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August 3, 2005

RECEIVED

VIA UPS OVERNIGHT

James J. McNulty, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street  
Harrisburg, PA 17120

AUG 03 2005

DOCUMENT  
FOLDER

PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

Re: Application of Hidden Valley Utility Services, L.P. for approval  
to begin to offer, render, furnish or supply water and wastewater  
service to the public in Hidden Valley, Pennsylvania  
Docket Nos. A-00210117 and A-00230101

A-210117 + A-230101

Dear Secretary McNulty:

Pursuant to the Commission's Order entered on July 15, 2005 ("Order"), enclosed for filing are an original and seven (7) copies of the Tariff Supplements in the above-referenced matters. These Tariff Supplements become effective on August 31, 2005 as per the Order. Copies of this Petition have been served upon all parties to this proceeding as per the attached Certificate of Service.

Please contact me with any questions.

Very truly yours,

RYAN, RUSSELL, OGDEN & SELTZER LLP



Carl J. Engleman, Jr.  
Counsel for Hidden Valley Utility Services, L.P.

CJE:flw  
Enclosures

c: As per Certificate of Service

58

A-00210117

Tariff Water - Pa. P.U.C. No. 1

**DOCKETED**  
AUG 05 2005

HIDDEN VALLEY UTILITY SERVICES, L.P.  
RATES, RULES AND REGULATIONS GOVERNING  
THE PROVISION OF WATER SERVICE  
TO THE PUBLIC IN A PORTION OF JEFFERSON TOWNSHIP,  
SOMERSET COUNTY, PENNSYLVANIA

**RECEIVED**

AUG 03 2005

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

ISSUED: August 3, 2005

EFFECTIVE: August 31, 2005

BY: John Scanlan, President  
Hidden Valley Utility Services, L.P.  
1 Craighead Drive  
Suite 300  
Hidden Valley, Pennsylvania 15502  
(814) 443-8452

**DOCUMENT  
FOLDER**

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Issued: August 3, 2005

Effective: August 31, 2005

LIST OF CHANGES

The Filing of the Initial Tariff.

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PART I: SCHEDULE OF RATES AND CHARGES

Section A - Rates for Metered Service

1. Customer Charge: Each customer will be assessed a quarterly customer service charge of twelve dollars (\$12.00).

2. Consumption Charge: In addition to the customer charge, the following water consumption charges will apply:

<u>Consumption Per Quarter</u>	<u>Rate per 1000 Gals.</u>
First 30,000 Gallons	\$6.97
All Over 30,000 Gallons	\$5.75

3. Availability Customer Charge: Each availability customer will be assessed a quarterly availability charge of nine dollars (\$9.00).

4. Private Fire Rates:

<u>Line Size</u>	<u>Quarterly Service Charge</u>	<u>Rate per 1000 Gals.</u>
2 inch	\$30.00	\$6.02
4 inch	\$42.00	\$6.02
6 inch	\$63.00	\$6.02

Section B. Returned Check Charge

A charge of \$40.00 will be assessed any time where a check which has been presented to the Company for payment on account has been returned by the payor bank for any reason.

## SURCHARGE

### STATE TAX ADJUSTMENT SURCHARGE

In addition to the charges provided in this tariff, a surcharge of 0.00% will apply to all charges for service rendered on or after the effective date of this tariff.

The above surcharge will be recomputed, using the same elements prescribed by the Commission.

- a. Whenever any of the tax rates used in the calculation of the surcharge are changed.
- b. Whenever the utility makes effective any increased or decreased rates; and
- c. On March 31, 2004, and each year thereafter.

The above recalculation will be submitted to the Commission within 10 days after the occurrence of the event or date which occasions such recomputation; and, if the recomputed surcharge is less than the one then in effect, the Company will, and if the recomputed surcharge is more than the one in effect, the Company may, submit with such recomputation a tariff or supplement to reflect such recomputed surcharge, the effective date of which shall be 10 days after filing.

Section D - Service Termination or Resumption Rates

The fee for shut-off or turn-on of service at the curb stop shall be \$40.00.

Section E - Meter Test Rates

Consistent with Commission regulation at 52 Pa. Code §65.8(h), the fee schedule for testing of meters shall be as follows:

Any Meter	\$10.00
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These amounts may vary without revision of this tariff so as to be consistent with Commission regulations.

PART II: Definitions:

The following words and phrases, when used in this tariff, shall have the meanings assigned below unless the context clearly indicates otherwise:

1. Annual Line Extension Costs: The sum of a Company's additional annual operating and maintenance costs, debt costs and depreciation charges associated with the construction, operation and maintenance of the line extension.
2. Annual Revenue: (For Line Extension Purposes) 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.
3. Applicant: A person, or entity who applies to become a customer of the Company in accordance with Part III, Section A, of this tariff.
4. Availability Customer: Any individual person or legal entity that owns a lot within the Company's service area that has no structures connected to the water system, to whom the Company's water service line is available.
5. Bona Fide Service Applicant: (For Line Extension Purposes) A person or entity applying for water service to an existing or proposed structure within the utility's certificated service territory for which a valid occupancy or building permit has been issued if the structure is either a primary residence of the applicant or a place of business. An applicant shall not be deemed a bona fide service applicant if:
  - (a) applicant is requesting water service to a building lot, subdivision or a secondary residence;

- (b) the request for service is part of a plan for the development of a residential dwelling or subdivision; or
  - (c) the applicant is requesting special utility service.
- 6. Commission: The Pennsylvania Public Utility Commission.
- 7. Company: Hidden Valley Utility Services, L.P.
- 8. Company service line: The water line from the distribution facilities of the Company which connects to the customer service line at the hypothetical or actual line or the actual property line, including the control valve and valve box. The control valve and valve box determine the terminal point for the Company's responsibility for the street service connection.
- 9. Cross-connection: Any pipe, valve, hose or other arrangement or device connecting the pipelines or facilities of the Company, to and with other pipes or fixtures by which any contamination might be admitted or drawn into the distribution system of the Company from lines other than the Company's.
- 10. Customer: A person or entity who is an owner or occupant and who contracts with the Company for water service. For customers with multiple meters, each meter shall be billed separately for volumetric calculation purposes.
- 11. Customer service line: The water line extending from the curb, property line or utility connection to a point of consumption.
- 12. Debt Costs: (For Line Extension Purposes) 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 that utility or that of a comparable jurisdictional water utility.
- 13. Depreciation charges: (For Line Extension Purposes) The utility's additional annual depreciation charges associated with the specific line extension investment to be made based on the current depreciation accrual rates for that Company or that of a comparable jurisdictional water Company.
- 14. Line extension: (For Line Extension Purposes) An addition to the Company's main line which is necessary to serve the premises of a customer.
- 15. Main: The pipe of a public utility system, excluding service connections, located in a public highway, street, alley or private right-of-way which pipe is used in transporting water.

