

NAPOLEON COMMUNITY RURAL WATER CORPORATION
RULES AND REGULATIONS FOR RENDERING WATER SERVICE

SECTION 1. DEFINITIONS

- A. The word “customer” shall mean any person, firm, corporation, municipality or other government agency which has agreed, orally, or otherwise to pay for water service received from a water utility.
- B. The word “disconnection” shall mean the termination or discontinuance of water service.
- C. The words “late payment charge” shall mean the one-time penalty assessed by a water utility upon all current bills at such time as they become delinquent.

SECTION 2. RETENTION OF RECORDS

- A. Records to be kept. All records required by these rules shall be preserved for at least three (3) years. Such records shall be kept within the State at the principal place of business of the water utility.

SECTION 3. RECORD OF METERS AND METER TESTS

- A. Meter Test Record. Whenever any meter in service is tested, a record shall be preserved containing the information necessary for identifying the meter, the reason for making the test, the reading of the meter before the test and the result of the test. Together with all data taken at the time of the test in sufficiently complete form to permit the convenient checking of the methods employed.
- B. Meter Record. Permanent records shall also be kept, systematically arranged, giving for each meter owned or used by the water utility, the year of purchase, its identification and the record of the last test to which it has been subjected, with dates and general results of the test. These requirements apply to all meters purchased after the effective date of these rules and to all other meters insofar as the information is available.

SECTION 4. LOCATION OF METERS

- A. The meter may be located either in an outdoor pit, or inside the building or premises of the customer being served.

When the meter is to be installed in an underground pit, the pit shall be located in a convenient and readily accessible location. Upon request by the customer before installation is made, the pit will be located at the point requested, if feasible under proper utility standards. The pit must be constructed to protect the meter from freezing and damage by vehicular traffic. The pit location and design should prevent, as far as possible, the inflow of surface water.

When the meter is to be installed indoors, it shall be located, as near as practical to where the service pipe enters the building, in a clean, dry, safe place, protected from freezing and hot water, not subject to wide temperature variations, and so placed as to be at all times accessible for reading, inspection, and removal for testing.

If a customer requests and the utility approves, or if the utility determines that it is desirable in order to facilitate meter reading, a remote reading register device may be installed outside the building at an accessible location.

- B. When there is a choice of connecting to two different previous main extensions and there is construction aid to consider, a customer must hook onto the oldest existing main. There could be exceptions to this rule as to actual meter placement in the case of extraordinary circumstances, but fees must be paid as though the connection was made on the oldest existing main.

SECTION 5. METER DIALS

- A. All meters used to measure the volume of water sales shall register in U.S. gallons, cubic feet, or metric units. The meter register face shall clearly indicate whether the register is in U.S. gallons, cubic feet, or metric units. Straight and circular reading registers shall have printed on the dial face the required numerals, so that the meter can be correctly read to the nearest 100 cubic feet, 1,000 U.S. gallons, or the metric equivalent thereof.

SECTION 6. TESTING EQUIPMENT AND FACILITIES

- A. Each water utility that furnishes water to any of its customers on a metered basis shall provide and maintain suitable equipment and facilities for testing and adjusting of its meters or provide another water utility or repair agency for that purpose.

SECTION 7. ACCURACY OF METERS

- A. All meters and appurtenances used for measuring quantity of water delivered to a customer shall be in good mechanical condition and shall be adequate in size and design for the type of service which they measure and shall be accurate to within generally accepted standards.
- B. Test Flows. For determination of minimum test flow and normal test flow limits, the following specifications will be used for test flows for displacement type cold water meters:

Nominal Meter Size	Minimum Test Flow Gallons per Minute	Normal Test Flow Limit Gallons per Minute
5/8"	1/4"	1 – 20
3/4	1/2"	2 – 30
1"	3/4	3 – 50
1 1/2"	1 1/2	5 – 100
2"	2	8 – 160
3"	4	16 – 300
4"	7	28 – 500
6"	12	48 - 1000

SECTION 8. PERIODIC INSPECTIONS AND TESTS

- A. Each consumer water meter installed shall be periodically inspected and tested to ensure that the meter accuracy is maintained within the limits set out by AWWA Standards.

