

**Service Rules
for Wastewater Utility Service**

FOR

OREGON WATER UTILITIES, INC.
1230 GOLDEN PHEASANT DRIVE
REDMOND, OR 97756

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Providing wastewater services in the vicinities of

Brasada Ranch Resort, Powell Butte, Oregon
Eagle Crest Resort, Redmond, Oregon
Running Y Resort & Ridgewater, Klamath County, Oregon
Southview, Klamath County, Oregon

Updated October 7, 2024

SERVICE RULES (all systems)

Guideline 1: Definitions

- A. "Applicant" means a person who does not meet the definition of a customer who applies for service with the Utility.
- B. "Commercial service" means sewer service provided by the Utility that the customer uses in the promotion or operation of a business or business product that is a source of revenue or income to the customer or others using the premises.
- C. "Customer" means a person who is currently receiving sewer service from the Utility and is entitled to certain rights and responsibilities as a customer under these rules.
- D. "Customer's service line" means the facilities used to convey sewage from the customer's point of usage to the point of connection to the Utility's sewer line. The customer owns and maintains the customer service line.
- E. "Disconnection" means the disconnection of a customer's service, which is achieved when the Utility closes the customer's shut off valve.
- F. "Main Line Extension" means the extension of the Utility's main line necessary to provide service to a customer when the customer's property does not have main line frontage.
- G. "Point of Connection" means the point of demarcation between the Utility's sewer service connection and the customer's service line, which is located at the customer shut off valve.
- H. "Residential service" means sewer service provided for domestic purposes in a residential area which is not considered a commercial service.
- I. "Rules" means these Service Rules for Wastewater Utility Service for Utility.
- J. "Served" for purpose of delivery of any required notice or document, unless otherwise specifically noted, means: delivered in person, by personal contact over the telephone, or in writing delivered to the party's last known address. If delivered by US Mail, the notice is considered served two calendar days after the date postmarked, the date of postage metering, or deposit in the US Mail, excluding Sundays and postal holidays.
- K. "Sewer service connection" mean the facilities used to connect the Utility's distribution network to the point of connection at the customer's service line. The Utility owns and maintains the sewer service connection.
- L. "Utility" means OREGON WATER UTILITIES, INC.

APPLICATION FOR SERVICE

Rule 2: Information for Applicants and Customers

The Utility will provide or be able to provide customers and applicants with the following information:

- A. the Utility's current schedule of rates; and
- B. these rules applicable to the type of service being provided.

Rule 3: Application for Service

A. New Customer to Existing Service Address

Anyone that wishes to receive sewer service at a location that is currently served by the utility shall call the customer care team prior to service being provided.

B. New Service Address

Anyone that wishes to receive sewer service at a service location not currently served by the Utility shall make a written application for sewer service to the Utility, which must be approved by the Utility prior to service being provided. An application for service must be made for each individual property to be served. Sewerage collection and service supplied to a single-family dwelling shall serve that one residence only. Multiple service lines for a single lot are not permitted.

An application is a request for service and shall not be accepted until the applicant establishes credit. An applicant may be required to provide the Utility a deposit to secure payment of the installation costs or for services provided (see Rules 4 and 5).

Each application shall identify the name of the applicant, the service address, the billing address, the contact information where the applicant can be reached, the type of sewer service requested and the intended use of the property, and the name to be used to identify the account, if different than the applicant's actual name. The applicant shall pay any scheduled fees or deposits at the time the application is submitted to the Utility.

An application for service may be required where:

- A. An applicant who has not previously been served by the Utility requests service; or
- B. Service is requested after service has been involuntarily discontinued in accordance with Utility Rules; or
- C. Service has been voluntarily discontinued and a request to restore service was not made within 20 days of the discontinuance of service; or
- D. There is a change in the type of service requested or the number of premises served.

Rule 4: Deposits, Interest, and Refunds of Deposits

The Utility may require an applicant or customer to pay a deposit as a guarantee of payment for services provided. The Utility will pay interest on deposits at the rate specified in the Miscellaneous Service Charges section of the statement of rates. If the customer has paid their service bills on time for 12 consecutive months, and the customer is not then delinquent in the payment of bills, the Utility may at its sole discretion refund the deposit by crediting the customer's account or issuing the customer a refund check.

