Third Revised Page No. 1 Cancelling Second Revised Page No. 1

# TIDEWATER ENVIRONMENTAL SERVICES, INC. RATES, RULES, AND REGULATIONS GOVERNING THE PROVISION OF WASTEWATER COLLECTION, TREATMENT, AND/OR DISPOSAL SERVICE TO THE PUBLIC IN

**New Castle, Kent and Sussex County Delaware** 

Date of Issue: April 1, 2015

Effective for service Rendered on and after: April 1, 2015

By: Gerard L. Esposito, President

1100 South Little Creek Road

Dover, Delaware 19901

1-800- 523-7224 or 302-734-7500

Fourteenth Revised Page No. 2 Cancelling Thirteenth Revised Page No. 2

## LIST OF CHANGES

## Supplement No. 14

Supplement No. 14 updates Tariff Sheet No. 5 for rates for the Town of Milton in accordance with the rate phase-in program pursuant to Order Number 8153, PSC Docket No. 11-329WW.

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#### PART I: SCHEDULE OF RATES AND CHARGES

#### Section A – Service Charge for Collection, Treatment and Disposal of Wastewater

1) - The flat rate service charge per residential dwelling unit for the following communities is:

	Monthly		Annual	
	Charge		Charge	
The Retreat	\$	76.21	\$	914.56
Harts Landing	\$	93.72	\$	1,124.58
Country Grove	\$	91.90	\$	1,102.81
Breeder's Crown	\$	125.12	\$	1,501.42
Bay Front	\$	86.08	\$	1,032.96
Bay Pointe	\$	86.08	\$	1,032.96
The Ridings at Rehoboth	\$	88.33	\$	1,060.00
Holland Mills	\$	58.33	\$	700.00

2) - The service charge per residential dwelling unit for the Town of Milton is a fixed fee as follows: (I)

Quarterly	Annual
Charge	Charge
\$ 84.74	\$ 338.96

plus, a volumetric charge of \$6.36 per thousand gallons registered on the water meter located at the service address.

3) - The charge for any other class of service shall be determined on the basis of an equivalent residential unit (ERU) based on an assessment of relative volume of water usage of the customer to a residential customer using 15,000 gallons per quarter as follows:

Number of ERU's times the ERU Rate

#### Section B – Late Payment Penalty

A late payment fee of 0.75% per month (9.0% annually) will be applied to any outstanding balance which remains outstanding 30 days after the initial bill date, until payment is received in full.

#### Section C – Returned Check Charge

A charge of \$30.00 will be assessed any time where a check which has been presented to the Company on account has been returned by the payer bank for any reason.

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Section D - Front End Charge paid at time of application for wastewater services.

## **Impact Payment per Subdivision**

	Impact
<b>Designation of Subdivision</b>	Fee
The Retreat	\$7,850.00
Harts Landing	\$ -0-
<b>Country Grove</b>	\$ -0-
<b>Breeders Crown</b>	\$ -0-
Bay Front	\$ -0-
Bay Pointe	\$ -0-
The Ridings at Rehoboth	\$ -0-
Town of Milton (1,144 Existing Customers)	\$ -0-

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## **Designation of Subdivision Impact Payment**

If service is terminated for any of the reasons in Part III Section C, Subsection 1 or 2, the fee for restoring service shall be based on a time and material basis.

#### 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. <u>Annual Line Extension Cost</u>: 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. <u>Annual Revenue (for line extension purposes)</u>: 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. <u>Applicant</u>: 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. <u>Bona Fide Service Applicant (for line extension purposes)</u>. 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.

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- 5. <u>Commission</u>: The Delaware Public Service Commission.
- 6. <u>Contribution In-Aid-Of Construction ("CIAC"):</u> Cash, services, funds, property, or other value received from State, municipal, or other governmental agencies, individuals, contractors, or others for the purpose of constructing or aiding in the construction of utility plant and which represent a permanent infusion of capital from sources other than utility bondholders or stockholders.
- 7. <u>Advances for Construction ("Advances"):</u> Cash, services, property, or other value received by the utility which would be CIAC but for an agreement by the utility to refund in whole or in part the amount received so that the Advances initially represent a temporary infusion of capital from sources other than utility bondholders or stockholders.
- 8. <u>Company</u>: **Tidewater Environmental Services, Inc.**
- 9. <u>Company Service lateral Line</u>: 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.
- 10. <u>Customer</u>: 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.
- 11. <u>Customer Service lateral Line</u>: The wastewater line extending from the end of the Company service line or connection to the point of connection at the customer's premise.
- 12. <u>Debt Costs</u>: The Company's additional annual cost of debt associated with financing a line extension investment or other facilities needed to serve a specific customer, group of customers or service area, based on the current debt ratio and weighted long-term debt cost rate for the Company or that of a comparable jurisdictional wastewater utility.

