SUPPLEMENT NO. 8
TARIFF SEWER-PA P.U.C. NO. 4

AQUA PENNSYLVANIA WASTEWATER, INC.
(hereinafter referred to as the “Company”)

RATES, RULES, AND REGULATIONS

GOVERNING THE COLLECTIONS OF

WASTEWATER

IN PORTIONS OF

ADAMS, BEAVER, BERKS, BUCKS, CARBON, CHESTER, CLARION, CLEARFIELD, DELAWARE, LACKAWANNA, LUZERNE, MERCER, MONROE, MONTGOMERY, PIKE, SCHUYLKILL, VENANGO, AND WYOMING COUNTIES

IN THE COMMONWEALTH OF PENNSYLVANIA

ISSUED: September 21, 2026

EFFECTIVE: October 1, 2026

By:
Marc Lucca, President
Aqua Pennsylvania, Inc.
762 Lancaster Avenue
Bryn Mawr, Pennsylvania 19010

NOTICE

THIS TARIFF INCREASES THE DISTRIBUTION SYSTEM IMPROVEMENT CHARGE WITH THE EXCEPTION OF CUSTOMERS IN THE EAST WHITELAND, GREENVILLE, AND BEAVER FALLS DIVISIONS.

LIST OF CHANGES MADE BY THIS TARIFF

Changes: Supplement No. 8 to Tariff Sewer-PA P.U.C. No. 4 increases the Distribution System improvement charge (DSIC) on page 12 (Fifth Revised) of the Company's tariff to 0.95% effective on October 1, 2026 as approved by the Pennsylvania Public Utility Commission at Docket No. P-2013-2366873.

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DESCRIPTION OF TERRITORIES SERVED

	Township	County
RATE ZONE 1		
Bunker Hill Subdivision (Rate Zone 1A)	Clinton	Wyoming
Bridlewood Division	Thornbury (portion)	Chester
Cheltenham Township Division	Cheltenham	Montgomery
Cheltenham Township Division	Jenkintown Borough (portion)	Montgomery
Eagle Rock Division	Black Creek (portion)	Luzerne
Eagle Rock Division	Hazle (portion)	Luzerne
Eagle Rock Division	East Union (portion)	Schuylkill
Eagle Rock Division	North Union (portion)	Schuylkill
East Norriton Township Division	East Norriton	Montgomery
Limerick Division	Limerick (portion)	Montgomery
Lower Makefield Township Division	Lower Makefield	Bucks
Media Division*	Media	Delaware
North Heidelberg Sewer Division	Jefferson	Berks
North Heidelberg Sewer Division	North Heidelberg	Berks
Penn Township Division	Penn	Chester
Treasure Lake Division (Rate Zone 1A)*	Sandy	Clearfield
Village at Valley Forge Division (Rate Zone 1A)*	Upper Merion	Montgomery
RATE ZONE 2		
East Bradford Township Division	East Bradford (portion)	Chester
East Bradford Township Division	Birmingham (portion)	Chester
Emlenton Borough Division	Richland (portion)	Clarion
Emlenton Borough Division	Salem (portion)	Clarion
Emlenton Borough Division	Emlenton	Venango
Emlenton Borough Division	Richland (portion)	Venango
New Garden Township Division	New Garden	Chester
Pinecrest Division	Tobyhanna (portion)	Monroe
Rivercrest Division	Tunkhannock	Wyoming
Rivercrest Division	Washington	Wyoming
White Haven Division (Kidder)	Dennison (portion)	Carbon
White Haven Division (Kidder)	East Side (portion)	Carbon
White Haven Division (Kidder)	Dennison (portion)	Luzerne
White Haven Division (Kidder)	White Haven Borough	Luzerne