Rule 5: Compliance Deposits

The Utility may require an applicant or customer to pay a compliance deposit as a guarantee of payment for installation costs. At the Utility's sole discretion, a portion of the compliance deposit in the amount provided in the Miscellaneous Service Charges section of the statement of rates may be withheld in the event inspections, policies, or procedural requirements are not successfully met. If the deposit is depleted, work will stop until the customer deposits an additional compliance deposit. The Utility will not provide service to the customer's property if required deposits are not made.

Rule 6: Customer Service Line

The customer owns the customer service line and must properly maintain the customer service line, including promptly repairing all breaks and leaks. The Utility is not responsible for any damage, poor service, or other consequences resulting from the inadequacy of the customer service line or any portion of the customer's plumbing. The customer must promptly address and repair any blockage or break in the customer service line so as to minimize potential damage to the system, and environmental hazards.

Rule 7: Service Connection Charge

An applicant requesting service to a property not previously supplied with permanent service by the Utility will be required to pay the New Service Connection Charge specified in the Utility's Miscellaneous Service Charges section of the statement of rates. The Utility will not provide service to the customer's property if the New Service Connection Charge has not been paid.

Rule 8: Main Line Extension Policy

A specific agreement is required for each extension that defines the terms of the main line extension.

Rule 9: Types of Use

Sewer service may be provided for residential, commercial, multi-unit, special contracts, and other uses. The Utility will maintain separate rate schedules for each type of use.

Rule 10: Multiple Residences/Commercial Users

An apartment building, mobile-home park, motel, trailer camp, duplex, townhouse, or any property consisting of more than one residential or commercial unit shall be considered to be equivalent to the number of equivalent dwelling units served when determining customer count.

Rule 11: Utility Access to Private Property

Customers shall provide the Utility, its agents, and employees regular access to all parts of the customer's buildings and premises from which sewage collection is made for the purposes of inspecting the condition of pipes and fixtures or for inspecting, maintaining, or removing Utility-owned property. The Utility will provide the customer with written notice at least ten (10) days prior to any such inspection, except in the case of emergency. See also Rule No. 12.

Rule 12: Restriction on Entering a Customer Residence

Utility employees will not enter a customer's residence without proper authorization, except in an emergency when life or property is endangered. See also Rule No. 11.

REFUSAL OF SERVICE

Rule 13: Refusal of Service Due to Customer Accounts

The Utility may refuse to provide service if:

- A. The applicant owes any amounts to the Utility under a tariff or statement of rates; or
- B. A co-resident of an applicant for residential service has amounts owing to the Utility under a tariff or statement of rates and the applicant lived with the co-resident at the time the amounts owing to the Utility were incurred.

If service is refused under this rule, the Utility will inform the applicant of the reasons for the refusal.

Rule 14: Refusal of Service Due to Utility's Facilities

The Utility may refuse to provide service to an applicant or materially change service to a customer if the Utility does not have adequate facilities, resources, or capacity to provide the requested service, or if the Utility determines, at its sole discretion, that the requested service is likely to negatively affect service to other customers.

If service is refused under this rule, the Utility will inform the applicant or customer of the reasons for the refusal.

Rule 15: Refusal of Service Due to Customer Facilities

The Utility may refuse service to an applicant whose facilities do not comply with applicable plumbing codes or, if the Utility determines, at its sole discretion, that safe and satisfactory service cannot be provided to the applicant.

If service is refused under this rule, the Utility will inform the applicant of the reasons for the refusal.

BILLING

Rule 16: Billing Information and Late-Payment Charge

All bills, including closing bills, are due and payable within 15 days when the bills are deposited in the mail or other reasonable means of delivery, unless otherwise specified on the bill. A bill is considered served two calendar days after the date postmarked, the date of postage metering, or deposit in the US Mail, excluding Sundays and postal holidays.

