BIT-W

ANNUAL REPORT

OF

PO Box 2306
Hayden Lake, ID 83835

RECEIVED

THAY -4 AM 9:

THES COMMIS

IDAHO PUBLIC
UTILITIES COMMISSION

FOR THE

YEAR ENDED: DECEMBER 31, 2016

ANNUAL REPORT FOR WATER UTILITIES TO THE IDAHO PUBLIC UTILITIES COMMISSION FOR THE YEAR ENDING 2016

COMPANY INFORMATION

1 Give full name of utility	Bitterroot Water Company				
2 Date of Organization	6/16/1995	6/16/1995			
3 Organized under the laws of the state of	Idaho				
4 Address of Principal Office (number & street)	24461 Old Highway 95 N, Athol, ID 83801 (N	ot mailing address)			
5 P.O. Box (if applicable)	PO Box 2306	PO Box 2306			
6 City	Hayden Lake	Hayden Lake			
7 State	Idaho				
8 Zip Code	83835	83835			
9 Organization (proprietor, partnership, corp.)	Corporation				
10 Towns, Counties served	Kootenai County				
11 Are there any affiliated companies?	No				
If yes, attach a list with names, addresses	s & descriptions. Explain any services				
provided to the utility.					
12 Contact Information	Name	Phone No.			
President (Owner)	Ken Rickel	208-683-8105			
Vice President	Ken Rickel	208-683-8105			
Secretary	Cathy Rickel	208-683-8105			
General Manager	Ken Rickel	208-683-8105			
Complaints or Billing	Cathy Rickel	208-683-8105			
Engineering	Inland Northwest Consultants	208-773-8370			
Emergency Service	Ken Rickel	208-683-8105			
Accounting	Susan Jacobson	303-941-4005			
13 Were any water systems acquired during the	year or any additions/deletions made				
to the service area during the year?	No	new 1818 new more			
If yes, attach a list with names, addresses provided to the utility.	& descriptions. Explain any services				
14 Where are the Company's books and records	s kept?				
Street Address	24461 Old Highway 95 N				
City	Athol				
State	Idaho				
Zip	83801				

and an updated system map

If yes, attach full explanation

Attach a copy of the Summary

23 Date customers last received a copy of the Summary

24 Did significant additions or retirements from the

of Rules required by IDAPA 31.21.01.701?

Plant Accounts occur during the year?

July-2016

No

(All new customers receive a copy in their packet)

REVENUE & EXPENSE DETAIL

		REVENUE & EXPEN	SE DETAI	L			
	ACCT	For the Year Ended 2016 _ # DESCRIPTION			-		
	ACCT #	400 REVENUES			-		
1	460	Unmetered Water Revenue					
2	461.1	Metered Sales - Residential	\$	46,623	-		
3	461.2	Metered Sales - Commercial, Industrial	\$	778	-		
4	462	Fire Protection Revenue			-		
5	464	Other Water Sales Revenue			-		
6	465	Irrigation Sales Revenue	-		-		
7	466	Sales for Resale			-		
8	400	Total Revenue (Add Lines 1 - 7) (also enter result on Page 4, line 1)			\$	47,401	
9	* DEQ	Fees Billed separately to customers			Booked	d to Acct #	
10	** Hook	cup or Connection Fees Collected			Booked	d to Acct #	460
11	***Com	mission Approved Surcharges Collected			Booked	d to Acct #	460
		401 OPERATING EXPENSES					
12	601.1-6	Labor - Operation & Maintenance	\$	29,694	-		
13	601.7	Labor - Customer Accounts	\$	2,047	-		
14	601.8	Labor - Administrative & General	\$	10,848	-		
15	603	Salaries, Officers & Directors			_		
16	604	Employee Pensions & Benefits	-		_		
17	610	Purchased Water	\$	538	_		
18	615-16	Purchased Power & Fuel for Power	\$	11,576	_		
19	618	Chemicals	\$	36	_		
20	620.1-6	Materials & Supplies - Operation & Maint.	\$	3,358	-		
21	620.7-8	Materials & Supplies - Administrative & General	\$	1,115	_		
22	631-34	Contract Services - Professional	\$	3,043	-		
23	635	Contract Services - Water Testing	\$	620	-		
24	636	Contract Services - Other	\$	150	-		
25	641-42	Rentals - Property & Equipment			-		
26	650	Transportation Expense	\$	633	-		
27	656-59	Insurance	\$	2,544			
28	660	Advertising					
29	666	Rate Case Expense (Amortization)		····			
30	667	Regulatory Comm. Exp. (Other except taxes)			-		
31	670	Bad Debt Expense					
32	675	Miscellaneous	\$	2,136			
33	Total O	perating Expenses (Add lines 12 - 32, also enter o	n Pg 4, lin	e 2)	\$	68,338	