DESCRIPTION OF TERRITORIES SERVED

	Township	County
RATE ZONE 3		
Beech Mountain Lakes Division	Butler	Luzerne
Beech Mountain Lakes Division	Dennison	Luzerne
Deerfield Knoll Division	Willistown (portion)	Chester
Laurel Lakes Division (Wilbar)	Rice	Luzerne
Links at Gettysburg Division	Cumberland	Adams
Links at Gettysburg Division	Mount Joy	Adams
Stony Creek Division	Worcester (portion)	Montgomery
Thornhurst Division	Lehigh	Lackawanna
Willistown Woods Division (Chesterdale)	Westtown (portion)	Chester
Willistown Woods Division (Chesterdale)	Willistown (portion)	Chester
Woodloch Springs Division	Lackawaxen (portion)	Pike
Woodloch Springs Division (Woodloch Pines)	Lackawaxen (portion)	Pike
RATE ZONE 4		
Honeycroft Village Division	Londonderry (portion)	Chester
Lake Harmony Division	Kidder	Carbon
New Daleville Division	Londonderry (portion)	Chester
Peddlers View Division	Solebury (portion)	Bucks
Tobyhanna Township Division	Tobyhanna (portion)	Monroe
Twin Hills Division	West Pikeland (portion)	Chester
RATE ZONE 5		
Avon Grove School District	New London (portion)	Chester
Avon Grove School District	Penn (portion)	Chester
East Bradford Division (Brandywine)	East Bradford (portion)	Chester
Little Washington Division	East Brandywine (portion)	Chester
Plumsock Division*	Willistown (portion)	Chester
The Greens at Penn Oaks Division	Thornbury (portion)	Chester
Newlin Green Division	Newlin	Chester
Sage Hill Division	Thornbury (portion)	Chester
RATE ZONE 6		
CS Sewer Division (Masthope)	Lackawaxen	Pike
RATE ZONE 7		
East Whiteland Township Division	East Whiteland	Chester

DESCRIPTION OF TERRITORIES SERVED

	Township	County
RATE ZONE 8		
Greenville Division	Borough of Greenville	Mercer
Greenville Division	Hempfield	Mercer
Greenville Division	West Salem	Mercer
RATE ZONE 9		
Beaver Falls Division*	City of Beaver Falls	Beaver
Beaver Falls Division*	Eastvale Borough	Beaver
Beaver Falls Division*	West Mayfield Township	Beaver

*All Divisions and Subdivisions above are billed on a per EDU basis, with the exception of the Beaver Falls Division, Media Division, Plumsock Division, Treasure Lake Division, and Village of Valley Forge Division **(C)**

DESCRIPTION OF TERRITORIES SERVED

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SCHEDULE OF RATES

RATE ZONE 1 – METERED AND UNMETERED

The rates under this schedule apply to all customer classes in the territories served subject to Rate Zone 1 rates as noted in the Description of Territories Served section under this tariff unless otherwise specifically identified below.

RESIDENTIAL

MONTHLY SERVICE CHARGE

Customer Charge ($)	Rate Zone 1	Rate Zone 1A
Fixed (per EDU)	$ 49.41	$ 49.41
Meter Size:		
5/8 inch	49.41	49.41
3/4 inch	74.12	49.41
1 inch	123.53	49.41
1-1/2 inch	247.05	98.82
2 inch	395.28	158.11
3 inch	741.15	296.46
4 inch	1,235.25	494.10
6 inch	2,470.50	796.94
8 inch	3,952.80	
10 inch	5,682.15	
Unmetered Charge (per EDU)	$ 101.34	$ 101.34

MONTHLY CONSUMPTION CHARGE

Consumption Charge for all divisions (per 1,000 gallons water used)	$ 13.419	$ 13.419

QUARTERLY SPECIAL CHARGES

Lower Makefield Township Division - Quarterly Customers

Customer Charge ($)		
Fixed (per EDU)	$ 148.23	
Consumption Charge (per 1,000 gallons water used)		$ 13.419
Unmetered Charge (per EDU)	$ 304.02	

SCHEDULE OF RATES

RATE ZONE 1 – METERED AND UNMETERED (cont'd)

NON-RESIDENTIAL

MONTHLY SERVICE CHARGE

Customer Charge ($)	Rate Zone 1	Rate Zone 1A
Fixed (per EDU)	$ 49.41	$ 49.41
Meter Size:		
5/8 inch	49.41	49.41
3/4 inch	74.12	49.41
1 inch	123.53	49.41
1-1/2 inch	247.05	98.82
2 inch	395.28	158.11
3 inch	741.15	296.46
4 inch	1,235.25	494.10
6 inch	2,470.50	796.94
8 inch	3,952.80	
10 inch	5,682.15	
Unmetered Charge (per EDU)	$ 107.51	$ 107.51