The Utility will provide its customers with timely bills monthly or as otherwise indicated in its Rules or statement of rates. All sewer service bills will show:

- A. Separate line items for past due balance, payments and credits, new charges, late fees, and total account balance;
- B. The date new charges are due;
- C. Calculation of new charges including base or flat rate, billing period, and number of days in the billing period;
- D. The date any late payment charge was applied; and
- E. Any other information necessary for the customer to understand and compute the charges being assessed.

A late-payment charge may be assessed on any residential account with an unpaid balance when the next bill is being prepared. A late-payment charge may be assessed on any non-residential account if payment is not received by the bill due date. The charge will be computed at the late-payment rate specified in the Miscellaneous Service Charges section of the statement of rates.

Rule 17: Returned Payment Charge

The Returned Payment Charge listed on the Miscellaneous Service Charges section of the statement of rates will be billed for each occasion a customer submits any type of noncash payment (check, debit, electronic, etc.) that is not honored, for any reason, by a bank or other financial institution.

Rule 18: Prorating of Bills

Initial and final bills will be prorated according to the number of days service was rendered for the period covered and will be based on a billing period of not less than 27 days or more than 33 days (required billing period).

Rule 19: Adjustment of Bills

If an overbilling occurs, the Utility will refund or credit amounts incorrectly collected during the 12-month period ending on the date the Utility issued the last incorrect bill. However, if an incorrect billing occurred more than three years before the incorrect billing is discovered, no refund or credit will be made.

If an underbilling occurs, the Utility may issue a bill to collect amounts owing for the 12-month period ending on the date on the Utility issued the last incorrect bill. When such under collected amounts are billed to customers, the Utility will provide the customer with the following information:

- A. The circumstances and time period of the billing error;
- B. The corrected bill amount; and
- C. The amount of the adjustment.

The Utility will not bill for services provided more than two years before the underbilling was discovered. The Utility, at its sole discretion, may waive rebilling or the issuance of a refund check if the costs make such action uneconomical.

Rule 20: Transfer Billings

If the Utility determines that a customer owes an amount from a closed account the customer previously held with the Utility, the Utility may transfer the closed account balance to the customer's current account.

The Utility will give the customer a separate, written notice of the transfer, including:

- A. The amount due on the prior account;
- B. The time period when the outstanding balance was incurred; and
- C. The service address where the outstanding balance was incurred.

If the customer has an outstanding balance on an existing installment plan, the customer may enter into a new installment plan incorporating all amounts owing. The Utility may not transfer a balance owing on a non-residential account to a residential account.

DISCONNECTION OF SERVICE

Rule 21: Voluntary Discontinuance

A customer requesting disconnection of service must provide the Utility with at least seven (7) calendar days' advance notice. The customer is responsible for all service provided for seven (7) calendar days following the request for disconnection or until service is disconnected, whichever occurs first. If the customer requests a specific date for disconnection in excess of seven (7) calendar days, the customer is responsible for service provided up to and including the requested date of disconnection.

Rates are based on continuous service. Disconnect and reconnect transactions do not relieve a customer from the obligation to pay the base rate or minimum charge that accumulates during the period of time the service is voluntarily disconnected for up to 12 months. Should the customer wish to recommence service within 12 months at the same property, the customer will be required to pay the accumulated minimum monthly charge or base rate as if service had been continuous. The reconnection charge listed on the Miscellaneous Service Charges section of the statement of rates will be applicable at the time of reconnection.

Nothing in this rule prevents the Utility from temporarily interrupting service to protect the health and safety of its customers or to maintain the integrity of its system.

Rule 22: Emergency Disconnection

The Utility may terminate service in emergencies when life or property is endangered without providing prior notice to the customer. If an unscheduled interruption of service is required, the Utility will make a reasonable effort to notify the customers affected in advance of the interruption and restore service as soon as possible after resolving the issue, unless other arrangements are agreed to by the affected customers. When the emergency termination was through no fault of the customer, the Utility shall not charge the customer for disconnection or restoration of service.

