

Resort Water Company Inc.

TABLE OF CONTENTS

	<u>Sheet No.</u>
TITLE PAGE.....	1
TABLE OF CONTENTS.....	2
RATE SCHEDULE.....	3
Schedule No. 1	3
Flat Rate Service	3
Schedule No. 2	4
Miscellaneous Fees and Charges	4
Schedule No. 3	6
Bulk Water Sold to Contractors	6
Schedule No. 4	7
Bulk Water Sold for Snowmaking	7
Schedule No. 5	8
Temporary Service for Construction Purposes	8
APPLICATION FOR SERVICE	9
SERVICE CONNECTION	9
METERS	12
BILLS	12
DISCONTINUANCE OF SERVICE	13
CUSTOMER'S DEPOSITS	14
TEMPORARY SERVICE FOR CONSTRUCTION PURPOSES	14
FIRE PROTECTION	14
MISCELLANEOUS.....	15
DEFINITIONS	15
WATER MAIN EXTENSIONS.....	18

Resort Water Company Inc.

Rate Schedule

Schedule No. 1
Flat Rate Service

Availability:

To all residential, multi-family and commercial customers excluding bulk water for snow making or bulk water sold to contractors. Each housing unit is considered to be one (1) Equivalent Residential Unit (ERU). Commercial ERU's will be estimated using a contribution to peak week calculation as can reasonably be determined from actual usage or as estimated using IDAPA 58.01.03.007.08 (Wastewater Flows from Various Establishments in Gallons per Day), or some other method approved by the Resort Water Company, the Idaho Public Utilities Commission and generally accepted engineering practices.

Customer Charges:

Based on the cost of providing water service, and providing a Return on Investment of 11% the yearly bill per ERU is \$537.44. Billed monthly, equals \$ 44.80.

Monthly Charge:

\$ 44.80

Conditions of Contract:

The monthly charge will be prorated whenever the customer has not been a customer for the entire billing period.

Resort Water Company Inc.

Schedule No. 2

Miscellaneous Fees and Charges

1. Return check Charge

Application:

This charge is applicable to all customers where the customer's check or bank draft is returned by the Bank for insufficient funds, closed account, or some other appropriate reason.

Rate:

	<u>Each Occurrence</u>
Returned Check Charge	\$15.00

2. Reconnection Charge when disconnected for less than 30 days

Application:

This charge is applicable to all customers where water has been physically turned off for less than 30 days at the request of the rate payer or for nonpayment of a delinquent bill.

Rates:

	<u>Each Occurrence</u>
Reconnection charge (during normal business hours)	\$20.00
Reconnection Charge (other than normal business hours)	\$60.00

3. Reconnection Charge when disconnected for more than 30 days

Application:

Resort Water Company Inc.

This charge is applicable to all customers where water has been physically turned off for more than 30 days at the request of the rate payer or for nonpayment of a delinquent bill.

Rates: Each Occurrence

Reconnection charge shall be calculated based on the tariffed charge for four months of service.

(during normal business hours)

Reconnection charge shall be equal to the tariffed charge for four months of service plus a \$60 after hours charge.

(other than normal business hours)

4. Field Collection Trip Charge:

Application:

This charge is applicable to all customers who pay outstanding bills for service at the time that Company personnel arrive at the customers' premises to terminate service.

Rates: Each Occurrence

Field Collection Trip Charge \$15.00

Resort Water Company Inc.

Schedule No. 3

Bulk Water Sold to Contractors

1. Backflow Prevention Device Rental:

Application:

Any contractor needing to fill a water tanker of any kind shall do so at a location designated by the Resort Water Company and each truck shall be equipped by an approved and inspected backflow prevention device as approved by the Mountain Utility Company. This charge is applicable to contractors that do not have an approved and inspected backflow prevention device.

<u>Rates:</u>	<u>Each Day</u>
Backflow Prevention Device Rental:	\$25.00

2. Bulk Water Charge:

Application:

Any contractor that needs to fill a water tanker of any kind or size.

<u>Rates:</u>	<u>Each Day</u>
Bulk Water Charge:	\$10.00

Schedule No. 4

Bulk Water Sold for Snowmaking

Snowmaking Bulk Water Rate

Application – Snowmaking water usage shall be charged at a rate equivalent to residential usage. In accordance with Order No. 29732 snowmaking shall be considered 12 ERU's. The yearly charge for water shall be the number of ERU's multiplied by the current Yearly Rate per ERU as defined in Schedule 1 of these Rules and Regulations.