16. Meter: Any certified device used by the Company, or by the Commission, for the purpose of measuring water consumption.
17. Nonresidential service: Water service supplied to a commercial or industrial facility, including a hotel or motel, or to a master-metered mobile home or multi-tenant apartment building, or to any customer who purchases water from the Company for the purpose of resale.
18. Operating and Maintenance Costs: (For Line Extension Purposes) The utility'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.
19. Private fire protection service: Water service provided exclusively for the purpose of fire protection that is available to the customer only and not for use by the general public, and that is provided through automatic sprinkler systems, fire hydrants or similar mechanisms.
20. Public fire protection service: Water service provided exclusively to a municipal or governmental entity through outdoor hydrants for the purpose of fire protection for the general public.
21. Public Utility: Persons or corporations owning or operating equipment or facilities in this Commonwealth for diverting, developing, pumping, impounding, distributing or furnishing water to or for the public for compensation.
22. Residential service: Water service supplied to an individual single-family residential dwelling unit. Utility service supplied to a dwelling including service provided to a commercial establishment if concurrent service is provided to a residential dwelling attached thereto. Utility service provided to a hotel or motel is not considered residential service.
23. Short-term Supply Shortage: An emergency which causes the total water supply of a Company to be inadequate to meet maximum system demand.
24. Special Utility Service: Residential or business service which exceeds that required for ordinary residential purposes. See additional clarification in Section G, Part 2(d) of this tariff.
25. Tariff: All of the service rates, rules and regulations issued by the Company, together with any supplements or revisions thereto, officially approved by the Commission and contained in this document.

PART III: RULES AND REGULATIONS

Section A - Applications for Service

1. Service Application Required: The Company may require applications for service to be completed in writing on a form provided by the Company and signed by the owner or occupant of the property.
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 of the property is the customer. The Company shall have the right to discontinue or otherwise interrupt water service upon three (3) days notice if a new application has not been made and accepted for the new customer.
3. Acceptance of Application: An application for service shall be considered accepted by the Company only upon oral or written approval by the Company. The Company may provide service to the applicant pending formal review and acceptance of the application.
4. Application Forms: Application forms can be obtained at the Company's local business office, presently located at 1 Craighead Drive, Suite 300, Hidden Valley, Pennsylvania 15502.
5. Water Used for Construction Purposes: Where water is required for construction purposes, the applicant shall so indicate. Unmetered service may be provided for construction purposes.
6. Temporary Service: In the case of temporary service for short-term use, the Company may require the customer to pay all costs of making the service connection and for its removal after the service has been discontinued, or to pay a fixed amount in advance to cover such expenses. If the service connection is physically removed, the customer shall receive a credit for reasonable salvage value.

Section B - Construction and Maintenance of Facilities

1. Customer Service Line: The customer service line shall be furnished, installed, maintained and/or replaced, when necessary, by and at the sole expense of the customer. The Company reserves the right to determine the size, kind and depth of customer service lines.
2. Separate Trench: The customer 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.

3. Customer's Responsibilities: All service lines, connections and fixtures furnished by the customer shall be maintained by the customer in good working order. All valves, meters and appliances furnished by the Company and on property owned or leased by the customer shall be protected properly by the customer. All leaks in the customer service line or any pipe or fixtures in or upon the customer's premises must be repaired immediately by the customer.
4. Right to Reject: The Company may refuse to connect with any piping system or furnish water through a service already connected if such system or service is not properly installed or maintained. The Company may also refuse to connect if lead based materials, as defined in the Safe Drinking Water Act, have been used in any plumbing beyond the Company's curb control valve. It shall be the customer's responsibility to provide the Company with any such certification which may be required to verify the absence or removal of such materials.
5. Water Use Standards for Certain Plumbing Fixtures: This rule establishes maximum water use criteria for certain plumbing fixtures installed in all new construction or renovation. Such standards have been implemented to achieve maximum efficiency of water use which the Commission has determined is technologically feasible and economically justified.

- (a) Maximum permitted water usage levels shall be as follows:

<u>Plumbing Fixture</u>	<u>Maximum Water Use</u>
showerheads	3.0 gallons/minute
faucets	3.0 gallons/minute
water closets	1.6 gallons/flush
urinals	1.5 gallons/flush

- (b) The Company may exempt particular customers, or classes of customers, when it is determined that the water use standards for plumbing fixtures listed above are unreasonable, cannot be accommodated by existing technology or are otherwise inappropriate.
6. Stop and Waste Valves and Check Valves: The Company requires the installation of stop and waste valves and check valves on all new or reconstructed customer service lines. The responsibility for the proper installation and maintenance of such valves shall be the customer's and at the customer's sole expense.

7. Backflow Prevention Device: The installation of a backflow device of the type approved by the Company may be required by the Company if, in the Company's opinion, such a device is needed to protect the integrity of the Company's system. The backflow prevention device shall be installed, owned and maintained by the customer at the customers' expense. The location of the backflow prevention device shall be approved by the Company. The Company recommends the installation of approved double check valves for service lines providing service to residential units.
  
8. Pressure: Generally the Company will maintain service pressures from 25 p.s.i.g.(pounds per square inch gauge) to 125 p.s.i.g. at the main, but during periods of peak demand pressures at the main may range from 20 to 150 p.s.i.g. The Company may furnish service at other pressures where necessary to supply adequate service.  
  
If a customer needs the pressure reduced, the customer must install and maintain, at the customer's expense, a pressure regulator or valve. The pressure regulator will be installed on the inlet side of the meter.
  
9. Cross-Connections: No cross-connection shall be installed or continued except upon terms and conditions established in writing by the Company. A cross-connection may be considered to be eliminated if a method of backflow prevention is approved by the Company in writing and implemented.
  
10. Individual Service Lines: Except as otherwise expressly authorized by the Company, each individual customer shall be served only through a separate service line connected directly to the Company's distribution main, and that service line shall not serve any other customer or premise. No additional attachment may be made to any customer's service line for any purpose without the express written approval of the Company.
  
11. Connection to Company Mains: No connection shall be made to the Company's main, nor detachment from it, except under the direction and control of the Company. All such connections shall be property of the Company and shall be accessible to it and under its control. The Company will furnish, install and maintain all service lines from the main to and including the curb stop and box.

Section C - Discontinuance, Termination and Restoration of Service

1. Discontinuance by Customer: Where a customer requests the Company to discontinue service, the following rules shall apply:
  - (a) A customer who wishes to have service discontinued shall give at least seven (7) 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. The customer

shall not turn water on or off at any curb stop, or disconnect or remove the meter, or permit its disconnection or removal, without the prior written consent of the Company. A customer discontinuing service remains a customer for purposes of paying turn-on fees pursuant to Rule 3 of this Section for a period of nine (9) months.

- (b) Where a customer requests turn-on of service within six (6) months of disconnection, the customer shall be subject to monthly minimum billing for the period of disconnection. The request for turn-on of service should be mailed to the same address as the disconnection of service request.

2. Termination by Company: Service to the customer may be terminated for good cause, including, but not limited to, the following:

- (a) making an application for service that contains material misrepresentations;
- (b) willful or negligent waste of water through improper or imperfect pipes or fixtures, or for failure to repair leaks in pipes or fixtures;
- (c) tampering with any service line, curb stop, meter or meter setting, or installing or maintaining cross-connections or any unauthorized connection;
- (d) theft of service, which may include taking service without having made a proper application for service under Part III, Section A;
- (e) failure to pay, when due, any charges accruing under this tariff;
- (f) refusing the Company reasonable access to the property served for purposes of installing, inspecting, reading, maintaining or removing meters;
- (g) receipt by the Company of an order or notice from the Department of Environmental Protection, a health agency, local plumbing inspector or other similar authority, to terminate service to the property served on the grounds of violation of any law or ordinance, or upon notice to the Company from any such authority that it has ordered an existing violation on the property to be corrected and that such order has not been complied with; or
- (h) material violation of any provisions of this tariff.