Special Charges

Bridlewood Division - Unmetered:

Apartment Complex will be billed at 217 EDU's

Children's World Daycare will be billed at 7 EDU's

MONTHLY CONSUMPTION CHARGE

Consumption Charge for all divisions (per 1,000 gallons water used)	$ 12.468	$ 12.468

QUARTERLY SPECIAL CHARGES

Lower Makefield Township Division - Quarterly Customers

Customer Charge ($)		
Fixed (per EDU)	$ 148.23	
Consumption Charge (per 1,000 gallons water used)		$ 12.468
Unmetered Charge (per EDU)	$ 322.53	

RATE ZONE 1 – (cont'd)

Sewer Charge Adjustment for the Limerick Division

The Company is authorized to allow deductions on sewer bills for water which is used but does not enter the Company's system from April through October. A request for deduction shall be subject to the following regulations:

A. To be an eligible Customer for this credit, the Customer shall have applied for or shall have been currently using the credit as of the execution date of November 16, 2016, of the Asset Purchase Agreement between the Company and Limerick Township.

B. No deduction shall be granted for customers who do not have a metered water supply

C. No deduction shall be granted for customers who are delinquent in their payment for service.

D. One hundred percent of any used water for which a deduction is requested must have been prevented from entering the system.

E. It is the responsibility of the customer to purchase, install, and maintain the Company approved deduct meter at the approved and inspected water outlet on their property. The meter shall measure water not entering the system and shall be eligible for deduction of that used water monthly.

F. Customers are responsible for the installation and removal of their meters at the approved service locations each year to prevent freezing and damage. Deduct meters shall be inspected by the Company at the time of installation at which time the customer agrees to allow the Company the right to enter upon their property for inspection. Every deduct meter shall be required to be inspected annually by the Company in order for the customer to be eligible for sewer adjustment charges. The administrative fee charged by the Company to the customer is $50.00.

G. All deduct meters shall be of a design approved by the Company, shall be registered with the Company prior to use, and shall be used only by the customer to whom it is registered and at the service location to which it is assigned in accordance with the Company's records.

H. Eligible Customers are required to submit, or cause to be submitted, all data required to calculate the credit in a manner approved by the Company within a time period determined by the Company. The Company shall then credit the customer's total gallons consumed by the gallons recorded from the customer's deduct meter.

I. The Company shall be authorized to inspect meters for accuracy and calibration at any time the meter readings are suspect and/or not considered representative of usage. The customer shall be responsible for obtaining calibration of the meter if the Company determines it is not accurate. Failure to make such change or provide such calibration data will result in disqualification from the program.

J. All approved meters will be subject to the Company's backflow requirements.

Sewer Charge Adjustment for the Cheltenham Township Division

The Company is authorized to allow deductions on sewer bills for water which is used but does not enter the Company's system. A request for deduction shall be subject to the following regulations:

A. Deductions apply within the Cheltenham Division and, in particular, to those customers identified on Exhibit G of the Application filed by Aqua Pennsylvania Wastewater, Inc., dated March 13, 2019. The Application of the Company was approved by the Pennsylvania Public Utility Commission in its Order entered on November 5, 2019, at PUC Docket Number A-2019-3008491.

B. No deduction shall be granted for customers who do not have a metered water supply

C. No deduction shall be granted for customers who are delinquent in their payment for service.

D. One hundred percent of any used water for which a deduction is requested must have been prevented from entering the system.

E. It is the responsibility of the customer to purchase, install, and maintain the deduct meter at the approved and inspected water outlet on their property. The meter shall measure water not entering the system and shall be eligible for deduction of that used water monthly.

F. Customers are responsible for the installation and removal of their meters at the approved service locations each year to prevent freezing and damage. Deduct meters shall be inspected by the Company at the time of installation at which time the customer agrees to allow the Company the right to enter upon their property for inspection. Every deduct meter shall be required to be inspected annually by the Company in order for the customer to be eligible for sewer adjustment charges. The inspection fee charged by the Company to the customer is $100.00.

G. All deduct meters shall be of a design approved by the Company, shall be registered with the Company prior to use, and shall be used only by the customer to whom it is registered and at the service location to which it is assigned in accordance with the Company's records.

H. Customers are responsible for making their meter accessible to the Company for reading on a monthly basis. The Company shall then credit the customer's total gallons consumed by the gallons recorded from the customer's deduct meter.