SECTION 9. CUSTOMER REQUESTS FOR METER TEST

- A. Each utility supplying water service shall make a test of the accuracy of registration of a meter upon written request by a customer. A second test of the customer’s meter may be requested after twelve (12) months. The customer may be required to bear the full cost of any subsequent test of his meter if requested at less than thirty-six (36) months after the preceding test if error of the meter is found to be in compliance with AWWA Standards.

A written report giving the results of such tests shall be made to the customer within 10 days after the test is complete and a complete record of the same shall be kept on file in the office of the utility.

SECTION 10. BILLS FOR WATER SERVICE

- A. Bills rendered periodically to customers for water service shall show at least the following information:
 1. The dates and meter readings of the meter at the beginning and end of the period for which the bill is rendered and the billing date.
 2. The number and kind of units of service supplied.
 3. The billing rate code, if any,
 4. The previous balance, if any,
 5. The amount of the bill,
 6. The sum of the amount of the bill and the late payment charge, if any,
 7. the date on which the bill becomes delinquent and on which a late payment charge will be added to the bill,

8. If an estimated bill, a clear and conspicuous coding or other indication identifying the bill as an estimated bill,
9. Printed statements and/or actual figures shall inform the customer of the seventeen (17) day non-penalty period.
10. An explanation, which can be readily understood, of all codes and/or symbols shall be shown on the bill.

B. Delinquencies.

1. A utility service bill which has remained unpaid for a period of more than seventeen (17) days following the mailing of the bill shall be a delinquent bill.
2. A utility service bill shall be rendered as a net bill. If the net bill is not paid within seventeen (17) days after the bill is mailed, it shall become a delinquent bill and a late payment charge will be added in the amount of ten (10) percent.

- C. Estimated Billing. A water utility may estimate the bill of any customer for good cause, including, but not limited to: request of customer; inclement weather; labor or union disputes; inaccessibility of a customer's meter if the utility has made a reasonable attempt to read it; and other circumstances beyond the control of the utility, its agents, and employees.

SECTION 11. BILLING ADJUSTMENTS

- A. Adjustments Due to Meter Error. If any service meter shall be found to have a percentage of error greater than that allowed by AWWA Standards:

1. Fast Meters. When a meter is found to have a positive average error (i.e., is fast) in excess of two (2) percent, the utility shall refund or credit the customer's account with the amount in excess of that determined to be an average charge for one-half of the time elapsed since the previous test, or one (1) year, whichever period is shorter. This average charge shall be calculated on the basis of units registered on the meter over corresponding periods either prior or subsequent to the period for which the meter is determined to be fast. No part of a minimum service charge need be refunded.
2. Stopped or Slow Meters. When a meter is stopped or has a negative average error (i.e., is slow) in excess of two (2) percent, the utility may charge the customer an amount estimated to be an average charge for one-half of the time elapsed since the previous test or one (1) year, whichever period is shorter. This average charge shall be calculated on the basis of units registered on the meter over corresponding periods either prior or subsequent to the period for which the meter is determined to be slow or stopped. Such action may be taken only in cases where the utility is not at fault for allowing the stopped or slow meter to remain in service.

- B. Adjustment for Interruption of Service. In the event the customer's service is interrupted for a reason other than the act of the customer or the condition of customer controlled equipment, and the service remains interrupted for more than two (2) days after being reported or found to be out of order, appropriate adjustments or refunds shall be made to the customer.

- C. Other Billing Adjustments. All other billing errors, including incorrect tariff applications, may be adjusted to the known date of error or for a period of one year, whichever period is shorter.

SECTION 12. DISCONNECTION OF SERVICE; PROHIBITED DISCONNECTION; RECONNECTION

- A. Upon Customer's Request.

1. The customer shall notify the utility at least three (3) days in advance of the day disconnection is desired. The customer shall remain responsible for all service used and the billings therefore until service is disconnected pursuant to such notice.

2. Upon request by a customer of a utility to disconnect service, the utility shall disconnect the service within three (3) working days of the requested disconnection date. The customer shall not be liable for any service rendered to such address or location after the expiration of these three (3) days.