3. Turn-on Charge: Whenever service is discontinued or terminated pursuant to Rule 1 or Rule 2 of this Section, service shall be turned on by the Company only upon the payment by the customer of a turn-on charge and the resolution of the problem that gave rise to the termination if under Rule 2.

Section D - Meters

1. Ownership of Meters: All meters shall be owned, installed and maintained by the Company.
2. Requirement for Metered Service: All service provided by the Company shall be metered except as authorized by this tariff.
3. Location of Meters: The meter will be set after the customer has had the plumbing arranged to receive the meter at a convenient point approved by the Company so as to measure all water being supplied to the customer's premise. Protection for the meter shall be provided by the customer. In cases where it is not practical to place the meter indoors, or if the customer so desires and the Company approves, an outside setting will be installed at the customer's expense at a position selected by the Company. The Company shall establish standards for outside meter settings. Relocation of meters for the customer's convenience shall be at the customer's expense.
4. Access for Automated Meter Reading Devices: Upon reasonable notice, the customer shall permit the Company access and space for the purpose of installing and utilizing a telemetering or other automated meter reading device. Where applicable, the customer must provide the Company with the telephone number of the line to which the equipment will be connected and immediately advise the Company of any changes in the telephone number. Where the use of the customer's facilities results in a utility charge, the Company will compensate the customer.
5. Damages to Meters: Meters shall be maintained by the Company so far as ordinary wear and tear is concerned. Where damage to a meter results from the negligent or willful act of the customer, and the customer was previously notified of the obligation to protect the meter, the actual cost of removing, replacing, repairing or testing a damaged meter shall be paid by the customer.
6. Notification to Company of Non-Working or Damaged Meter: The customer shall notify the Company of a non-working or damaged meter as soon as the customer has notice of either condition.
7. Fees for Meter Tests: Fees for testing meters shall be as specified under Part I, Section F, of this tariff. Testing fees shall be refunded pursuant to Commission regulation at 52 Pa. Code §65.8(g) where the meter is found not operating within the allowable accuracy range specified at 52 Pa. Code §65.8(a).

Section E - Billing and Collection

1. Issuance of Bills: The Company will bill each customer within fifteen (15) days of the last day of each billing period.

2. Billing Due Date: The due date for payment of a bill for nonresidential service shall be no less than thirty (30) days from the date of transmittal. The due date for payment of a bill for residential service shall be no less than thirty (30) days from the date of transmittal. If the last day for payment falls on a Saturday, Sunday or bank holiday, or on any day when the offices of the Company are not open to the general public, the due date shall be extended to the next business day. The Company may not impose a late-payment charge unless payment is received more than five (5) days after the stated due date.
3. Late-Payment Charge: All amounts not paid when due shall accrue a late-payment charge at the rate not to exceed one and one-half percent (1.50%) per billing period, not to exceed eighteen percent (18%) per year when not paid as prescribed in Rule 2 of this Section.
4. Change in Billing Address: Where a customer fails to notify the Company of a change in billing address, the customer shall remain responsible to remit payment by the billing due date.
5. Application of Payment: Utility bills rendered by the Company shall include only the amount due for water service. Where a customer remittance to the Company includes payment for any non-utility services, proceeds will be applied first to pay all outstanding regulated utility charges.
6. Return Check Charges: The customer will be responsible for the payment of a charge for each time a check presented to the Company for payment on that customer's utility bill is returned by the payor bank for any reason including, but not limited to, insufficient funds, account closed, payment stopped, two signatures required, post-dated, stale date, account garnished, or unauthorized signature. This charge is in addition to any charge which may be assessed against the customer by the bank with interest.
7. Disputed Bills: In the event of a dispute between the customer and the Company with respect to any bill, the Company will promptly make such investigation as may be required by the particular case and report the result to the customer. The customer is not obligated to pay the disputed portion of the bill during the pendency of the Company's investigation. When the Company has made a report to the customer sustaining the bill as rendered, the customer shall have fifteen (15) days from the date of such report in which to pay the bill. If the Company determines that the bill originally rendered is incorrect, the Company will issue a corrected bill with a new due date for payment. Any amounts received by the Company in excess of the amount determined to be due by the Company's investigation of the dispute shall be refunded to the customer with interest computed at 1.5% per month.

Section F - Deposits

1. Residential Customers:

- (a) New Applicants--The Company will provide service without requiring a deposit unless the applicant was terminated for nonpayment within the prior twelve (12) months or has an unpaid balance for prior service from the Company. The amount of the deposit will not be greater than an estimated average bill for one (1) billing period plus the estimated bill for one (1) additional month's service.
- (b) Existing Customers--If a customer has paid late on two (2) consecutive occasions or a total of three (3) times within the prior 12-month period, the Company may send a letter informing the customer that a deposit may be required if another late payment is received within the next twelve (12) months. An existing customer may be required to pay a deposit as a condition to having service restored after termination for non-payment or for failure to comply with a payment agreement. The amount of the deposit will not be greater than an estimated average bill for one (1) billing period plus the estimated bill for one (1) additional month's service.
- (c) Deposit Refunds and Interest--A deposit will be refunded if service is discontinued and the final bill is paid or if the customer has paid the bills for the prior 12-month period without having been late on more than two (2) occasions and is not currently delinquent. Deposits from residential customers shall bear simple interest at the rate of the average of one-year Treasury Bills for September, October and November of the previous year, payable annually without deductions for taxes thereon unless otherwise required by law. The applicable interest rate shall become effective on January 1 of each year.

2. Nonresidential Customers:

- (a) New Applicants--A deposit may be required from any new applicant who does not have prior satisfactory credit history with the Company. The amount of the deposit will not be greater than an estimated average bill for one (1) billing period plus the estimated bill for one (1) additional month's service.
- (b) Existing Customers--Deposit requirements for existing nonresidential customers shall be as established for residential customers in Rule 1 of this Section.
- (c) Deposit Refunds and Interest--A deposit will be refunded if the customer pays all bills on time over a 12-month period or if service is disconnected and the final bill has been paid. There will be no interest paid on deposits for nonresidential accounts.

Section G - 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:

1. Requests by Bona Fide Service Applicant: The conditions under which facilities will be extended to supply service to an applicant within the Company's service area are listed below. Upon request by a bona fide service applicant, a utility shall construct line extensions within its franchised territory consistent with the following directives:

(a) 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.

(b) 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 utility's cost of construction for the line extension. The utility'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 utility's investment for the line extension from the total construction costs.

(c) The Company's investment for the line extension shall be based on the following formula, where X equals the utility's investment attributed to each bona fide applicant:

$X = [AR - OM] \text{ divided by } [I + D]$  ; and,

AR = the Company's annual revenue

OM = the Company's operating and maintenance costs

I = the Company's current debt ratio multiplied by the Company's weighted long-term debt cost rate

D = the Company's current depreciation accrual rate

2. Customer advance financing, refunds and facilities on private property:

(a) 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 utility 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.