Name: Bitterroot Water Company

INCOME STATEMENT

	ACCT #	For Year Ended 2016 DESCRIPTION	_			
1	7,0017	Revenue (From Page 3, line 8)	- \$	47,401		
2		Operating Expenses (From Page 3, line 33) \$ 68,338	_	 11,101	-	
3	403	Depreciation Expense \$ 8,259	_			
4	406	Amortization, Utility Plant Aquisition Adj.	-			
5	407	Amortization Exp Other	-			
6		Regulatory Fees (PUC) \$ 94	_			
7		Property Taxes \$ 325	_			
8		Payroll Taxes \$ 323	_			
9A	408.13	Other Taxes (list) DEQ Fees	_			
9B		-	_			
9C			_			
9D			_			
10	409.10	Federal Income Taxes	_			
11	409.11	State Income Taxes \$ 30				
12	410.10	Provision for Deferred Income Tax - Federal	_			
13	410.11	Provision for Deferred Income Tax - State	_			
14	411	Provision for Deferred Utility Income Tax Credits	_			
15	412	Investment Tax Credits - Utility	_			
16		Total Expenses from operations before interest (add lines 2-15)	\$	77,368	_	
17	413	Income From Utility Plant Leased to Others			_	
18	414	Gains (Losses) From Disposition of Utility Plant			_	
19		Net Operating Income (Add lines 1, 17 &18 less line 16)			\$	(29,967)
20	415	Revenues, Merchandizing Jobbing and Contract Work			_	
21	416	Expenses, Merchandizing, Jobbing & Contracts			_	
22	419	Interest & Dividend Income	\$	-	_	
23	420	Allowance for Funds used During Construction		 	_	
24	421	Miscellaneous Non-Utility Income			_	
25	426	Miscellaneous Non-Utility Expense	\$	2,387	_	
26	408.20	Other Taxes, Non-Utility Operations			_	
27	409-20	Income Taxes, Non-Utility Operations			_	
28		Net Non-Utility Income (Add lines 20,22,23 & 24 less lines 21,25,26, & 27))		\$	(2,387)
29		Gross Income (add lines 19 & 28)			\$	(32,354)
30	427.3	Interest Exp. on Long-Term Debt				
31	427.5	Other Interest Charges				
32		NET INCOME (Line 29 less lines 30 & 31) (Also Enter on Pg 9, Line 2)			\$	(32,354)