I. The Company shall be authorized to inspect meters for accuracy and calibration at any time the meter readings are suspect and/or not considered representative of usage. The customer shall be responsible for obtaining calibration of the meter if the Company determines it is not accurate.

Wastewater customers in Cheltenham Township are required to comply with the City of Philadelphia's wastewater control regulations adopted by Cheltenham Township and included in Exhibit H to the Application filed at Docket No. A-2019-3008491.

Sewer Charge Adjustment for the East Norriton Township Division

The Company is authorized to allow deductions on sewer bills for water which is used but does not enter the Company's system from April through October. A request for deduction shall be subject to the following regulations:

A. To be an eligible Customer for this credit, the Customer shall have applied for or shall have been currently using the credit as of the execution date of October 29, 2018, of the Asset Purchase Agreement between the Company and East Norriton Township.

B. No deduction shall be granted for customers who do not have a metered water supply

C. No deduction shall be granted for customers who are delinquent in their payment for service.

D. One hundred percent of any used water for which a deduction is requested must have been prevented from entering the system.

E. It is the responsibility of the customer to purchase, install, and maintain the Company approved deduct meter at the approved and inspected water outlet on their property. The meter shall measure water not entering the system and shall be eligible for deduction of that used water monthly.

F. Customers are responsible for the installation and removal of their meters at the approved service locations each year to prevent freezing and damage. Deduct meters shall be inspected by the Company at the time of installation at which time the customer agrees to allow the Company the right to enter upon their property for inspection. Every deduct meter shall be required to be inspected annually by the Company in order for the customer to be eligible for sewer adjustment charges. The administrative fee charged by the Company to the customer is $50.00.

G. All deduct meters shall be of a design approved by the Company, shall be registered with the Company prior to use, and shall be used only by the customer to whom it is registered and at the service location to which it is assigned in accordance with the Company's records.

H. Eligible Customers are required to submit, or cause to be submitted, all data required to calculate the credit in a manner approved by the Company within a time period determined by the Company. The Company shall then credit the customer's total gallons consumed by the gallons recorded from the customer's deduct meter.

I. The Company shall be authorized to inspect meters for accuracy and calibration at any time the meter readings are suspect and/or not considered representative of usage. The customer shall be responsible for obtaining calibration of the meter if the Company determines it is not accurate. Failure to make such change or provide such calibration data will result in disqualification from the program.

J. All approved meters will be subject to the Company's backflow requirements.

Sewer Charge Adjustment for the Lower Makefield Township Division

The Company is authorized to allow deductions on sewer bills for water which is used but does not enter the Company's system from April through October. A request for deduction shall be subject to the following regulations:

A. To be an eligible Customer for this credit, the Customer shall have applied for or shall have been currently using the credit as of the execution date of September 17, 2020, of the Asset Purchase Agreement between the Company and Lower Makefield Township.

B. No deduction shall be granted for customers who do not have a metered water supply

C. No deduction shall be granted for customers delinquent in their payment for service.

D. One hundred percent of any used water for which a deduction is requested must have been prevented from entering the system.

E. It is the responsibility of the customer to purchase, install, and maintain the Company approved deduct meter at the approved and inspected water outlet on their property. The meter shall measure water not entering the system and shall be eligible for deduction of that used water monthly.

F. Customers are responsible for the installation and removal of their meters at the approved service locations each year to prevent freezing and damage. Deduct meters shall be inspected by the Company at the time of installation at which time the customer agrees to allow the Company the right to enter upon their property for inspection. Every deduct meter shall be required to be inspected annually by the Company in order for the customer to be eligible for sewer adjustment charges. The administrative fee charged by the Company to the customer is $50.00.

G. All deduct meters shall be of a design approved by the Company, shall be registered with the Company prior to use, and shall be used only by the customer to whom it is registered and at the service location to which it is assigned in accordance with the Company's records.

H. Eligible Customers are required to submit, or cause to be submitted, all data required to calculate the credit in a manner approved by the Company within a time period determined by the Company. The Company shall then credit the customer's total gallons consumed by the gallons recorded from the customer's deduct meter.