B. Without Customer's Request.

1. A utility may disconnect service without request by the customer and without prior notice only:
 - a. if a condition dangerous or hazardous to life, physical safety, or property exists; or
 - b. upon order by the court or other duly authorized public authority; or
 - c. if fraudulent or unauthorized use of water is detected and the utility has reasonable grounds to believe the affected customer is responsible for such use; or
 - d. if the utility's regulating or measuring equipment has been tampered with and the utility has reasonable grounds to believe that the affected customer is responsible for such tampering.
2. In all other instances a utility, upon providing the customer with proper notice may disconnect service subject to the other provisions of these rules.

C. Prohibited Disconnection.

1. Except as otherwise provided, a utility shall postpone the disconnection of service for ten (10) days if, prior to the disconnect date specified in the disconnect notice, the customer provides the utility with a medical statement from a licensed physician or public health official which states that disconnection would be a serious and immediate threat to the health or safety of a designated person in the household of the customer. The postponement of disconnection shall be continued for one additional ten (10) day period upon the provision of an additional such medical statement.
2. A utility may not disconnect service to the customer:
 - a. upon his failure to pay for merchandise or appliances purchased from the utility furnishing the water;
 - b. upon his failure to pay for the service rendered at a different metering point, residence, or location if such bill has remained unpaid for less than forty-five (45) days;
 - c. upon his failure to pay for services to a previous occupant of premises to be served, unless the utility has good reason to believe the customer is attempting to defraud the utility by using another name.

D. Time

1. No utility may disconnect service unless it is done between the hours of 8:00 P.M. and 3:00 P.M., prevailing local time.
2. A utility may not disconnect service for non-payment on any day on which the utility office is closed to the public, or after twelve noon (12:00 noon) of the day immediately preceding any day on which the utility office is not open to the public.

E. Notice Required Prior to Involuntary Disconnection.

1. Except as otherwise provided herein, service to any residential customer shall not be disconnected for a violation of any payment of a bill, except after seven (7) days prior written notice to such customer by:
 - a. Mailing the notice to such residential customer at the address shown on the records of the utility; or
 - b. Personal delivery of the notice to the customer or a responsible member of his household at the address shown on the records of the utility.
2. The notice must be in language which is clear, concise, and easily understandable to a layman and shall state:
 - a. the date of proposed disconnection;
 - b. the specific actual basis and reason for the proposed disconnection;

- c. the telephone number of the utility office at which the customer may call during regular business hours in order to question the proposed disconnection or seek information concerning his rights.

F. Procedure for Involuntary Disconnection.

1. Immediately preceding the actual disconnection of service, the employee of the utility designated to perform such function shall make a reasonable attempt to identify himself to the customer or any other responsible person then upon the premises and shall announce the purpose of his presence and shall make a record thereof to be maintained for at least thirty (30) days.
2. The employee shall have in his possession information the customer or other responsible person of the reason for disconnection including the amount of any delinquent bill of the customer, and shall request from the customer any available verification that the outstanding bill has been satisfied. Upon presentation of such credible evidence, service shall not be disconnected.
3. The employee shall not be required to accept payment from the customer or other responsible person in order to prevent the service from being disconnected.
4. When the employee has disconnected the service, he shall give to a responsible person at the customer's premises, or if no one is at home, shall leave at a conspicuous place on the premises, a notice stating that service has been disconnected and stating the address and telephone number of the utility where the customer may arrange to have service reconnected.

G. Reconnection

1. A utility may charge a reasonable reconnection charge. A utility shall inform its customers of such reconnection fee.
2. If the utility disconnects service in violation of these rules, the service shall immediately be restored at no charge to the customer.
3. The utility must reconnect the service to the customer as soon as reasonably possible but at least within one (1) working day after it is requested to do so; provided however, that the utility shall not be required to reconnect the service until
 - a. the conditions, circumstances, or practices which caused the disconnection have been corrected;
 - b. payment of all charges owed the utility by the customer and authorized by these rules has been made; and
 - c. verbal permission given or a responsible person is present in the premises to see that all water outlets are closed to prevent damage from escaping water.