- (b) 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 utility's investment attributed to each bona fide applicant as calculated in the formula contained in Section G, Part 1, Subsection (c) of this tariff.
  - (c) A utility 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.
  - (d) Special Utility Service shall mean residential or business service which exceeds that required for ordinary residential purposes. Section G (1) parts (a) through (c) of this tariff does not apply to special utility service. 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. An otherwise bona fide applicant requesting service which includes a "special utility service" component is entitled to Bona Fide applicant status, including the corresponding Company contribution toward the costs to the line extension which do not meet the special utility service criteria.
3. Requirement for Extension Deposit Agreement: Where extension of facilities is not fully funded by the Company pursuant to Rule 1 of this Section, 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.
4. 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 pursuant to Commission regulation at 52 Pa. Code §65.17(b).

5. 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 provided only for customer service lines that extend at right angles from the curb line in a straight line to the premises to be served.
6. 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 customer. 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.

#### Section H - Fire Protection Service

1. Private Company Fire Service: Where private fire protection service connections are to be made to the Company's system, the Company shall have the right to approve the plans for such installation prior to approval of the application for service. The Company shall make any connection to the distribution system that is required, and the customer shall pay to the Company the actual cost for making such connection.

The Company shall have the right to require a compound-type meter for installation in the private fire line if deemed necessary. Waiver of the requirement for installation of a separate meter at the time the connection is made shall not prohibit the Company from requiring a meter installation at a future date if such installation is warranted in the opinion of the Company.

Any meter required will be supplied and installed by the Company, with the cost for the meter, together with labor and materials for installation, to be borne by the customer. Where a private fire connection is approved by the Company, no other connection for domestic, commercial or industrial use shall be made to the fire connection line unless a compound type meter is installed between the Company's line and the connection for such line.

2. Public Fire Protection: Where public fire protection is offered, service will be available when hydrants are installed and when the municipal entity for which the service will be provided makes application to the Company for that service.
3. Installation of Fire Hydrants: The Company shall approve the installation of any fire hydrants. All fire hydrants shall be located by the Company with due consideration given to local fire fighting authorities and to requirements of insurance underwriters. Developers and private fire protection customers shall be responsible for all costs of

purchase and installation of fire hydrants in the same manner as installation of water main extensions. The hydrants will be installed by the Company and shall be the property of the Company.

4. Use of Fire Hydrants: All persons are forbidden to open any fire hydrant or to use any water therefrom for sprinkling streets, for construction or for any purpose, without permission in writing from the Company, except in case of fire and by fire companies to test hydrants. Such tests shall be made directly under the supervision of an authorized agent of the Company.

The Company reserves the right to meter any fire line when evidence indicates that water is being taken from the line for purposes other than fire fighting or as otherwise permitted by agreement, and such metered service shall then be billed in accordance with the regular schedule of metered rates, with proper allowance for water consumed in fire fighting or other authorized use.

#### Section I - Service Continuity

1. Regularity of Service: The Company may, at any time, shut off water in the mains in case of accident or for the purpose of making connections, alterations, repairs or 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 so requires. The Company will, pursuant to Commission regulations at 52 Pa. Code §56.1 and as circumstances permit, notify customers to be affected by service interruptions.

2. Liability for Service Interruptions

- (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 customer charge or minimum bill for the period in question. 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.
- (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 customer's own service pipe, line, fixtures or other installations, except where the damage is a result of the negligence or willful misconduct of the Company, its employees or agents.

Section J - 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 Public Utility Code, the regulations of the Commission or of any other applicable statute, law or regulation.

Section K - Amendment of Commission Regulations

Whenever Commission 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.

PART IV: WATER CONSERVATION CONTINGENCY PLAN

- 1. Restriction of Nonessential Uses: As provided in Commission regulations at 52 Pa. Code §65.11, if the Company is projecting a short term supply shortage, the Company may request voluntary conservation by both residential and nonresidential customers and may impose mandatory conservation measures to reduce or eliminate nonessential uses of water. As defined at 52 Pa. Code §65.1, nonessential uses of water include, at a minimum, the following:
  - (a) Watering of lawns, gardens, landscape areas, trees, shrubs or other outdoor vegetation except with a hand-held hose equipped with an automatic shut-off nozzle.

- (b) Non-commercial washing of vehicles or other equipment except with hand-held hose equipped with an automatic shut-off nozzle.
  - (c) Washing streets, driveways, parking lots, tennis courts, commercial and residential building exteriors, sidewalks, patios or other outdoor surfaces.
  - (d) Ornamental water uses, including fountains, artificial waterfalls, reflecting pools and the like.
  - (e) Filling or topping-off swimming or wading pools except for public or private pools serving 25 or more dwelling units and health care facility pools used for patient care or rehabilitation.
  - (f) The operation of water-cooled comfort air conditioning not equipped with a cooling tower or other evaporative system.
  - (g) Flushing wastewater lines or manholes.
  - (h) Irrigation at commercial farms and nurseries other than as minimally necessary to preserve livestock, crops and plants.
  - (i) The use of water from fire hydrants for construction purposes or fire drills.
2. Implementation of Voluntary Restrictions: Prior to implementation of mandatory restrictions under Rule 3 of this Part, the Company shall first request voluntary customer conservation. Notice of voluntary conservation restrictions shall be sent to all customers or be provided by local radio, television or newspaper advertisements within the Company's service territory. Written notice of request for voluntary restrictions shall also be provided to the Commission.
3. Imposition of Mandatory Restrictions: If voluntary cooperation does not achieve satisfactory results, mandatory restrictions will be imposed upon notice to customers and the Commission as provided in Rule 2 of this Part. If any customer refuses to comply with such mandatory measures, the Company may either adjust the outside water valve connection in a manner which will restrict water flow by up to one-half, or otherwise restrict flow such as by the insertion of a plug device.

Prior to any such other flow restriction being imposed, the Company must make a bona fide attempt to deliver notice of the proposed flow restriction to a responsible person at the affected premises and fully explain the reason for the restriction. Less restrictive means may be imposed to secure compliance with mandatory use restrictions.

Complete service termination may be imposed by the Commission after an expedited administrative proceeding has been held to provide the affected customer with an opportunity to be heard.

4. Pennsylvania Emergency Management Agency (PEMA) Responsibilities: In addition to the provisions as set forth in this Part, the Pennsylvania Emergency Management Agency, 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., may impose restrictions pursuant to a Drought Emergency Proclamation by the Governor of the Commonwealth of Pennsylvania. Where inconsistent with Company-imposed restrictions pursuant to this tariff, PEMA restrictions shall control.

In the event of a drought emergency as defined by proclamation or executive order, the Company is authorized to collect fines set forth in its Local Water Rationing Plan as filed with and approved by PEMA.

5. Termination of Use Restrictions: Conservation measures imposed pursuant to this Part shall be terminated at such time as the supply shortage is eliminated, with appropriate notice provided to affected customers.