Interruption of Service

The Mountain Utility Company shall retain, at its sole discretion, the right to interrupt the water service for snowmaking for any reason and to determine the schedule and times that snowmaking will be allowed.

In general, snow making will only be allowed when it will not affect the ability of the Mountain Utility Company to serve potable water customers, and will generally not be allowed during peak hours of water use.

Sheet No. 8
Replacing all Previous Sheets

IDAHO PUBLIC UTILITIES COMMISSION
Approved Effective
June 13, 2005 March 15, 2005
Per O.N. 29732
Jean D. Jewell Secretary

Resort Water Company Inc.

Schedule No. 5

Temporary Service for Construction Purposes

Application:

Contractors, builders, or others who wish temporary service from an approved service connection shall apply to the Company for temporary service. This application may be made in writing, in person or over the telephone.

Rate:

The requesting party agrees to pay for water at ½ the approved flat rate.

Resort Water Company Inc.

Rules and Regulations Governing the Rendering of Service

Application for Service

1. Water service will be provided at all existing service locations after the prospective customer (or a properly authorized agent) makes application for service and the Company approves the application. The service request may be taken by telephone, in writing, or by personal visit to the company office. Each service request will be prepared on a separate order form specifically designed for this purpose.

2. On all new service applications requiring the installation of a service line and/or meter box, or connections necessary after a customer has altered their plumbing, service will be provided after a Utilities Application Packet has been completed, a Bonner County Building Location Permit has been approved, connections to the Company's water system have been approved by the Company, and the plumbing has been inspected and approved by the appropriate plumbing authority.

3. The application for new service or the connection request on existing services will state clearly the class, scope and type of use for each service. The application shall clearly state the number of bedrooms and bathrooms for each residential service. Any increase in number of bedrooms or bathrooms will require a new application.

4. Office hours are 8:00 a.m. to 4:30 p.m., Monday through Friday. Any request for service after regular office hours, weekends or holidays will result in a \$60.00 service charge.

5. The application for service and/or connection request and these rules and regulations constitute a contract between the customer and the Company. Each customer agrees to be bound by this contract after the service application is made, approved and/or service rendered. Copies of the Company's presently approved rules and regulations are on file at the Company's office and are available for public inspection.

Service Connection

6. Each customer shall be supplied through a separate service line.

7. The Company shall inspect all connections to its existing mains. The Applicant shall furnish and install water service lines from the main to and including the meter box or vault, meters and service setting. All service lines including meter and

Resort Water Company Inc.

meter box shall be property of the Company and shall be accessible to and under its control. In instances where the existing mains do not front the property to be served, the Applicant shall enter into the appropriate main extension agreement as provided under Company's Rules and Regulations Governing Main Extensions.

8. All service lines from the main to the customer's building or place of consumption shall be approved by the Company as to size, kind of pipe, and installation and shall be installed and kept in good repair by the customer at the customer's expense. All such service lines shall be placed at least four (5) feet below the surface of the ground.

9. No service lines shall be laid in the same trench with the sewer pipe.

10. When a meter is located within the customer's building, a positive shutoff valve easily accessible to the occupants shall be placed in the service line within the building supplied with water. Such valve shall be located so that it will be possible to drain the meter and all pipes in the building. When the meter is located outside the customer's building, a positive shut off valve shall be located between the customer's building and the meter.

11. All components and materials coming in contact with drinking water must meet ANSI/NSF 61 requirements.

12. A service connection valve has been installed near property line by Company. Notify Company prior to the start of construction or digging. A State of Idaho plumbing permit is required prior to the start of work.

13. For single family dwellings, one (1) inch (AWWA and NSF Approved) Poly pipe, minimum 200 PSI, shall be installed as service line to home. This pipe shall be one piece, not spliced. Other sizes are required for multi-family dwellings.

14. Minimum depth for line is 5 feet. Sand bedding is required for entire length of pipe.

15. Connections for each end of line: "Brass 1 inch, Pexmip Cplg Adp Pep Compression". Available at Consolidated Supply.

16. Poly pipe to run under foundation or through a sleeved opening in the foundation wall. One (1) inch threaded ball valve to be used as shut off, between supply line and homes internal plumbing.

17. Call Company to witness pressure check of line. Ensure that service valve at property line is shut. The line is to be pressured to 125 PSI or 125% of actual water pressure, which ever is greater, for 15 minutes. Line is to remain without leaks or pressure loss for the 15 minute interval.