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- 13. <u>Depreciation Charges</u>: 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.
- 14. <u>Equivalent Residential Unit (ERU)</u>: A structure or dwelling intended to be occupied as a whole by one family. Where metered usage data is not used as a basis for billing for wastewater service, it will be assumed that one ERU is equivalent to 15,000 gallons per quarter.
- 15. <u>Garbage</u>: The solid wastes from domestic cooking and dispensing of food, and from the handling and storage of produce.
- 16. <u>Grinder pump</u>: 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.
- 17. <u>Line extension (for line extension purposes)</u>: An addition to the Company's main line which is necessary to serve the premises of a customer.
- 18. <u>Main</u>: The Company's pipe, excluding service connections, located in a public highway, street, alley, or private right-of-way that is used in transporting wastewater.
- 19. <u>Meter</u>: Any device supplied by the Company, except as approved by the Commission, for the purpose of measuring water consumption or wastewater discharge.
- 20. <u>Non-residential Service</u>: 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.

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- 21. 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 particular to the specific needs of that customer, such as line flushing.
- 22. <u>Public Utility</u>: Persons or corporations owning or operating equipment or facilities in the State of Delaware for water, electric, or wastewater collection, treatment, or disposal for the public for compensation.
- 23. <u>Residential Service</u>: Wastewater service supplied to an individual single-family residential dwelling unit.
- 24. <u>Regulatory Agency</u>: Agencies, including but not limited to, the Commission, the Department of Natural Resources and Environmental Control (DNREC), U.S. Environmental Protection Agency (EPA), and the Delaware River Basin Commission (DRBC), which have authority over the operations of and/or discharges into and/or from the Company's treatment facilities.
- 25. <u>Sanitary Sewer (On–Site):</u> A sewer which carries sanitary wastewater and excludes storm, surface, and ground water.
- 26. <u>Storm Sewer</u>: A sewer which receives discharges from storm water building sewers and/or carries off surface, subsurface, or storm water from the buildings, ground, streets, or other areas, including street wash.
- 27. <u>Suspended Solids</u>: 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. <u>Tariff</u>: 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.

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- 29. <u>Toxic Substances</u>: 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. <u>Wastes</u>: 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. <u>Wastewater</u>: A combination of the water-carried wastes from residences or other customer class, 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

By:

- 1. <u>Service Application Required</u>: All applications for wastewater 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, together with any payments due. All applications must receive the approval of the Company prior to the start of wastewater service.
- 2. <u>Change in Ownership or Tenancy</u>: 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.
- 3. <u>Acceptance of Application</u>: 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. <u>Application Forms</u>: Application forms can be obtained at the Company's local business office, presently located at 1100 South Little Creek Road, Dover DE, 19901.

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5. <u>Temporary Service</u>: 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. <u>Customer Service Line</u>: 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. <u>Separate Trench</u>: 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. <u>Customer's Responsibilities</u>: 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. <u>Right to Reject</u>: 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. <u>Individual Service Lines</u>: 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.

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6. <u>Connection to Company Mains</u>: No connection shall be made to the Company's **On** – **Site System**, or detachment from it, except under the direction and control of the Company. All such connections shall be the property of the Company and shall be accessible to it and under its control. The Company will furnish, install, and maintain all **Company service lateral lines** from the main to the curb.

Section C – Discontinuance, Termination, and Restoration of Service

- 1. <u>Discontinuance by Customer</u>: 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 three (3) business 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 the Service Charge (see Part 1) until actual or constructive notice of the intent to discontinue either Water Service, where the customer is a water and wastewater customer, or Wastewater Service where the customer is only a wastewater customer is received by the Company.
- 2. <u>Termination by Company</u>: 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 broken or failed customer service lines;
  - (c) tampering with any service line, curb connection, or installing or maintaining any unauthorized connection;

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- (d) theft of service, which shall include taking service without having made a proper application for service under Part III, Section A;
- (e) discharge of any prohibited substance listed in Section F into the wastewater system;
- (f) receipt by the Company of an order or notice from the DNREC, 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
- 3. Restoration of Service Charge: Whenever service is discontinued or terminated pursuant to Subsection 1 or 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 Subsection 2.

*Section D – Billing and Collection* 

- 1. <u>Issuance of Bills</u>: Bills for flat rate service will be rendered at the end of the billing period in arrears.
- 2. <u>Billing Due Date</u>: The due date for payment of a bill for non-residential service shall be no less than fifteen (15) days from the date of transmittal. The due date for payment of a bill for residential service shall be no less than twenty-five (25) days from the date service was provided. 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 thirty (30) days after the stated due date.
- 3. <u>Late-Payment Charge</u>: All amounts not paid when due shall accrue a late-payment charge at the rate not-to-exceed 0.75 percent (0.75%) per month, not-to-exceed 9 percent (9%) per year when not paid as prescribed in Subsection 2 of this Section.