A- 00230101

Tariff Wastewater – Pa. P.U.C. No. 1

HIDDEN VALLEY UTILITY SERVICES, L.P.  
RATES, RULES AND REGULATIONS GOVERNING  
THE PROVISION OF WASTEWATER COLLECTION, TREATMENT  
AND/OR DISPOSAL SERVICE TO THE PUBLIC IN  
A PORTION OF JEFFERSON TOWNSHIP, SOMERSET COUNTY, PENNSYLVANIA

ISSUED: August 3, 2005

EFFECTIVE: August 31, 2005

BY: John Scanlan, President  
Hidden Valley Utility Services, L.P.  
1 Craighead Drive  
Suite 300  
Hidden Valley, Pennsylvania 15502  
(814) 443-8452

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AUG 03 2005

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

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Issued: August 3, 2005

Effective: August 31, 2005

HIDDEN VALLEY UTILITY  
SERVICES L.P.

Tariff Wastewater - Pa. P.U.C. No. 1  
Original Page No. 2

LIST OF CHANGES

Establish initial tariff.

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*PART I: SCHEDULE OF RATES AND CHARGES*

*Section A - Rates for Metered Service*

1. Customer Charge: Each customer will be assessed a quarterly customer service charge in the amount of twenty-seven dollars (\$27.00).
2. Consumption Charge: In addition to the customer charge, the following water consumption charges will apply:

<u>Consumption Per Quarter</u>	<u>Rate per 1000 gals.</u>
First 30,000 Gals.	\$15.60
All over 30,000 Gals.	\$12.52

3. Availability Customer Charge: Each availability customer will be assessed a quarterly availability charge of fifteen dollars (\$15.00).

*Section B. Returned Check Charge*

A charge of \$40.00 will be assessed any time where a check which has been presented to the Company for payment on account has been returned by the payer bank for any reason.

*Section C - Service Termination or Resumption Rates*

The fee for shut-off or turn-on of service shall be \$40.00.

*PART II: DEFINITIONS*

The following words and phrases, when used in this tariff, shall have the meanings assigned below unless the context clearly indicates otherwise:

1. Annual Line Extension Cost: The sum of a Company's additional annual operating and maintenance costs, debt costs and depreciation charges associated with the construction, operation and maintenance of a line extension.
2. Annual Revenue (for line extension purposes): The Company's expected additional annual revenue from a 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.

3. Applicant: A person, association, partnership, corporation, municipality, authority, state or federal governmental agency or other entity who applies to become a customer of the Company in accordance with Part III, Section A, of this tariff.
4. Availability Customer: Any individual person or legal entity that owns a lot within the Company's service area that has no structures connected to the wastewater system, to whom the Company's water service line is available.
5. Bona Fide Service Applicant: (for line extension purposes) A person or entity applying for wastewater 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 if the structure is either a primary residence of the applicant or a place of business. An applicant shall not be deemed a bona fide service applicant if:
  - (a) applicant is requesting wastewater service to a building lot, subdivision or a secondary residence;
  - (b) the request for service is part of a plan for the development of a residential dwelling or subdivision; or
  - (c) the applicant is requesting special utility service.
6. Commission: The Pennsylvania Public Utility Commission.
7. Company: Hidden Valley Utility Services, L.P.
8. Company Service Line: The wastewater line from the collection facilities of the Company which connects to the customer service line at the hypothetical or actual curb line or the actual property line.
9. Customer: A person or entity who is an owner or occupant and who contracts with the Company for or who takes or receives wastewater collection, treatment and/or disposal service without a contract. For customers with multiple meters, each meter shall be billed separately for volumetric calculation purposes.
10. Customer Service Line: The wastewater line extending from the end of the Company service line or connection to the point of connection at the customer's premise.

11. Debt Costs: The Company's additional annual cost of debt associated with financing a line extension investment based on the current debt ratio and weighted long-term debt cost rate for the Company or that of a comparable jurisdictional wastewater utility.
12. Depreciation Charges: The Company's additional annual depreciation charges associated with a specific line extension investment to be made based on the current depreciation accrual rates for that Company or that of a comparable jurisdictional wastewater utility.
13. Dwelling Unit: A structure or dwelling intended to be occupied as a whole by one family.
14. Garbage: The solid wastes from domestic cooking and dispensing of food, and from the handling and storage of produce.
15. Grinder pump: Any mechanical or powered device used to grind, macerate or fluidize garbage so that it can be discharged into the wastewater system of the Company.
16. Line extension: (for line extension purposes) An addition to the Company's main line which is necessary to serve the premises of a customer.
17. Main: The Company's pipe, excluding service connections, located in a public highway, street, alley or private right-of-way which pipe is used in transporting wastewater.
18. Meter: Any device supplied by the Company, except as approved by the Commission, for the purpose of measuring water or wastewater consumption.
19. Nonresidential Service: Wastewater service supplied to a commercial or industrial building, including a hotel or motel, or to a master-metered trailer park or multi-tenant apartment building, or to any customer who purchases wastewater service from the Company for the purpose of resale.
20. Operating and Maintenance Costs: (for line extension purposes) 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.
21. Public Utility: Persons or corporations owning or operating equipment or facilities in this Commonwealth for water, electric or wastewater collection, treatment, or disposal for the public for compensation.

22. Residential Service: Wastewater service supplied to an individual single-family residential dwelling unit.
23. Regulatory Agency: Agencies, including but not limited to the Commission, the Pennsylvania Department of Environmental Protection (DEP) and U.S. Environmental Protection Agency (EPA) which have authority over the operations of and/or discharges into and/or from the Company's treatment facilities.
24. Sanitary Sewer: A sewer which carries sanitary wastewater and excludes storm, surface and ground water.
25. Special Utility Service: Residential or business service which exceeds that required for ordinary residential purposes. See additional clarification in Section H, Part 2(e) of this tariff.
26. Storm Sewer: A sewer which receives discharges from stormwater building sewers and/or carries off surface, subsurface, or stormwater from the buildings, ground, streets, or other areas, including street wash.
27. Suspended Solids: Solids that either float on the surface of, or are in suspension in water, wastewater, or other liquids, and which are largely removable by filtration.
28. Tariff: All of the service rates, rules and regulations issued by the Company, together with any supplements or revisions thereto, officially approved by the Commission and contained in this document.
29. Toxic Substances: Any substances where gaseous, liquid or solid waste which, when discharged to a public sewer in sufficient quantities, will be detrimental to any biological wastewater treatment process, constitute a hazard to human beings or animals, inhibit aquatic life, or create a hazard to recreation in receiving waters of the effluent from a wastewater treatment plant, or as defined pursuant to PL 92-500 (Federal Water Pollution Control Act Amendments of 1972) or its amendments.
30. Wastes: Any liquid, gaseous, or solid substances or combination thereof which are discarded, leached, or spilled substances or combination thereof including sanitary wastewater but excluding storm-water.
31. Wastewater: A combination of the water-carried wastes from residences, together with such ground surface and storm water as may be present in sanitary sewers.