Rule 23: Disconnection of Service for Cause

A. General

The Utility may disconnect service, subject to the requirements of the Oregon Department of Environmental Quality, when:

- A. A customer fails to pay charges due for services rendered under the Utility's Rules or statement of rates;
- B. A customer fails to (i) pay a deposit, (ii) provide a surety, (iii) comply with the Utility's Rules, (iv) comply with the terms of a payment arrangement (installment plan, deferral), (v) comply with the terms of a payment arrangement (installment plan, deferral), or (vi) provide reasonable access to the wastewater service shut off valve or premises;
- C. A customer provides false identification to establish or to continue service;
- D. A customer has facilities that do not comply with applicable laws, codes, rules, regulations, or the best practices governing safe and adequate service;
- E. A customer tampers with Utility facilities or engages in theft of service or unauthorized use.

If the disconnection is due to failure to pay a deposit, secure a surety agreement, abide with the terms of an installment or payment plan or is due to the theft of service, tampering with utility property, or unauthorized use, the Utility will provide one 7-day written disconnection notice prior to disconnection. For other disconnections, the Utility will provide two written notices in advance of disconnection: one 15-day notice and one 7-day notice.

The disconnection notices will provide the following information:

- A. The name, mailing address, telephone number, emergency telephone number, and email address or website of the Utility,
- B. The effective date of the disconnection;
- C. The reason(s) for the disconnection; and
- D. What actions the customer must take to avoid disconnection.

If the disconnection notice is for nonpayment, the notice will also provide the following information:

- A. The amount the customer must pay to avoid disconnection;
- B. The customer's eligibility for an installment plan, unless the customer is being disconnected for failing to comply with an existing installment plan or has engaged in theft of service, tampering with utility property, or unauthorized use; and
- C. The requirements for reconnection – the customer reapplies for service and pays all applicable charges.

The 7-calendar day and 15-calendar day advance written notices of disconnection will be personally delivered to the service address or sent by US Mail to the customer's billing address and designated representative. Mailed notices are considered served two calendar days after deposit in the US Mail, excluding Sundays and postal holidays. If the customer has requested to receive notices electronically, the Utility will provide an electronic notice in addition to the written notices.

Within 48 hours of disconnection, the Utility will make a good-faith effort to contact the customer or an adult at the property and provide notice of the proposed disconnection. The notice may be

provided in person or by telephone. If the Utility is unable to make personal contact, the Utility will leave a notice in a conspicuous place informing the customer that service disconnection is imminent.

At the time of disconnection, the Utility will post a notice on the customer's front door describing the disconnection and information for contacting the Customer Care team to resolve outstanding issues required to restore wastewater service.

B. Disconnection of Service to Tenants

- A. If the Utility's records show that a residential billing address is different from the service address, the Utility shall mail a duplicate notice to the service address, unless the Utility has verified that the service address is occupied by the customer.
- B. If the Utility's records show that the service location is a master-metered, multi-dwelling service address, the Utility shall provide a duplicate of the 7-calendar day disconnection notice to each unit at the service address. The disconnection notice will be addressed to "Tenant" and the envelope will note the following: "IMPORTANT NOTICE REGARDING DISCONNECTION OF UTILITY SERVICE" or similar language. Tenant notices will not include the dollar amount owing.

C. Installment Plan Agreements

Customers who are notified of a pending disconnection for reasons other than theft of service, tampering, unauthorized use, or failure to abide by the terms of an installment plan may qualify for an installment plan that spreads outstanding amounts into equal monthly payments up to six (6) months. The customer is required to sign an installment plan agreement that defines the terms. The Utility and customer may mutually agree to an alternate payment arrangement if in writing and signed by the Utility and the customer.

D. Disconnection for Failure to Comply With an Installment Plan Agreement

An installment plan agreement disconnection occurs when a customer fails to comply with the terms of a written installment plan agreement between the customer and the Utility. The Utility will give the customer a 7-day written notice before the service will be disconnected.

Rule 24: Disconnection, Reconnection, and Field Visit Charge

A. Disconnection and Reconnection Charges

If service is disconnected, the Utility may assess, and require payment of, the disconnect fee and reconnect fee listed in the Miscellaneous Service Charges section of the statement of rates prior to reconnecting service.

B. Field Visit Charge

The Utility may assess a field visit charge whenever the Utility visits a service address to reconnect or disconnect service but, due to customer action, the Utility is unable to complete the reconnection or disconnection at the time of the visit. The field visit charge is listed in the Miscellaneous Service Charges section of the statement of rates.