I. The Company shall be authorized to inspect meters for accuracy and calibration at any time the meter readings are suspect and/or not considered representative of usage. The customer shall be responsible for obtaining calibration of the meter if the Company determines it is not accurate. Failure to make such change or provide such calibration data will result in disqualification from the program.

J. All approved meters will be subject to the Company's backflow requirements.

Wastewater customers in Lower Makefield Township are required to comply with the wastewater control regulations adopted by Lower Makefield Township and included in Exhibit H to the Application filed at Docket No. A-2021-3024267.

SCHEDULE OF RATES

RATE ZONE 2 – METERED AND UNMETERED

The rates under this schedule apply to all customer classes in the territories served subject to Rate Zone 2 rates as noted in the Description of Territories Served section under this tariff unless otherwise specifically identified below.

RESIDENTIAL

MONTHLY SERVICE CHARGE

Customer Charge ($)	Rate Zone 2
Fixed (per EDU)	$ 55.93
Meter Size:	
5/8 inch	55.93
3/4 inch	83.90
1 inch	139.83
1-1/2 inch	279.65
2 inch	447.44
3 inch	838.95
4 inch	1,398.25
6 inch	2,796.50
8 inch	4,474.40
10 inch	6,431.95

Unmetered Charge (per EDU)	$ 106.73

MONTHLY CONSUMPTION CHARGE

Consumption Charge (per 1,000 gallons water used)	$ 13.126

QUARTERLY SPECIAL CHARGES

New Garden Township Division - Quarterly Customers

Customer Charge ($)	
Fixed (per EDU)	$ 167.79
Consumption Charge (per 1,000 gallons water used)	$ 13.126

Thompson Property Development	
Residential Flat (per EDU)	$ 415.49

SCHEDULE OF RATES

RATE ZONE 2 – METERED AND UNMETERED (cont'd)

NON-RESIDENTIAL

MONTHLY SERVICE CHARGE

Customer Charge ($)	Rate Zone 2
Fixed (per EDU)	$ 54.95
Meter Size:	
5/8 inch	54.95
3/4 inch	82.42
1 inch	137.37
1-1/2 inch	274.73
2 inch	439.57
3 inch	824.20
4 inch	1,373.67
6 inch	2,747.34
8 inch	4,395.75
10 inch	6,318.88

Unmetered Charge (per EDU)	$ 114.03

MONTHLY CONSUMPTION CHARGE

Consumption Charge (per 1,000 gallons water used)	$ 12.468

Special Charges

East Bradford Township Division

Customer Charge ($)

Fixed (per EDU) $ 55.93

QUARTERLY SPECIAL CHARGES

New Garden Township Division - Quarterly Customers

Customer Charge ($)

Fixed (per EDU) $ 167.79

Consumption Charge (per 1,000 gallons water used)	$ 12.468

SCHEDULE OF RATES

RATE ZONE 3 – METERED AND UNMETERED

The rates under this schedule apply to all customer classes in the territories served subject to Rate Zone 3 rates as noted in the Description of Territories Served section under this tariff unless otherwise specifically identified below.

RESIDENTIAL

MONTHLY SERVICE CHARGE

Customer Charge ($)	Rate Zone 3
Fixed (per EDU)	$ 66.37
Meter Size:	
5/8 inch	66.37
3/4 inch	99.56
1 inch	165.93
1-1/2 inch	331.85
2 inch	530.96
3 inch	995.55
4 inch	1,659.25
6 inch	3,318.50
8 inch	5,309.60
10 inch	7,632.55

Unmetered Charge (per EDU)	$	116.30

MONTHLY CONSUMPTION CHARGE

Consumption Charge (per 1,000 gallons water used)	$	12.902

QUARTERLY SPECIAL CHARGES

Stony Creek - Whitehall Estates		
Customer Charge ($)		
Fixed (per EDU)	$	199.11
Consumption Charge (per 1,000 gallons water used)	$	12.902

SCHEDULE OF RATES

RATE ZONE 3 – METERED AND UNMETERED (cont'd)

NON-RESIDENTIAL

MONTHLY SERVICE CHARGE

Customer Charge ($)	Rate Zone 3
Fixed (per EDU)	$ 65.20
Meter Size:	
5/8 inch	65.20
3/4 inch	97.80
1 inch	163.00
1-1/2 inch	326.00
2 inch	521.60
3 inch	978.00
4 inch	1,630.00
6 inch	3,260.00
8 inch	5,216.00
10 inch	7,498.00