*PART III: RULES AND REGULATIONS*

*Section A - Applications for Service*

1. Service Application Required: All applications for service must be in writing on a form provided by the Company and signed by the owner or owners of the property to which wastewater collection service will be provided; except that where a lessee of property occupies or uses the property under a lease having a fixed term of more than six (6) months, the lessee may request service as an applicant. The Company may, at its sole discretion, require that a separate contract for service be signed by the applicant.
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 of the property is the customer. The Company shall have the right to discontinue or otherwise interrupt wastewater collection service upon three (3) days notice if a new application has not been made and approved for the new customer.
3. Acceptance of Application: An application for service shall be considered accepted by the Company only upon oral or written approval by the Company. The Company may provide service to the applicant pending formal review and acceptance of the application.
4. Application Forms: Application forms can be obtained at the Company's local business office, presently located at 1 Craighead Drive, Suite 300, Hidden Valley, Pennsylvania 15502.
5. Temporary Service: In the case of temporary service for short-term use, the Company may require the customer to pay all costs of making the service connection and for its removal after the service has been discontinued, or to pay a fixed amount in advance to cover such expenses. If the service connection is physically removed, the customer shall receive a credit for reasonable salvage value.

*Section B - Construction and Maintenance of Facilities*

1. Customer Service Line: The customer service line shall be furnished, installed, maintained and/or replaced, when necessary, by and at the sole expense of the customer. The Company reserves the right to determine the size, kind and depth of customer service lines.

2. Separate Trench: The customer wastewater service line shall not be laid in the same trench with drain or water pipe, the facilities of any other public utility or of any municipality or municipal authority that provides a public utility service.
3. Customer's Responsibilities: All service lines, connections and fixtures furnished by the customer shall be maintained by the customer in good working order. All valves, meters and appliances furnished by the Company and on property owned or leased by the customer shall be protected properly by the customer. All leaks in the customer service line or any pipe or fixtures in or upon the customer's premises must be repaired immediately by the customer.
4. Right to Reject: The Company may refuse to connect with any piping system or furnish wastewater collection, treatment and/or disposal through a service already connected if such system or service is not properly installed or maintained.
5. Water Use Standards for Certain Plumbing Fixtures: This rule establishes maximum water use criteria for certain plumbing fixtures installed in all new construction or renovation. Such standards have been implemented to achieve maximum efficiency of water use which the Commission has determined is technologically feasible and economically justified.

(a) Maximum permitted water usage levels shall be as follows:

<u>Plumbing Fixture</u>	<u>Maximum Water Use</u>
water closets	1.6 gallons/flush
urinals	1.5 gallons/flush

(b) The Company may exempt particular customers, or classes of customers, when it is determined that the water use standards for plumbing fixtures listed above are unreasonable, cannot be accommodated by existing technology or are otherwise inappropriate.

6. Individual Service Lines: Except as otherwise expressly authorized by the Company, each individual customer shall be served only through a separate service line connected directly to the Company's collection main, and that service line shall not serve any other customer or premise. No additional attachment may be made to any customer's service line for any purpose without the express written approval of the Company.

7. Connection to Company Mains: No connection shall be made to the Company's main, nor detachment from it, except under the direction and control of the Company. All such connections shall be property of the Company and shall be accessible to it and under its control. The Company will furnish, install and maintain all service lines from the main to the curb.

*Section C - Discontinuance, Termination and Restoration of Service*

1. Discontinuance by Customer: Where a customer requests the Company to discontinue service, the following rules shall apply:
  - (a) A customer who wishes to have service discontinued shall give at least seven (7) 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. The customer shall not begin to use nor cease to use wastewater service without the prior written consent of the Company. A customer discontinuing service remains a customer for purposes of paying turn-on fees pursuant to Rule 3 of this Section for a period of nine (9) months.
  - (b) Where a customer requests turn-on of service within six (6) months of disconnection, the customer shall be subject to monthly minimum billing for the period of disconnection.
2. Termination by Company: Service to the customer may be terminated for good cause, including, but not limited to, the following:
  - (a) making an application for service that contains material misrepresentations;
  - (b) failure to repair leaks in pipes or fixtures;
  - (c) tampering with any service line, curb connection, or installing or maintaining any unauthorized connection;
  - (d) theft of service, which shall include taking service without having made a proper application for service under Part III, Section A;
  - (e) failure to pay, when due, any charges accruing under this tariff;

- (f) discharge of any prohibited substance listed in Section F into the wastewater system;
  - (g) receipt by the Company of an order or notice from the Department of Environmental Protection, a health agency, local plumbing inspector or other similar authority, to terminate service to the property served on the grounds of violation of any law or ordinance, or upon notice to the Company from any such authority that it has ordered an existing violation on the property to be corrected and that such order has not been complied with; or
  - (h) material violation of any provisions of this tariff.
3. Turn-on Charge: Whenever service is discontinued or terminated pursuant to Rule 1 or Rule 2 of this Section, service shall be permitted by the Company only upon the payment by the customer of a turn-on charge and the curing of the problem that gave rise to the termination if under Rule 2.

*Section D - Billing and Collection*

1. Issuance of Bills: The Company will bill each customer within fifteen (15) days of the last day of each billing period.
2. Billing Due Date: The due date for payment of a bill for nonresidential service shall be no less than thirty (30) days from the date of transmittal. The due date for payment of a bill for residential service shall be no less than thirty (30) days from the date of transmittal. If the last day for payment falls on a Saturday, Sunday or bank holiday, or on any day when the offices of the Company are not open to the general public, the due date shall be extended to the next business day. The Company may not impose a late-payment charge unless payment is received more than five (5) days after the stated due date.
3. Late-Payment Charge: All amounts not paid when due shall accrue a late-payment charge at the rate not to exceed one and fifty one-hundredths percent (1.50%) per billing period, not to exceed eighteen percent (18%) per year when not paid as prescribed in Rule 2 of this Section.
4. Change in Billing Address: Where a customer fails to notify the Company of a change in billing address, the customer shall remain responsible to remit payment by the billing due date.

5. Application of Payment: Utility bills rendered by the Company shall include only the amount due for utility service. Where a customer remittance to the Company includes payment for any non-utility services, proceeds will be applied first to pay all outstanding regulated utility charges.
6. Return Check Charges: The customer will be responsible for the payment of a charge for each time a check presented to the Company for payment on that customer's utility bill is returned by the payer bank for any reason including, but not limited to, insufficient funds, account closed, payment stopped, two signatures required, post-dated, stale date, account garnished, or unauthorized signature. This charge is in addition to any charge which may be assessed against the customer by the bank.
7. Disputed Bills: In the event of a dispute between the customer and the Company with respect to any bill, the Company will promptly make such investigation as may be required by the particular case and report the result to the customer. The customer is not obligated to pay the disputed amount during the pendency of the Company's investigation. When the Company has made a report to the customer sustaining the bill as rendered, the customer shall have fifteen (15) days from the date of such report in which to pay the bill. If the Company determines that the bill originally rendered is incorrect, the Company will issue a corrected bill with a new due date for payment. Any amounts received by the Company in excess of the amount determined to be due by the Company's investigation of the dispute shall be refunded to the customer.

#### *Section E - Deposits*

1. Residential Customers:
  - (a) New Applicants—The Company will provide service without requiring a deposit unless the applicant was terminated for nonpayment within the prior twelve (12) months or has an unpaid balance for prior service from the Company. The amount of the deposit will not be greater than an estimated average bill for one (1) billing period plus the estimated bill for one (1) additional month's service.
  - (b) Existing Customers—If a customer has paid late on two (2) consecutive occasions or a total of three (3) times within the prior 12-month period, the Company may send a letter informing the customer that a deposit may be required if another late payment is received within the next twelve (12) months. An existing customer may be required to pay a deposit as a condition to having service restored after termination for non-payment or for failure to comply with a payment agreement. The amount of the deposit will not be

greater than an estimated average bill for one (1) billing period plus the estimated bill for one (1) additional month's service.