Resort Water Company Inc.

18. Water line shall not be covered until all testing and inspection is completed and approved.

19. A pressure reducer is required for all service taps. Pressure reducers are to prevent pressures above 60 PSI. Within our water system, water pressures can easily exceed 60 PSI. Owner is to perform an actual pressure check of the home system. Actual water pressure should never exceed 60 PSI. A properly installed and maintained pressure reducer will protect your investment and ensure that your water pressure does not exceed 60 PSI.

20. The customer shall promptly repair all leaks inside the premises, in sprinkling systems and in the customer's service line. Failure to repair leakage promptly may result in termination of service as allowed under the IPUC's Rules and Regulations Governing Customer Relations.

21. The Company shall, at its own expense, replace or enlarge service connections whenever it is necessary to change the location of any service connection due to relocation or abandonment of the Company's mains. The Company will also furnish all work and materials that are necessary to connect to that service.

22. The use of water service by a customer shall be in accordance with the class, scope, type of use, number of bedrooms and purpose stated in the application. A customer shall not use or allow use of water service through the service facilities for others or for purposes other than those covered by the application. To make service available for other purposes of character of use, a new application and contract is required.

23. In accordance with its Cross Connection Control Program, as approved by the State Health Department, the Company shall require an appropriate backflow prevention device be installed on any customer's service connection whenever an actual or potential health hazard is deemed to exist. Any such required device shall appear on the State Health Department's list of approved backflow prevention devices and/or be approved by the Company prior to installation.

24. In the event a backflow prevention device is required, it shall be installed, maintained and tested at the customer's expense. Failure to properly install, maintain or test the required device will result in termination of service to the customer in accordance with the IPUC's Customer Relations Rules and Regulations.

25. When the premises served by the Company is also served in any manner from another supply of water public or private, the customer must install the appropriate backflow prevention device or maintain a physical separation between the two systems at all times. The type of device or separation and the installation of the device or

Resort Water Company Inc.

separation shall be determined by the Company in accordance with its Cross Connection Control Program as approved by the State Health Department.

Meters

26. Though water is billed at a flat rate, it is strongly advised that all new water services for single family residences or duplex units, be rendered only through meters to allow for the location of leaks.

27. All new water services for multi-family units consisting of three or more units and commercial structures except water for fire fighting purposes will be rendered only through meters.

28. Each customer shall have a separate meter.

29. All meters will be furnished by the customer and shall be donated to the property of the Company. The Company reserves the right to establish the size and location of meter required by each customer.

30. Meters will be maintained by the Company for ordinary wear and tear. The costs of repair or replacement resulting from damages to the meter, meter box or setting, caused or allowed by the customer, will be charged to the customer. The customer will not permit anyone other than the Company to remove, inspect or tamper with the Company's meter or other Company property located on the customer's premises.

31. The customer shall notify the Company of any damage to the meter or of any malfunction in the registration, as soon as the customer is aware of the problem.

32. All meters shall be set at convenient locations, accessible to the Company, and subject to its control.

33. The final location of the meter must be approved by the Company.

34. All meters shall conform to ANSI/NSF 61 requirements.

Bills

35. Each customer is subject to a customer charge, the amount of which is set forth in the Schedule of Rates.

Resort Water Company Inc.

36. Bills for water service will be rendered and are due and payable as specified in the IPUC's Customer Relations Rules and Regulations.

37. The presentation or non-presentation of a bill shall not be held to be a waiver of any of the rules and regulations.

Discontinuance of Service

38. When a customer wishes to terminate their water service, the Company must be notified. This request for disconnection may be made in writing, by telephone or a personal visit to the Company office. The customer will be responsible for payment of all service rendered prior to the termination of water service.

39. The Company may deny or terminate water service under the provisions of the Rules and Regulations Governing Customer Relations of Gas, Electric and Water Public Utilities.

The customer has the right to file an informal or formal complaint with the IPUC concerning the denial or termination of service. If the customer files a complaint, the service will not be terminated providing the customer pays all undisputed charges.

Service that has been disconnected for nonpayment will not be restored until the amount due plus the applicable reconnect fee has been paid. Reconnection of service by anyone other than the Company is strictly prohibited and may result in an additional service charge(s).