Unmetered Charge (per EDU)	$	124.47

MONTHLY CONSUMPTION CHARGE

Consumption Charge (per 1,000 gallons water used)	$	12.468

QUARTERLY SPECIAL CHARGES

Stony Creek – Whitehall Estates

Customer Charge ($)		
Fixed (per EDU)	$	195.60
Consumption Charge (per 1,000 gallons water used)	$	12.468

SCHEDULE OF RATES

RATE ZONE 4 – METERED AND UNMETERED

The rates under this schedule apply to all customer classes in the territories served subject to Rate Zone 4 rates as noted in the Description of Territories Served section under this tariff unless otherwise specifically identified below.

RESIDENTIAL

MONTHLY SERVICE CHARGE

Customer Charge ($)	Rate Zone 4
Fixed (per EDU)	$ 86.12
Meter Size:	
5/8 inch	86.12
3/4 inch	129.18
1 inch	215.30
1-1/2 inch	430.60
2 inch	688.96
3 inch	1,291.80
4 inch	2,153.00
6 inch	4,306.00
8 inch	6,889.60
10 inch	9,903.80

Unmetered Charge (per EDU)	$	137.06

MONTHLY CONSUMPTION CHARGE

Consumption Charge (per 1,000 gallons water used)	$	13.163

SCHEDULE OF RATES

RATE ZONE 4 – METERED AND UNMETERED (cont'd)

NON-RESIDENTIAL

MONTHLY SERVICE CHARGE

Customer Charge ($)	Rate Zone 4
Fixed (per EDU)	$ 84.60
Meter Size:	
5/8 inch	84.60
3/4 inch	126.90
1 inch	211.50
1-1/2 inch	423.00
2 inch	676.80
3 inch	1,269.00
4 inch	2,115.00
6 inch	4,230.00
8 inch	6,768.00
10 inch	9,729.00

Unmetered Charge (per EDU)	$	144.17

MONTHLY CONSUMPTION CHARGE

Consumption Charge (per 1,000 gallons water used)	$	12.457

SCHEDULE OF RATES

RATE ZONE 5 – METERED AND UNMETERED

The rates under this schedule apply to all customer classes in the territories served subject to Rate Zone 5 rates as noted in the Description of Territories Served section under this tariff unless otherwise specifically identified below.

RESIDENTIAL

MONTHLY SERVICE CHARGE

Customer Charge ($)	Rate Zone 5
Fixed (per EDU)	$ 98.95
Meter Size:	
5/8 inch	98.95
3/4 inch	148.43
1 inch	247.38
1-1/2 inch	494.75
2 inch	791.60
3 inch	1,484.25
4 inch	2,473.75
6 inch	4,947.50
8 inch	7,916.00
10 inch	11,379.25

Unmetered Charge (per EDU)	$	150.02

MONTHLY CONSUMPTION CHARGE

Consumption Charge (per 1,000 gallons water used)	$	13.196

SCHEDULE OF RATES

RATE ZONE 5 – METERED AND UNMETERED (cont'd)

NON-RESIDENTIAL

MONTHLY SERVICE CHARGE

Customer Charge ($)	Rate Zone 5
Fixed (per EDU)	$ 97.20
Meter Size:	
5/8 inch	97.20
3/4 inch	145.80
1 inch	243.00
1-1/2 inch	486.00
2 inch	777.60
3 inch	1,458.00
4 inch	2,430.00
6 inch	4,860.00
8 inch	7,776.00
10 inch	11,178.00

Unmetered Charge (per EDU)	$	157.71

MONTHLY CONSUMPTION CHARGE

Consumption Charge (per 1,000 gallons water used)	$	12.610

Special Charges

Avon Grove School District - Flat Rate	$	11,670.73
East Brandywine Township Water & Sewer Authority - Wastewater Treatment Plant Consumption Rate (per 1,000 gallons)	$	14.600

SCHEDULE OF RATES

RATE ZONE 6 – METERED AND UNMETERED

The rates under this schedule apply to all customer classes in the territories served subject to Rate Zone 6 rates as noted in the Description of Territories Served section under this tariff unless otherwise specifically identified below.