ACCOUNT 101 PLANT IN SERVICE DETAIL

For Year Ended 2016

	SUB ACCT#	# DESCRIPTION	В	Balance eginning of Year	Added During Year	Removed During Year	Balance End of Year
1	301	Organization				T	\$ -
2	302	Franchises and Consents					\$
3	303	Land & Land Rights		***************************************		1	\$
4	304	Structures and Improvements	\$	8,413			\$ 8,413
5	305	Collecting & Impounding Reservoirs					\$ _
6	306	Lake, River & Other Intakes	***************************************				\$ -
7	307	Wells					\$ -
8	308	Infiltration Galleries & Tunnels					\$ _
9	309	Supply Mains					\$ -
10	310	Power Generation Equipment	\$	21,384			\$ 21,384
11	311	Power Pumping Equipment	\$	21,313	\$ 29,024		\$ 50,337
12	320	Purification Systems	\$	-			\$ -
13	330	Distribution Reservoirs & Standpipes	\$	-			\$ -
14	331	Trans. & Distrib. Mains & Accessories	\$	-			\$ -
15	333	Services	\$	-			\$ -
16	334	Meters and Meter Installations	\$	116			\$ 116
17	335	Hydrants	\$	-			\$ -
18	336	Backflow Prevention Devices	\$	-			\$ -
19	339	Other Plant & Misc. Equipment	\$	-			\$ _
20	340	Office Furniture and Equipment	\$	715			\$ 715
21	341	Transportation Equipment		- 44 A 1800 - 17 A 17	I		\$ -
22	342	Stores Equipment					\$ -
23	343	Tools, Shop and Garage Equipment				72	\$ -
24	344	Laboratory Equipment					\$ -
25	345	Power Operated Equipment					\$ -
26	346	Communications Equipment					\$ -
27	347	Miscellaneous Equipment					\$ -
28	348	Other Tangible Property					\$
29		TOTAL PLANT IN SERVICE (Add lines 1 - 28)	\$	51,941 Enter bed	\$ 29,024	\$ -	\$ 80,965

(Add lines 1 - 28) Enter beginning & end of year totals on Pg 7, Line 1

Name:	Bitterroot Water	Company	y
-------	-------------------------	---------	----------

ACCUMULATED DEPRECIATION ACCOUNT 108.1 DETAIL

For Year Ended _____

	SUB ACCT#	# DESCRIPTION	Depreciation Rate %		Balance Beginning of Year		Balance End of Year	crease or ecrease)
1	304	Structures and Improvements		\$	7,405	\$	7,431	\$ 26
2	305	Collecting & Impounding Reservoirs						\$ -
3	306	Lake, River & Other Intakes						\$ _
4	307	Wells						\$ _
5	308	Infiltration Galleries & Tunnels						\$ -
6	309	Supply Mains						\$ _
7	310	Power Generation Equipment	0.00%	\$	13,771	\$	13,771	\$ _
8	311	Power Pumping Equipment	16.36%	\$	7,017	\$	15,250	\$ 8,233
9	320	Purification Systems						\$ _
10	330	Distribution Reservoirs & Standpipes	es			\$ -		
11	331	Trans. & Distrib. Mains & Accessories						\$ -
12	333	Services						\$ -
13	334	Meters and Meter Installations	0.00%	\$	116	\$	116	\$ -
14	335	Hydrants						\$ -
15	336	Backflow Prevention Devices						\$ -
16	339	Other Plant & Misc. Equipment						\$ -
17	340	Office Furniture and Equipment	0.00%	\$	715	\$	715	\$ -
18	341	Transportation Equipment						\$ _
19	342	Stores Equipment						\$ -
20	343	Tools, Shop and Garage Equipment						\$ _
21	344	Laboratory Equipment				\$ -		
22	345	Power Operated Equipment						\$ -
23	346	Communications Equipment						\$
24	347	Miscellaneous Equipment						\$
25	348	Other Tangible Property						\$ -
26		TOTALS (Add Lines 1 - 25)		\$	29,024	\$	37,283	\$ 8,259