40. In case of a break, an emergency or other similar situations, the Company shall have the right to temporarily discontinue the water supply in order to make necessary repairs, connections, etc. The company shall use all reasonable and practical measures to notify the customer in advance of discontinuance of service. The Company shall not be liable for any damage or inconvenience suffered by the customer, or for any claim for interruption in service, lessening of supply, inadequate pressure, poor quality of water, or any other cause. The Company may restrict or regulate the quantity of water used by customers in case of scarcity or whenever the public welfare may require it.

Resort Water Company Inc.

41. The right to discontinue service for any of the above reasons may be exercised whenever and as often as such reasons may occur, and neither delay nor omission on the part of the Company to enforce this rule at any one or more times shall be deemed a waiver of its right to enforce the same at any time, so long as the reason continues.

Customer's Deposits

42. The Company reserves the right to require a deposit according to Deposit and Guarantee Practices for Residential and Small Commercial Customers, of the IPUC Customer Relations Rules and Regulations. Reasonable deposits may be collected for customers not covered under the IPUC's Customer Relations Rules and Regulations.

43. The Company will refund said deposit when the customer (1) discontinues service (and all outstanding bills are paid), or (2) establishes and maintains good credit as defined by the IPUC's Customer Relations Rules and Regulations.

Temporary Service for Construction Purposes

44. Contractors, builders, or others who wish temporary service from an approved service connection shall apply to the Company for temporary service. This application may be made in writing, in person or over the telephone. The requesting party agrees to pay for water at ½ the approved flat rate.

45. The application for service and/or connection request and these rules and regulations constitute a contract between the requesting party and the Company. Each customer agrees to be bound by this contract after the service application is made, approved and/or service rendered. Copies of the Company's presently approved rules and regulations are on file at the Company's office and are available for public inspection.

Fire Protection

46. Water from fire hydrants or other fire fighting facilities shall be used only for fire fighting purposes, except for water sold to contractors and pursuant to existing Tariff Schedule No. 3.

Resort Water Company Inc.

47. All private fire service connections from the main to the property line, including all valves, shall be furnished by the customer, and approved by the Company.

48. The Company reserves the right to require a meter and appropriate backflow prevention device to be furnished and installed by the customer on any fire service connection. The meter and required backflow prevention device shall be inspected and approved by the Company prior to the granting of service.

Miscellaneous

49. The authorized employees and agents of the Company shall have the right of access, between the hours of 9:00 a.m. and 4:30 p.m., Monday through Friday, and with approval of the customer, to the premises supplied with water for the purpose of reading meters, examining pipes and fixtures, observing manner of using water, and for any other purpose which is proper and necessary in the conduct of the Company's business. Such employees and agents shall carry proper credentials evidencing their employment by the Company.

50. Except in case of an emergency, no one other than Company personnel shall open or close any of the Company's curb stops or valves in any public or private line.

51. The Company reserves the right to alter or amend these Rules and Regulations in the manner provided by law.

52. If the customer's property is vacant and the Company is not notified to terminate service, the customer will be responsible for any damage to the property arising from freezing, water damage, injury to the water service or any other failure.

Definitions

53. "Company" as used herein shall mean Resort Water Company, Inc. acting through its properly authorized officers, agents or employees, each acting within the scope of the particular duties entrusted to them.

54. "Customer" shall be the party contracting for supply of water through a single meter and service through each meter shall be considered, for billing purposes, as service to a separate customer.

Resort Water Company Inc.

55. Individual (s) shall mean a person or group of persons requesting a water main extension to make water service available to an existing or proposed single family residence (s) occupied by or to be occupied by the requesting party (ies).

56. Developer shall mean a person, firm or corporation who (1) sells two or more lots, parcels or tracts of land to others for the purpose of constructing thereon any type of building or (2) constructs any type of building, on land which is for sale, lease or rent by or to another party (ies).

57. Subdivision shall mean the legal dividing of a tract of land into two or more tracts, lots or parcels.

58. Multiple family housing development shall mean any building or buildings consisting of two or more living units.

59. Residential customer shall be designed as a building under one roof which is owned, leased or rented by one party and occupied as a residence, or each unit of a Condominium building where the Condominium units have the ability to be separately owned.

60. Commercial, Industrial and Municipal customers shall be designated by the following:

- Commercial Customer shall be defined as:
 - a. A building containing two or more apartments or family units where the building is owned by one entity and the units are or have the ability to be rented or leased to tenants.
 - b. A building or unit in a building occupied by a retail or service business whose primary business is not manufacturing.
 - c. A building or unit in a building that contains a restaurant, coffee shop, deli, or sells other packaged or non-packaged food products.
 - d. A business office, office complex, or office unit in a building.
 - e. Any building containing any combination of 'a', 'b', and 'c' above.
 - f. A hotel, motel, tourist court, trailer court or mobile home park.