SECTION 13. CUSTOMER COMPLAINTS

A. Complaint Procedure

1. A customer may complain at any time to a utility about any bill which is not delinquent at that time, security deposit, disconnection notice, or any other matter relating to its service and may request a conference thereon. Such complaints may be made in person, or in writing. A complaint shall be considered filed upon receipt by the utility. In making a complaint and/or request for conference, the customer shall state at a minimum, his name, service address, and the general nature of his complaint.
2. Upon receiving each such complaint or request for conference, the utility shall promptly, thoroughly, and completely investigate such complaint, confer with the customer when requested and notify, in writing, the customer of the results of its proposed disposition of the complaint after having made a good faith attempt to resolve the complaint.

B. Continuation of Service Pending Disposition of Complaint.

1. If the customer is receiving service at the time the complaint and/or request for conference is received by the utility, his service shall not be disconnected until ten (10) days have elapsed from the date of mailing of the notification of the utility's proposed disposition of his complaint.

C. Record of Complaints.

1. Each utility shall keep a written record of complaints and requests for conferences. Such records shall be retained at the office or branch office where such complaints were received and/or any conferences were subsequently held. Such written records are to be readily available upon request by the concerned customer or his agent possessing written authorization.

SECTION 14. INFORMATION PROVIDED BY UTILITIES TO APPLICANTS AND CUSTOMERS.

- A. A utility shall supply free of charge a copy of the rate schedules applicable to the types of service available to new applicants for and existing customers of residential service, upon request by the applicant or customer.

SECTION 15. STATION METERS AND PRESSURE SURVEYS; RECORDS

- A. Each utility furnishing water service shall install at each supply station such station meters and instruments as may be necessary to obtain a daily and monthly record of the total amounts of water delivered into the mains.
- B. Each utility furnishing water service to more than 750 but less than 1,500 customers shall maintain a graphic recording pressure gauge at its plant, office, or at some central point in the distribution system where continuous records shall be made of the pressure in the mains at that point.

SECTION 16. WATER QUALITY STANDARDS.

- A. Water furnished by any water utility for human consumption or for domestic use shall be of such quality as will have the approval, or comply with the requirements, of the Indiana State Board of health.
- B. Public water supplies within the distribution pipe systems shall be adequately protected against pollution from back siphonage or cross connections with other systems on customer's property by proper installation of protective devices in accordance with the rules of the Indiana State Board of health. Such protective devices shall be installed and maintained at the cost and expense of the customer, subject however, to the inspection test and approval of the utility before being placed in service, and at such times thereafter as recommended by the Indiana State Board of Health.
- C. Public water supplies shall also be adequately protected against any unnecessary and avoidable pollution at their own sources, and at all times after being taken therefrom, until delivery to the customer, to conform in all cases to the requirements of the Indiana State Board of health.

SECTION 18. INTERRUPTIONS OF SERVICE; NOTICE TO CUSTOMERS

- A. Each utility shall keep a record of any interruption of service affecting its entire system or major division thereof, including a statement of the time, duration, extent, and cause of the interruption. Whenever the service is intentionally interrupted for any purpose, such interruption shall, except in emergencies, be at a time during regular working hours of the utility which will cause the least inconvenience to customers. Customers who will be affected by such interruption shall, to the extent practical, be notified in advance.

SECTION 19. CUSTOMER REQUEST FOR MODIFICATION; LIABILITY FOR COSTS

- A. If a customer requests for his convenience or by his actions requires facilities be redesigned, reengineered, relocated, removed, modified, or reinstalled the utility may require the customer to make payment to it of the full cost of performing such service.

SECTION 20. RATE SCHEDULES, RULES AND REGULATIONS; FILING; PUBLIC INSPECTION

- A. Filing and Posting of Rate Schedules, Rules, and Regulations of the Utility shall be on file in the local office of the utility, and shall be open to the inspection of its members.