Enter beginning & end of year totals on Pg 7, Line 7

BALANCE SHEET

For Year Ended 2016

	<u>ASSETS</u>		Balance		Balance		Increase	
	ACCT	# DESCRIPTION	Beginning of Year			End of	or (Decrease)	
1	101	Utility Plant in Service (From Pg 5, Line 29)	\$	51,941	Year 41 \$ 80,965		(Decrease)	
2	102	Utility Plant Leased to Others	_Φ	31,941	Φ	80,965	\$	29,024
3	102	Plant Held for Future Use	-				\$	
4	105	Construction Work in Progress	-			****	\$	
5	114	Utility Plant Aquisition Adjustment	-		\vdash		\$	
6	117	Subtotal (Add Lines 1 - 5)	\$	51,941	\$	80,965	\$	29,024
7	108.1	Accumulated Depreciation (From Pg 6, Line 26)	\$	29,024	\$	37,283	\$	8,259
8	108.2	Accum. Depr Utility Plant Lease to Others		20,024	-	07,200	\$	-
9	108.3	Accum. Depr Property Held for Future Use	***************************************				\$	_
10	110.1	Accum. Amort Utility Plant in Service	-				\$	_
11	110.2	Accum. Amort Utility Plant Lease to Others	***************************************	- 14			\$	_
12	115	Accumulated Amortization - Aquisition Adj.					\$	
13			43,681	\$	20,765			
14	123	,			\$			
15			-				\$	-
16		Total Investments (Add lines 14 & 15)	************				\$	-
17	131	Cash	\$	11,131	\$	13,392	\$	2,260
18	135	Short Term Investments					\$	_
19	141	Accts/Notes Receivable - Customers	\$	(375)	\$	(1,023)	\$	(649)
20	142	Other Receivables					\$	-
21	145	Receivables from Associated Companies					\$	_
22	151	Materials & Supplies Inventory					\$	-
23	162	Prepaid Expenses					\$	_
24	173	Unbilled (Accrued) Utility Revenue	evenue			\$		
25	143				\$	-		
26		Total Current (Add lines 17 -24 less line 25)	\$ 10,757 \$ 12,36		12,368	\$	1,612	
27	181	Unamortized Debt Discount & Expense	-				\$	-
28	183	Preliminary Survey & Investigation Charges					\$	-
29	184	Deferred Rate Case Expenses	\$	-	\$	-	\$	-
30	186	Other Deferred Charges					\$	
31		Total Assets (Add lines 13, 16 & 26 - 30)	\$	33,673	\$	56,050	\$	22,377

BALANCE SHEET

For Year Ended 2016

		LIABILITIES & CAPITAL		Balance		Balance	Ir	ncrease
	ACCT # DESCRIPTION			Beginning of Year		End of Year	or (Decrease)	
1	201-3	Common Stock	Τ	or rear		ı cui	\$	-
2	204-6	Preferred Stock					\$	-
3		Miscellaneous Capital Accounts					\$	_
4	214	Appropriated Retained Earnings	\$	(112,912)	\$	(145,266)	\$	(32,354)
5	215	Unappropriated Retained Earnings	\$	1,800	\$	1,800	\$	-
6	216	Reacquired Capital Stock					\$	-
7	218	Proprietary Capital					\$	_
8		Total Equity Capital (Add Lines 1-5+7 less line 6)	\$	(111,112)	\$	(143,466)	\$	(32,354)
9	221-2	Bonds					\$	-
10	223	Advances from Associated Companies					\$	-
11	224	Other Long - Term Debt					\$	-
12	231	Accounts Payable	\$	16,117	\$	19,894	\$	3,777
13	232	Notes Payable	\$ - \$ 12,00		12,000	\$	12,000	
14	233	Accounts Payable - Associated Companies	Payable - Associated Companies			\$	-	
15	235	Customer Deposits (Refundable)					\$	_
16	236.11	Accrued Other Taxes Payable	\$	_	\$	-	\$	
17	236.12	Accrued Income Taxes Payable					\$	-
18	236.2	Accrued Taxes - Non-Utility					\$	-
19	237-40	Accrued Debt, Interest & Dividends Payable					\$	_
20	241	Misc. Current & Accrued Liabilities	\$	103,580	\$	142,533	\$	38,953
21	251	Unamortized Debt Premium					\$	_
22	252	Advances for Construction					\$	
23	253	Other Deferred Liabilities					\$	-
24	255.1	Accumulated Investment Tax Credits - Utility	ccumulated Investment Tax Credits - Utility			\$		
25	255.2	5.2 Accum. Investment Tax Credits - Non-Utility			\$			
26	261-5	Operating Reserves	\$	25,089	\$	25,089	\$	00
27	271	Contributions in Aid of Construction	\$	-	\$	-	\$	
28	272	Accum. Amort. of Contrib. in Aid of Const. **					\$	-
29	281-3	Accumulated Deferred Income Taxes					\$	_
30		Total Liabilities (Add lines 9 - 29	\$	144,785	\$	199,516	\$	54,731
31	TOTAL	LIAB & CAPITAL (Add lines 8 & 30)	<u>\$</u>	33,673	\$	56,050	\$	22,377