- Industrial Customer shall be defined as:

Resort Water Company Inc.

- a. Any building or combination of buildings in the same compound whose primary use is for the manufacture, fabrication, and/or assembly of any product other than a food item.
- Municipal Customer shall be defined as:
 - a. A publicly owned building such as a school, city hall, court house, fire house, hospital, or other public institution.

The purpose of the foregoing rules and regulations and definitions is to preserve, to the maximum extent possible, the obligation and ability of the Company to furnish service. The rules and regulations and definitions contained herein shall be construed and applied in accordance with the spirit and intent of Title 61 of the Idaho Code.

General

61. Any individual or developer may request water service to be made available to any lot(s) or subdivision under these rules and regulations.

62. The minimum size of water main to be installed under these rules and regulations shall be 6-inch inside diameter.

63. The normal routing for water main extensions shall be in dedicated streets. The Company may, but will not be required to, allow extensions under this rule in easements or right-of-ways where final grades have not been established or where street grades have not been brought to those established by public authority. If extensions are made when grades have not been established and there is a reasonable probability that existing grade will be changed, the Company shall require the Applicant(s) to deposit the estimated cost for altering the facilities installed. This deposit shall be made at the time of execution of the agreement. Such alterations may be, but are not limited to, relocating, raising or lowering of facilities. Adjustment of any difference between the amount so deposited and the actual cost of relocating, raising or lowering facilities shall be made within the (10) days after the Company has ascertained such actual cost. The net deposit representing actual cost is not subject to refund. The deposit related to the proposed relocation, raising or lowering shall be refunded when such displacements are determined by proper authority not to be required.

64. Applicant shall provide a design prepared and stamped by a professional engineer licensed in the State of Idaho and in conformance with Company's

Resort Water Company Inc.

requirements. Company shall be the sole judge as to the adequacy of any water main extension and appurtenances.

Water Main Extensions

65. In instances where the individual (s) shall need to extend the water distribution main to serve new individual residences, the individual(s) shall enter into an agreement with the Company of the type attached hereto and marked Exhibit A. The cost of the water main extension shall, as a minimum, be based on the use of a six-inch inside diameter main.

66. Construction plans and specifications must be prepared by a professional engineer licensed in the State of Idaho and submitted to the Company or designated representative for review and approval. All plans shall be construction quality, be prepared by a Professional Engineer, be to scale (1" = 100' maximum), have a north arrow, a title block, a legend, appropriate details showing existing utilities, existing and proposed buildings, fire hydrants and flow capacity of fire hydrants, connections, valves, backflow preventors, septic tanks, thrust blocks and any other necessary details, shall call out the make and style of conduit, connections, valves, backflow preventors, shall clearly specify minimum depth of utilities from existing elevation, and minimum cover, shall specify backfill material with maximum size aggregate, compaction requirements and compaction efforts. As a minimum, all construction requirements shall conform with the latest edition of the ISPWC. **All water main construction or extension, plans and specifications must be submitted to the DEQ for review and approval.** Construction drawings, along with electronic drawing files (must be readable by ACAD 2002), must be submitted to Company or designated representative for review and approval.

67. In instances where more than one individual has requested a water main extension, any contribution shall normally be divided in proportion to distance of the residence from the existing water main. In unusual circumstances, other methods of dividing the deposit may be used, provided they are acceptable to all individuals and the Company.

68. A water main extension must extend to the extreme property lines of the building lot to be served.

69. The applicant shall contract for the installation of the water main to the Company's specifications. In addition, the applicant shall deposit with the Company the applicable overhead and direct labor costs incurred by the Company for such items as inspection, plan review, and as-built drawing preparation. The Company shall specify

Resort Water Company Inc.

the material to be supplied by the Applicant with respect to size and type. In general, the material shall conform to the Company's standard material specifications and applicable AWWA/ANSI/NSF specifications. The Company may deny the right of Applicant to provide a contractor who has a documented history of poor performance.

70. Each separate water main extension to and/or within a development shall be subject to a separate agreement.

71. The Company with approval from the Idaho Department of Environmental Quality shall be the sole judge as to the design of and the time of construction and/or installation of any main extension.

(Comments on extension agreement in separate document)