Rule 25: Unauthorized Restoration of Service

If any person not authorized by the Utility turns on service where the Utility has disconnected service, the Utility may disconnect the service line without notice.

Rule 26: Unauthorized Use

No person is allowed to connect to the Utility's mains, or make any alteration to service connections, without the Utility's prior written permission. If the Utility discovers that a customer damaged, tampered with, or engaged in unauthorized use of Utility property or facilities, the Utility will notify the customer of the violations and may take one or more of the following actions:

- A. Repair or restore the facilities and charge the customer the costs incurred;
- B. Adjust the customer's prior billing for loss of revenue under applicable Rules or schedule of rates; and/or
- C. Assess a deposit for restored or continued service.

Rule 27: Interruption of Service

Subject to the requirements of the Department of Environmental Quality, the Utility may perform an unscheduled interruption of service it deems, at its sole discretion, to be necessary to protect the health and safety of its customers or other persons or to maintain the integrity of its system. If an unscheduled interruption of service is required, the Utility will:

- A. Make a reasonable effort to notify customers affected in advance of the interruption; and
- B. Restore service as soon as reasonably possible after resolving the issue, unless other arrangements are agreed to by the affected customers.

The Utility may schedule service interruptions for maintenance and repairs to reasonably minimize customer inconvenience. The Utility will provide advance written notice to all customers affected by any scheduled service interruption. The notice will include:

- A. The name, mailing address, telephone number, emergency telephone number, and email address or website of the Utility;
- B. The date, time, and estimated duration of the scheduled interruption;
- C. The purpose of the interruption; and
- D. A statement cautioning customers to avoid using water during service interruptions to prevent wastewater discharges (including but not limited to sewage backups).

Notices of scheduled interruptions of service will be provided by a door hanger or personal delivery to an adult at the affected premises.

SERVICE QUALITY

Rule 28: Adequacy of Service

The Utility will maintain its facilities according to the rules, regulations, and standards for such facilities and in a condition to provide safe, adequate, and continuous service to its customers.

The Utility will not intentionally diminish the quality of service below the level that can reasonably be provided by its facilities.

Rule 29: Trouble Call

The trouble-call charge listed on the Miscellaneous Service Charges section of the statement of rates may be billed whenever a customer requests that the Utility visit the customer's premises to remedy a service problem and the Utility determines that the problem is due to the customer's facilities.

Rule 30: Utility Line Location (One Call Program)

The Utility and its customers will comply with the requirements of Oregon Administrative Rules (OAR) 952-001-0010 through OAR 952-001-0090 (One Call Program) regarding identification and notification of underground facilities.

Rule 31: Maps and Records

The Utility will prepare and retain current maps and records of the entire plant showing size, location, character, and date of installation of major plant items, including but not limited to treatment facilities, lift/pump stations, main lines, lateral lines, and valves.

Rule 32: Wastewater Tank Replacement / Relocation Inspection

The Wastewater Tank Replacement / Relocation Inspection fee listed on the Miscellaneous Service Charges section of the statement of rates may be billed whenever a customer replaces or relocates a wastewater tank located on the customer's premises to ensure installation of the new tank and equipment complies with the Utility's standards.

Rule 33: Premise Wastewater System Component Replacement / Repair

The Premise Wastewater System Component(s) Replacement or Repair charge listed on the Miscellaneous Service Charges section of the statement of rates will be billed whenever a

customer requests the Utility repair or replace any component of the wastewater system that is on the customer's premises (e.g., grinder pump, float switch, tank screen).

Rule 34: Septic Tank Inspection / Screen Cleaning

The Septic Tank Inspection / Screen Cleaning charge listed on the Miscellaneous Service Charges section of the statement of rates will be billed whenever a customer requests the Utility perform an inspection of the customer's septic tank and/or clean the screen of the tank.

Rule 35: Loaner Grinder Pump Installation / Removal

The Loaner Grinder Pump Installation / Removal charge listed on the Miscellaneous Service Charges section of the statement of rates will be billed whenever a customer requests the Utility install or remove a loaner grinder pump at the customer's premises.