	Name: Bitterroot Water Company	***************************************		-	
	STATEMEN"	T OF RETAINED	EARNINGS		
	For Year Ended	2016		-	
1	Retained Earnings Balance @ Beginning of Yea	ar		\$ (112,912)	
2	Amount Added from Current Year Income (Fron			\$ (32,354)	•
3	Other Credits to Account	,		\$ -	•
4	Dividends Paid or Appropriated			\$ -	•
5	Other Distributions of Retained Earnings			\$ -	•
6	Retained Earnings Balance @ End of \	/ear		\$ (145,266)	•
					•
	CAPI	TAL STOCK DET	AIL		
			No. Shares	No. Shares	Dividends
7	Description (Class, Par Value etc.)	_	Authorized	Outstanding	Paid
	Common, \$1 Par Value	_	50,000	50,000	0
		_			
		_			
		_			
		_			
	DETA	IL OF LONG-TER	RM DEBT		
		Interest	Year-end	Interest	Interest
8	Description	Rate	Balance	Paid	Accrued
			,		

	Name: Bitterroot Water Company			-	
	SYSTEM	I ENGINEERING	G DATA		
	For Year Ended	2016		_	
1	Provide an updated system map if significant cha	anges have bee	n made to the sys	tem during the yea	ar.
2	Water Supply: Pump Designation or location	Rated Capacity (gpm)	Type of Treatment: (None, Chlorine Fluoride Filter etc.)	Annual Production (000's Gal.)	Water Supply Source (Well, Spring, Surface Wtr)
	Corner of Brunner & Clagstone Road	120	Chlorine	28,766	Well
	Corner of Brunner & Glagotone Road	120	Onionine	20,700	vveii
			1		
			 		
			 		
			 		
3	System Storage:	Total Capacity	Usable Capacity	Type of Reservoir	Construction
	Storage Designation or Location	000's Gal.	000's Gal.	(Elevated, Presurized, Boosted)	(Wood, Steel Concrete)
	Corner of Brunner & Clagstone Road	100	90	Boosted	Concrete
	Comer of Brunner & Clagstone Road	100	30	Doosted	Concrete

(Duplicate form and attach if necessary. Asterisk facilities added this year.)

Name:	Bitterroot Water Company	y .
-------	---------------------------------	-----

SYSTEM ENGINEERING DATA

(continued)

For Year	Ended	2016	

4 Pump information for ALL system pumps, including wells and boosters.

20		(psi)	This Year
20	120	20	194,447 KW
15			
30			
		45	
	30	30	30

^{**} Submit pump curves unless previously provided or unavailable. Asterisk facilities added this year. Attach additional sheets if inadequate space is available on this page.

5	If Wells are metered:	
	What was the total amount pumped this year?	22,811,200
	What was the total amount pumped during peak month?	5,932,100
	What was the total amount pumped on the peak day?	N/A
6	If customers are metered, what was the total amount sold in peak month?	5,343,500
7	Was your system designed to supply fire flows?	Yes
	If Yes: What is current system rating?	Residential
8	How many times were meters read this year?	6
	During which months? April, May, June, July,	
	August, September	
9	How many additional customers could be served with no system improvements except a service line and meter?	90
	How many of those potential additions are vacant lots?	90
10	Are backbone plant additions anticipated during the coming year? If Yes, attach an explanation of projects and anticipated costs!	NO
11	In what year do you anticipate that the system capacity (supply, storage or distribution) will have to be expanded?	Unknown

Name: Bitterroot Water Compar	Name:	Bitterroot	Water	Com	pan
-------------------------------	-------	------------	-------	-----	-----

SYSTEM ENGINEERING DATA

(continued)

For Year Ended 2016

FEET OF MAINS

1	Pipe Size	In Use Beginning Of Year	Installed During Year	Abandoned During Year	In Use End of Year
	8"	32,000	0	0	32,000
	6"	3,500	0	0	3,500