SECTION 21. PROCEDURE FOR RATE CHANGES; TRAKING INCREASES

- A. If the utility's financial advisors feel a rate change is recommended the utility shall engage those advisors to furnish it with written substantiation for such a change. If the utility concurs with the financial advisors' position a date will be set for a special meeting of its membership for presentation and discussion. Each member will be notified of the place, date, and time of such a meeting by written notice not less than ten (10) days in advance thereof.

The governing body of the utility shall have final authority in the implementation of any rate change. Such change shall be decided at a meeting following the special meeting of the membership described above.

- B. Any water cost tracker increase shall be passed on to the customers of the utility coinciding with the date it is effective from the utility's supplier or at such date as it is compatible with the billing cycle.

SECTION 22. STANDARDS FOR MAIN EXTENSIONS

- (A) In cases of water line extensions requested by applicant(s), the utility shall determine easement requirements, line sizing, and anything else required for such extension and shall estimate the total cost. Utility will construct the main extension according to its specifications.
- (B) Each applicant for service shall pay the appropriate membership and tap fees in advance in addition to any deposit required.
- (C) The utility shall not be required to make main extensions unless the applicant(s) initially to be served by that extension shall agree to use the service for a period of three (3) years.
- (D) Upon request, the utility will extend a main to connect a customer(s) free of charge if the cost of this extension does not exceed three (3) times the estimated annual revenue from the original customer(s); subject, however, to the condition that the utility has construction funds available and that this customer(s) agrees to take the service on the date on which the extension is placed in service.
- (E) If the cost of the extension requested is larger than the free limit and the utility has construction funds available, the extension shall be made under the following conditions:
- (1) Utility shall prepare an estimate of the total cost of extension.
 - (2) Each applicant shall be required to make in advance a cash initial deposit with the utility. The basis for the initial deposit to be paid by the applicant(s) shall be the estimate of the total cost of the extension divided by the number of applicants to be served. This amount will be decreased by three (3) years estimated annual revenue for service to each original applicant. These applicant(s) must agree to take service from the proposed main extension on the date the main is placed into service.
 - (3) If at any time within ten (10) years after the main extension is placed into service, the owner or occupant of any unconnected lot included in the main extension requests connection, the utility shall collect in advance a cash deposit. This deposit will be calculated by dividing the initial deposit(s) paid by the original applicant(s) to the utility by the number of total customers to be served by the main extension.
 - (a) Deposits collected by the utility from new connection(s) within a period of ten (10) years after the main extension is placed into service shall be refunded equally to the previous depositor(s). In no event shall the total refunds to any depositor exceed the amount of his deposit.
 - (4) Any extension subsequently connected to the original extension shall constitute a separate extension.
- (F) If the utility has no construction funds available, the conditions listed above must still be met with the exception that the total cost of the extension will not be decreased by three (3) years estimated annual revenue for service to each original applicant. Any future service connections made directly to the extension will have the deposit figured as though the three (3) years estimated annual revenue was allowed initially.

- (G) If it is necessary to hire an independent contractor to install a main extension at the customer's request due to a time factor the following conditions will be set:
- (1) The utility shall select and retain the contractor
 - (2) The customer(s) will not be allowed the three (3) years estimated annual revenue towards construction costs
 - (3) The customer(s) will be responsible for the total project costs of the independent contractor(s)
 - (4) Any future service connections made directly to the extension will have the deposit figured on the utility's estimated project cost and as though the three (3) years estimated annual revenue was allowed initially.
- (H) These requirements are meant to be general in nature. Utility reserves the right to look at each request as a specific case and to set whatever requirements for that case utility deems necessary in the best interests of its members.
- (I) Nothing in the above policy shall affect the right of utility to make such line extensions as may be economically financed by application to Farmers Home Administration or other lending agencies. The size and location of such extensions will be determined by number of customers available. No extension will be made where the number of customers available will not generate sufficient revenue to cover the cost of repayment of the financing, the cost of the additional water, and all such other costs as are incidental to said line extension.

ADOPTED: AUGUST 19, 1993
AMENDED: JUNE 25, 2001

NAPOLEON COMMUNITY RURAL WATER CORPORATION
BY: GERALD HARMEYER, PRESIDENT
ATTEST: SUE TRENT, SECRETARY