W. 215 feet; thence North 1038.47 feet; thence West 1140.39 feet to 1/16 line; thence S. 0°20' E. along the 1/16 line 1593.38 feet to the North Corner of Lot 1 of William Pace Survey; thence S. 26°13'49" W. along the Lot Line 1051 feet; thence S. 53°46'11" E. along the Lot Line 585.56 feet to the Southeast Corner of said Lot 11, and a point on the 1/16 line; thence S. 0°20'11" along the 1/16 line 796.40 feet to the Northeast Corner of the SW1/4NE1 of Section 27, T. 38 S., R. 13 W.; thence N. 89°38'46" W. along the 1/16 line 336.19 feet to the Northwest Corner of said SW1/4NE1/4; thence S. 0°34' E. along the 1/4 Section Line 4022.74 feet to the South 1/4 Corner of said Section 27; thence N. 89°56'14" E. along the Section Line 2641.96 feet to the Southeast Corner of said Section 27; thence N. 0°09'28" W. along the Section Line 1764.82 feet; thence N. 73°22'57" W. 601.93 feet; thence 62°31'08" W. 52.50 feet; thence S. 89°50'32" W. 528.42 feet to a point on the West Line of the NE1/4SE1/4 of Section 27; thence N. 0°21'55" W. along said line 632.67 feet to the SW Cor. SE1/4NE1/4 of Sec. 27; thence S. 0°20'11" W. along the 1/16 line 877.08 feet; thence S. 89°36'38" E. 529.52 feet; thence N. 23°33'38" W. 831.50 feet; thence S. 81°57'27" E. 502.40 feet; thence S. 46°50'10" E. 67.42 feet; thence S. 70°47'49" E. 61.88 feet; thence S. 23°52' E. 318.16 feet; thence S. 41°32'38" E. 388.50 feet to a point on the Section Line; thence S. 0°06'08" E. along the Section Line 111.89 feet; thence 48°45' E. 235.94 feet; thence S. 64°00' E. 432.00 feet; thence S. 62°30' E. 256 feet; thence North 2441.89 feet to the Section Line; thence West along the Section Line 797.00 feet to the point of beginning.

Containing 342 acres more or less.

RECEIVED
DIVISION OF
PUBLIC UTILITIES
MAR 30 A 7 13



SUBDIVISION--"HARMONY HEIGHTS"
 PROPOSED AREAS FOR SURPLUS WATER USE
 ADJOINING PROPERTY OWNERS
 NATIONAL FOREST PROPERTY