CUSTOMER STATISTICS

		Number of Custo	mers Thou	sands of Gallons	Sold
		This	Last	This	Last
		Year	Year	Year	Year
2	Metered:				
2A	Residential	116	116	21,292	32,990
2B	Commercial				
2C	Industrial				
3	Flat Rate:				
3A	Residential				
3B	Commercial				
3C	Industrial				
50	maama				
4	Private Fire Protection				
5	Public Fire Protection				
•	Table File Fieldstan				
6	Street Sprinkling				
7	Municipal, Other				
8	Other Water Utilities	1	1	2,593	1,830
	TOTALS (Add lines 2 through 8)	117	117	23,885	34,820

CERTIFICATE

State of Idaho)
County of Godena) ss

WE, the undersigned, Kenneth W. Rickel and Catherine L. Rickel, of the BITTERROOT WATER COMPAN's utility, on our oath do severally say that the foregoing report has been prepared under our direction, from the original books, papers and records of said utility; that we have carefully examined same, and declare the same to be a correct statement of the business and affairs of said utility for the period covered by the report in respect to each and every matter and thing therin set forth, to the best of our knowledge, information and belief.

(Chief Officer)

(Officer in Charge of Accounts)

Subscribed and Sworn to Before Me

this 2 day of

1

My Commission Expires

NOTARY PUBLIC

NATHAN WILLIAMS NOTARY PUBLIC STATE OF IDAHO

gdk/excel/jnelson/anulrpts/wtrannualrpt

BITTERROOT WATER CO., INC. P.O. Bex 2306 Hayden Lake, ID 83835

<u>Ken Rickel, General Manager</u> Phone: 208-683-8105 or 208-660-2560 FAX: 208-683-4315

To Our Customers:

This is a summary of the rules for termination of service for all Bitterroot Water Company customers as determined by the Idaho Public Utilities Commission (IPUC), as of March 1, 1997. These rules cover the rights and responsibilities of the Customer and the Water Utility. An explanation of our rate schedule, other fees and landscaping restrictions has also been included.

If you have any questions concerning this information, please contact:

Bitterroot Water Company

OR IPUC

PO Box 2306

PO Box 83720

Hayden Lake, ID 83835

Boise, ID 83720-0074

208-683-8105 or 208-660-2560

208-334-0300

208-683-4315 (fax)

800-432-0369

RULES FOR TERMINATION OF SERVICE

TERMINATION WITH PRIOR NOTICE

With proper customer notice Bitterroot Water Company may deny or terminate water service for one of the following reasons:

- 1. Non-payment of a past due bill or payment of a past due bill with an NSF check.
- 2. Failure to honor the terms of a payment arrangement.
- 3. Obtaining service by false identity.
- 4. Refusing to allow access to the water meter or shut off valve.
- 5. Willfully wasting service through improper equipment or otherwise.
- 6. Failure to apply for service.

TERMINATION WITHOUT PRIOR NOTICE

Bitterroot Water Co. may deny or terminate water service without notice for one of the following reasons:

- 1. A situation exists that is immediately dangerous to life, physical safety or property.
- 2. To prevent a violation of federal, state or local safety or health codes.
- 3. Service is obtained, diverted or used without the authorization of Bitterroot Water Co.
- 4. Bitterroot Water Co. has diligently attempted to notify you of termination and has been unable to contact you.
- 5. If ordered by any court, The IPUC or any other duly authorized public authority.

(continued on next page)

June 2016 Page 1 of 3

Bitterroot Water Company

Customer Rules

NOTIFICATION AND BILLING

- 1. Meters will be read between the end of the month to the fifth of each month (weather providing). Bills will be sent out by the fifth with payment due 20 days from the billing date. The monthly water rate is \$21.00 for the first 15,000 gallons and \$1.73 per 1,000 gallons after the first 15,000 gallons. These rates went into effect February 1, 2006.
- 2. A billing may be considered past due 25 days after the billing date. A written notice of termination must be mailed to the customer at least (7) seven days before the proposed termination date.
- 3. At least (24) twenty-four hours before the service is terminated, a notice will be left at the property advising you of the steps needed to have services restored.
- 4. When the twenty-four hour period has ended, another attempt will be made to contact you in person or by phone before service is terminated.
- 5. No additional notice of termination is required if upon receipt of a termination notice
 - The customer makes a payment arrangement and subsequently fails to keep that arrangement,
 - The customer tenders payment with a dishonored check, either at a Water Company collection visit to terminate service or by mail.