- (c) Deposit Refunds and Interest—A deposit will be refunded if service is discontinued and the final bill is paid or if the customer has paid the bills for the prior 12-month period without having been late on more than two (2) occasions and is not currently delinquent. Deposits from residential customers shall bear simple interest at the rate of the average of one-year Treasury Bills for September, October and November of the previous year, payable annually without deductions for taxes thereon unless otherwise required by law. The applicable interest rate for each year shall be determined as of January 1 of that year.

2. Nonresidential Customers:

- (a) New Applicants—A deposit may be required from any new applicant who does not have prior satisfactory credit history with the Company. The amount of the deposit will not be greater than an estimated average bill for one (1) billing period plus the estimated bill for one (1) additional month's service.
- (b) Existing Customers—Deposit requirements for existing nonresidential customers shall be as established for residential customers in Rule 1 of this Section.
- (c) Deposit Refunds and Interest—A deposit will be refunded if the customer pays all bills on time over a 12-month period or if service is disconnected and the final bill has been paid. There will be no interest paid on deposits for nonresidential accounts.

*Section F - Wastewater Control Regulations*

1. General:

- (a) No storm water from pavements, area ways, roof runoff water, foundation drains, subsurface drains, water from springs, cooling water, basement sump pumps, unpolluted industrial or commercial process water or other sources shall be admitted to the Company mains.
- (b) The discharge of garbage to the sewer system is expressly prohibited. Properly shredded garbage may be discharged into the sewer system when expressly authorized by the Company.
- (c) This does not exclude or preclude pump-out of manholes by a utility company or of manholes on plant premises which should be kept in dry or reasonably dry condition.

2. Discharges: No person shall cause or permit to be discharged into the Company's wastewater system any toxic substances or wastes having any of the following characteristics:
- (a) Wastes containing any gasoline, naphtha, fuel, oil or other liquids, solids or gases which by reason of their nature or quality may cause fire or explosion or be in any other way injurious to persons, the structures of the wastewater system or its operation.
  - (b) Wastes having a temperature in excess of 120 degrees F. or less than 20 degrees F.
  - (c) Washes having a pH lower than 6.0 or higher than 9.0 having any corrosive property capable of causing damage or hazards to structures, equipment or personnel of the wastewater system.
  - (d) Wastes containing any noxious or malodorous gas or substance that either singly or by interaction with sewage or other wastes is likely in the opinion of the Company to create a public nuisance or hazard to life or prevent entry to sewers for their maintenance and repair.
  - (e) Wastes containing ashes, cinders, sand, mud, straw, shavings, metal, glass, rags, feathers, tar, plastics, wood, hair, chemical or paint residues, greases, paunch, manure, cotton, wool, plastic or other fibers, lime, slurry or any other solid or viscous material of such character or in such quantity as in the opinion of the Company may cause an obstruction to the flow in sewers or otherwise interfere with the proper operation of the sewer system.
  - (f) Wastes containing insoluble, non-flocculent substances having a specific gravity in excess of 2.65.
  - (g) Wastes containing soluble substances in such concentrations as to cause the specific gravity to be greater than 1.1.
  - (h) Wastes containing any of the following substances in concentrations exceeding those shown in the following table as measured by an acceptable method:

<u>Substance</u>	<u>Maximum Permissible Concentration</u>
Phenolic Compounds, e.g.,	
As C <sub>6</sub> H <sub>5</sub> OH	1.00 mg/l
Cyanides as CN	0.00 mg/l
Cyanates as CNO	0.00 mg/l

C.B.O.D. (5 day)	300.00 mg/l
Iron as Fe	3.00 mg/l
Trivalent Chromium as CR plus three	0.05 mg/l
Hexavalent Chromium as CR. plus six	0.05 mg/l
Nickel as Ni	0.05 mg/l
Copper as Cu	0.50 mg/l
Lead as Pb	0.50 mg/l
Zinc as Zn	0.50 mg/l
Mercury as Hg	0.00 mg/l

- (i) Wastes containing other matter detrimental to the operation of a sewage treatment plan or sanitary sewers causing erosion, corrosion or deterioration in sewers, equipment and structures of a sanitary or sewage treatment plant.
- (j) Wastes containing more than 100 mg/l by weight of tar, fat, oil or grease.
- (k) Wastes containing more than 10 mg/l of any of the following gases, hydrogen sulfide, sulfur dioxide, nitrous oxide, or any of the halogens.
- (l) Wastes containing a toxic or poisonous substance, in a sufficient quantity to injure or interfere with any sewage treatment process, constitute a hazard to humans or animals or create any hazard in the sewer system operation and such toxic wastes shall include, but not be limited to wastes containing cyanide, chromium and/or copper ions.
- (m) Any waste containing toxic substance in quantities sufficient to interfere with the biochemical processes of the sewage treatment works or that will pass through the sewage treatment works and exceed the state and/or federal requirements in respect thereof.
- (n) Any waste containing radioactive isotopes.

3. Sampling and Analysis:

- (a) All measurements, tests and analyses of the characteristics of waters and wastes to which reference is made in these rules may be determined in accordance with the latest edition of "Standard Methods for the Examination of Water and Wastewater" as prepared, approved and published jointly by the American Public Health Association, the American Water Works Association, and/or the Water Pollution Control Federation or other reference sources specified by regulatory agency requirements, such as "Methods for

Chemical Analysis of Water and Wastes," U.S.E.P.A. 1974 or its subsequent updated version.

- (b) All measurements, test, inspections and analyses deemed by the Company to be necessary under this Section or any other part of the Rules and Regulations of the Company, shall be done by the Company or its agents, employees or contractors. If the measurements, test, inspections and/or analyses determine that a customer has created a situation which is in violation of any statute, ordinance, rule or regulation then the customer shall be required to pay all costs incurred in order to measure, test, inspect, analyze and remedy the situation. Otherwise, the costs involved are to be born by the Company. Costs assessed against a Customer pursuant to this Section shall be in addition to any other fees charged by the Company. The costs shall be payable within 30 days of presentation of a bill for such costs by the Company to the Customer(s).
  - (c) Where the Company deems it advisable, it may require any person discharging wastes to install and maintain, at his or her own expense, in a manner approved by the Company or its representative, a suitable device to continuously measure and record the pH of the wastes so discharged.
4. Disposal of Wastes From Septic Tanks and Cesspools: No person shall dispose of wastes from septic tanks, cesspools, or other such sources of sanitary sewage to the Company's wastewater system, except as designated by the Company.
  5. Penalties: The Company reserves the right to deny wastewater service for violation of any provision of these regulations, subject to Commission rules and regulations.
  6. Damage to System and Indemnification: In the event of any damage to the Company's wastewater system caused by a customer, such damage shall be immediately reported to the Company and said customer shall reimburse the Company for the costs of such repairs.