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- 4. <u>Change in Billing Address</u>: 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. <u>Application of Payment</u>: 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 service, 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 \$30.00 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. <u>Disputed Bills</u>: 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 while the Company completes its 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. Billing disputes referred to the Commission must be resolved by Commission decision prior to any termination. 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.

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Section E – Deposits

#### 1. Residential Customers:

- (a) New Applicants The Company will provide service without requiring a deposit unless the applicant was terminated for non-payment 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 a bill for one (1) billing period plus 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 24 month period and is not currently delinquent. The deposit will be refunded by a credit to the customers account, with interest at a rate of Prime plus 2%, on the 25<sup>th</sup> monthly billing period.

#### 2. Non-Residential Customers:

(a) New Applicants – A deposit may be required from any new applicant who does not have a prior satisfactory credit history with the Company. The amount of the deposit will not be greater than a monthly bill for one (1) billing period plus (1) additional month's service.

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- (b) Existing Customers Deposit requirements for existing non-residential customers shall be as established for residential customers in Subsection 1 of this Section.
- (c) Deposit Refunds and Interest A deposit will be refunded if the customer pays all bills on time over a 24 month period or if service is disconnected and the final bill has been paid. Interest will be paid at a rate of Prime plus 2% on deposits for non-residential 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 include or preclude pump-out of manholes by a utility company or of manholes on plant premises that should be kept in dry or reasonably dry condition.
- 2. <u>Discharges</u>: 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.

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- (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) Washes 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:

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Substance	Maximum Permissible Concentration
Phenolic Compounds, e.g.,	
As C6H50H	1.00 mg/l
Cyanides as CN	0.00
Cyanates as CNO	0.00
C.B.O.D. (5 day)	300.00
Iron as Fe	3.00
Trivalent Chromium as CR plus three	.05
Hexavalent Chromium as CR plus six	.05
Nickel as Ni	.05
Copper as Cu	.50
Lead as Pb	0.50
Zinc as Zn	0.50
Mercury as Hg	0.00

- (i) Wastes containing other matter detrimental to the operation of a sewage treatment plant 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 10 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. Such toxic wastes shall include, but not be limited to, wastes containing cyanide, chromium, and/or copper ions.

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- (m) Any waste containing toxic substances 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. <u>Sampling and Analysis</u>:

- (a) All measurements, tests, and analyses of the characteristics of waters and wastes 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 Environment 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, tests, 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, tests, 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 borne 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 thirty (30) days of presentation of a bill for such costs by the Company to the Customer(s).

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- (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. <u>Disposal of Wastes From Septic Tanks and Cesspools</u>: 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. <u>Penalties</u>: The Company reserves the right to deny wastewater service for violation of any provision of these regulations, subject to PSC rules and regulations.
- 6. <u>Damage to System and Indemnification</u>: In the event of any damage to the Company's wastewater system caused by a customer, such damages shall be immediately reported to the Company and said customer shall reimburse the Company for the costs of such repairs.
- Section G Line Extensions within existing developments, Customer Advance financing and refunds (does not include new developments or interconnections between developments
- 1. <u>Requests by Bona Fide Service Applicant</u>: 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.

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- (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.
- 2. Requirement for Extension Deposit Agreement: Where extension of the On Site facilities is not fully funded by the Company pursuant to Subsection 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.
- 3. <u>Size of Main</u>: The Company shall have the exclusive right to determine the type and size of collection system piping 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.
  - 4. <u>Length of Extension</u>: 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 service lines that extend at right angles from the curb line in a straight line to the premises to be served.

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5. <u>Cost True-up</u>: 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. <u>Regularity of Service</u>: 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 applicable state regulations and as circumstances permit, notify customers to be affected by service interruptions.

## 2. <u>Liability for Damages</u>:

- (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 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.

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*Section I – Waivers* 

The Company may, at its sole discretion, waive any of the Subsections 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 Delaware Code or 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 26 of the Delaware 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 26 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 necessary pretreatment, if any, 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. <u>Customer Limitations</u>: Customers specifically agree that service applies exclusively for domestic/household sewage. If any Customer discharges industrial or commercial waste that:
  - the existing wastewater treatment plant is unable to satisfactorily treat; or
  - is not in compliance with discharge permit standards, disrupts the normal functioning of the existing wastewater treatment plant; or

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- · is more costly to treat than typical domestic wastewater; or
- 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. <u>Company Limitations</u>: The Company will not be liable nor bound to increase wastewater treatment plant operations to accommodate industrial or commercial waste unless the industrial or commercial customer agreed to make a contribution for all additional facilities necessary to serve the industrial or commercial customer.
- 4. <u>Specific Dangers</u>: 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 public interest.

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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 wastewater metering arrangement, or for disconnecting service for any proper cause.

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