PAYMENT ARRANGEMENTS AND SPECIAL CIRCUMSTANCES

If you cannot pay your billing in full or you receive a notice of termination, please call our office.

Payment arrangements can be made to avoid termination of service

Termination of service will be postponed thirty (30) days from the date of a written certification from a licensed physician or public health official stating the name of the person who is ill and their relationship to the customer. The certification must show the name, title and signature of the person certifying that the termination of service will aggravate or create a medical emergency for a permanent resident of your household.

COMPLAINT PROCEDURES

If at any time you have a complaint concerning the termination of service, policies and practices or any other matter regarding our service please contact Bitterroot Water Company, in person, or by telephone or in writing. Your complaint will be investigated promptly and thoroughly. You will be notified orally or in writing the results of the investigation and we will make every effort to resolve the complaint.

If you are dissatisfied with the proposed resolution of your complaint, you may ask the IPUC to review the matter. Your request may be done orally or in writing. Your service will not be disconnected while the complaint is being investigated by the Bitterroot Water Company or the IPUC.

(continued on next page)

June 2016 Page 2 of 3

Bitterroot Water Company

Customer Rules

RESTRICTION OF TERMINATION OF SERVICE

Service cannot be disconnected on Friday after 2:00 pm. or on a Saturday, Sunday or any legal holidays recognized by the State of Idaho, or after 2:00 pm. on any day immediately before any legal holiday. Service may only be terminated between the hours of 8:00 am and 4:00 pm. The employee sent to the premises to terminate service will identify him/herself to you and state the purpose of the visit. This person is authorized to accept payment in full.

HOOK-UP

The Bitterroot Water Company reserves the right to deny hook-ups during the winter months due to adverse weather conditions. New hook-ups will be scheduled as soon as weather conditions permit.

HOOK-UP CHARGES & MONTHLY FEES

A one-time hook-up charge of \$750.00 will be paid in advance for any new service hook-up. The extra costs of any out of the ordinary circumstances requiring additional equipment or special construction techniques involved in the installation of a new service connection will be agreed to in advance and put into writing by the customer and the company. Only one residence per hook-up is allowed, one stock tank will also be permitted. No irrigation of property will be permitted.

The monthly water rate is \$21.00 for the first 15,000 gallons of usage and \$1.73 per 1,000 gallons after the first 15,000 gallons. These rates went into effect February 1, 2006. Meters will be read between the 1st and the 5th of the month. Payment is due in full (20) twenty days after the billing date and a bill may be considered delinquent (25) twenty-five days after the billing date. Arrangement can be made to pay in advance monthly, quarterly, semi-annually or annually.

Any customer check returned to Bitterroot Water Company due to insufficient funds will be subject to a \$20.00 NSF fee, which will be added to the customer's account. The customer will be contacted by Bitterroot Water Company staff to make payment arrangements, as the current balance and the NSF fee are due immediately.

RECONNECTION FEE

If water service has been terminated, any balance due plus a reconnection fee of (\$25.00) twenty-five dollars must be paid in full before service can be restored.

LANDSCAPING AROUND METERS

Any landscaping to be placed within 6 feet in all directions of your water meter is required to have prior approval from the General Manager before the landscaping can be completed. Any landscaping completed prior to June 1, 2008, is exempt, with the understanding that if the current landscaping does interfere with future water meter maintenance, it may have to be altered by the property owner to comply with this rule.

NO ONE EXCEPT AN AUTHORIZED AGENT OF THE BITTERROOT WATER COMPANY SHALL TAMPER WITH, INTERFERE WITH, REPAIR, CONNECT TO OR REPLACE ANY OF THE BITTERROOT WATER COMPANY'S PROPERTY, EXCEPT IN THE CASE OF EXTREME EMERGENCY

June 2016 Page 3 of 3