*Section G - Line Extensions*

1. 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 directives:

- (a) 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.
- (b) 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.
- (c) 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 applicant:

$X = [AR - OM] \text{ divided by } [I + D]$  ; and,  
AR = the Company's annual revenue  
OM = the Company's operating and maintenance costs  
I = the Company's current debt ratio multiplied by the  
Company's weighted long-term debt cost rate  
D = the Company's current depreciation accrual rate

2. Customer advance financing, refunds and facilities on private property:

- (a) 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 (10) years, the Company shall refund a portion of the advance to the customer. Deposits made for additional facilities other than the line extension are contributions in aid of construction and need not be refunded.
- (b) 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 ten (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 applicant as calculated in the formula contained in Section G, Rule 1, Subsection (c) of this tariff.

- (c) 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.
  - (d) Special utility service shall mean residential or business service which exceeds that required for ordinary residential purposes. Section G Rule 1 (a) through (c) of this tariff do not apply to special utility service. By way of illustration and not limitation, special utility service shall include: the installation of facilities such as oversized mains and booster pumps as necessary to provide adequate flows, or service to large commercial and industrial facilities. An otherwise bona fide applicant requesting service which includes a "special utility service" component is entitled to bona fide applicant status, including the corresponding Company contribution toward the costs to the line extension which do not meet the special utility service criteria.
3. Requirement for Extension Deposit Agreement: Where extension of facilities is not fully funded by the Company pursuant to Rule 2 of this Section, 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.
  4. Size of Main: The Company shall have the exclusive right to determine the type and size of mains 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.
  5. 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 service was requested. A street service connection will be provided only for customer service lines that extend at right angles from the curb line in a straight line to the premises to be served.

6. Cost True-up: At the conclusion of the main extension project there shall be a reconciliation of the actual costs incurred to the amount of extension deposit that has been paid by the customer. 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.

*Section H - Service Continuity*

1. Regularity of Service: The Company may, at any time, shut off service in case of accident or for the purpose of making connections, alterations, repairs or changes, or for other reasons. The Company will, pursuant to Commission regulations at 52 Pa. Code § 67.1 and as circumstances permit, notify customers to be affected by service interruptions.
2. Liability for Damages:
  - (a) Limitation of Damages for Service Interruptions—The Company's liability to a customer for any loss or damage from any excess or deficiency in the wastewater collection service 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 customer charge or minimum bill for the period in question. 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.
  - (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 customer's own service pipe, line, fixtures or other installations, except where the damage is a result of the negligence or willful misconduct of the Company, its employees or agents.

*Section I - 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 Public Utility Code, the regulations of the Commission or of any other applicable statute, law or regulation.

*Section J - Amendment of Commission Regulations*

Whenever Commission regulations in Title 52 of the Pennsylvania Code are duly amended in such a way as would produce a difference between Commission regulations 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.

*Section K. Industrial and Commercial Service Limitations.*

1. Pretreatment: All industrial and commercial waste proposed for discharge into the sewer system shall be studied to determine the degree of pretreatment, if any, necessary in order that the waste will not adversely affect the system or the sewage treatment facilities. The Company will have the authority to properly control any waste discharge into its sewage system by regulating the rate of any waste discharge into its sewer system by requiring necessary pretreatment, and excluding certain waste, if necessary, to protect the integrity of the Company's system.
2. Customer Limitations: Customers specifically agree that service applies exclusively for domestic/household sewage. If any Customer discharges industrial or commercial waste that:
  - a. the existing wastewater treatment plant is unable to satisfactorily treat; or,
  - b. is not in compliance with discharge permit standards, disrupts the normal functioning of the existing wastewater treatment plant; or,
  - c. is more costly to treat than typical domestic wastewater; or,
  - d. requires the utilization of more wastewater treatment plant capacity per gallon of effluent than that required by average typical domestic waste water,

then the customer shall provide, at the customer's own expense, such primary treatment as may be necessary before such waste is discharged into the Company mains. No commercial or industrial waste, whether pretreated or not, may be discharged without prior written authorization from the Company.

3. Company Limitations: The Company will not be liable nor bound to increase wastewater treatment plant operations to accommodate industrial or commercial waste.
4. Specific dangers: In general, any waste will be considered harmful to the Company wastewater system if it may cause any of the following damaging effects:

- (a) chemical reaction either directly or indirectly with the materials of construction of the system in such a manner as to impair the strength or durability of the sewer structures;
- (b) mechanical action that will destroy the sewer structures;
- (c) restriction of the hydraulic capacity of the sewer structures;
- (d) restriction of the normal inspection or maintenance of the sewer structures;
- (e) danger to public health and safety; or
- (f) obnoxious condition contrary to the public interest.

*Section L. Privilege to Investigate/Right of Access*

The Company's authorized representatives shall have the right of access at all reasonable times to all parts of any premises connected with the system, for the purpose of examining and inspecting connections and fixtures, including the water and/or wastewater metering arrangement, or for disconnecting service for any proper cause.

BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION

In re: Application of Hidden Valley Utility :  
Services, L.P. for approval to begin to offer, : Application Docket  
render, furnish or supply wastewater service : No. A-00210117  
to the public in Hidden Valley, Pennsylvania:

**RECEIVED**

In re: Application of Hidden Valley Utility :  
Services, L.P. for approval to begin to offer, : Application Docket  
render, furnish or supply water service to the: No. A-00230101  
public in Hidden Valley, Pennsylvania :

AUG 03 2005

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a copy of the Tariff Supplements of Hidden Valley Utility Services, L.P. in the above-captioned matters upon the individuals listed below, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

Service by UPS Overnight, postage prepaid, as follows:

James J. McNulty, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street  
Harrisburg, PA 17120

ALJ John H. Corbett, Jr.  
Pennsylvania Public Utility Commission  
Pittsburgh State Office Building  
300 Liberty Avenue, Room 1103  
Pittsburgh, PA 15222

Service by First Class Mail, postage prepaid, as follows:

Christina Maloni Hoover, Esquire  
Erin L. Gannon, Esquire  
Office of Consumer Advocate  
555 Walnut Street  
5<sup>th</sup> Floor, Forum Place  
Harrisburg, PA 17101-1923

Charles Daniel Shields, Esquire  
PA Public Utility Commission  
Office of Trial Staff  
P.O. Box 3265  
Harrisburg, PA 17105-3265

H. David and Angela M. Boyter  
3914 MacAlpine Road  
Ellicott City, MD 21042

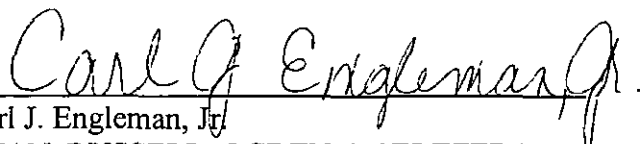
Hidden Valley Resort, L.P.  
1 Craighead Drive, Suite 300  
Hidden Valley, PA 15502

Hidden Valley Foundation, Inc.  
1900 South Ridge Drive  
P.O. Box 4180  
Hidden Valley, PA 15552

Edwin C. Miller, et al  
203 Imperial Road  
P.O. Box 4143  
Hidden Valley, PA 15502

H. David and Angela M. Boyter  
Box 4214  
354 Lake Road  
Hidden Valley, PA 15501-0775

Dated: August 3, 2005

  
\_\_\_\_\_  
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Attorneys for  
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