RESIDENTIAL

MONTHLY SERVICE CHARGE

Customer Charge ($)	Rate Zone 6	
Fixed (per EDU)	$ 61.04	
Unmetered Charge (per EDU)		$ 73.16

MONTHLY CONSUMPTION CHARGE

Consumption Charge (per 1,000 gallons water used)	$ 3.133

NON-RESIDENTIAL

MONTHLY SERVICE CHARGE

Customer Charge ($)	Rate Zone 6	
Fixed (per EDU)	$ 59.97	
Unmetered Charge (per EDU)		$ 75.38

MONTHLY CONSUMPTION CHARGE

Consumption Charge (per 1,000 gallons water used)	$ 3.077

SCHEDULE OF RATES

RATE ZONE 7 (East Whiteland Township) – METERED AND UNMETERED

The rates under this schedule apply to all customer classes in the territories served subject to Rate Zone 7 rates as noted in the Description of Territories Served section under this tariff unless otherwise specifically identified below.

QUARTERLY SERVICE CHARGE ($)

Customer Charge ($)		Rate Zone 7	
Fixed (per EDU)			
District A	$	100.00	per EDU per quarter
District B	$	100.00	per EDU per quarter
District C	$	135.50	per EDU per quarter
District D	$	150.00	per EDU per quarter
District E	$	120.00	per EDU per quarter

Commercial and Industrial Users: Each commercial and industrial user, whose total quarterly sewage discharge or water consumption is greater than 100,000 gallons, “High Volume Users”, shall pay a sewer rate per thousand gallons as opposed to the Fixed Per EDU Service Charge.

QUARTERLY CONSUMPTION CHARGE ($)

High Volume Users Commercial and Industrial Consumption Charge:			
Districts A through E	$	6.20	per 1,000 gallons

1. Wastewater customers in East Whiteland Township are required to comply with the wastewater control regulations adopted by East Whiteland Township and included in Exhibit H to the Application filed at Docket No. A-2021-3026132.

RATE ZONE 7 (East Whiteland Township) – (cont'd)

2. Unit Schedule

For customers in the East Whiteland Township service area, the number of equivalent dwelling units is determined as follows.

Category			Number of EDU
(1)		Each private dwelling unit or living unit	1
(2)		Each individual commercial establishment or business, having 10 or less of its own employees, attached to or forming a part of owner's residence, unless otherwise specified herein	1
(3)		Each additional 5 of its own employees or fraction thereof	1/2
(4)		Each individual commercial establishment or business, having 10 or less of its own employees, not attached to or forming a part of owner's residence, unless otherwise specified herein	1
(5)		Each additional 5 of its own employees or fraction thereof	1/2
(6)		(i) Hotel guest room/suite, motel guest room/ suite and conference center guest room/suite with kitchenette - 2.5 bedrooms	1
		(ii) Hotel guest room/suite, motel guest room/ suite and conference center guest room/suite without kitchenette - 3.0 bedrooms	1
		(iii) Kitchenette shall include any one or more of the following facilities or combination thereof: (i) sink and refrigerator; (ii) sink and stove; (iii) sink and dishwasher; (iv) sink and disposal	
(7)		Each restaurant (without liquor license) per 25 seats	1
(8)		Each restaurant (with liquor license) per 10 seats	1
(9)		Each service station garage and automobile repair shop, without carwash facilities:	
		2 bays or less	2
		Each additional bay over 2	1
(10)		Each barber or beauty shop, not attached to owner's residence:	
		2 chairs or less	1 1/2
		Each additional two chairs or fraction thereof	1/2
(11)		Each firehouse	1 1/2
(12)		Each church or chapel	1
(13)		Each public swimming pool or private swimming club	3
(14)		Each school, public or private, having:	
		Toilet facilities only, per 25 pupils and staff or fraction thereof	1
		Toilet facilities and kitchen, per 20 pupils and staff or fraction thereof	1

RATE ZONE 7 (East Whiteland Township) – (cont'd)

		Toilet facilities and gymnasium, per 15 pupils and staff or fraction thereof	1
		Toilet facilities, kitchen and gymnasium, per 12 pupils and staff or fraction thereof	1
(15)		Each property having a commercial garbage grinder of 3/4 horsepower or greater per grinder	1
(16)		Each business providing showers for employees:	
		7 or less employees	1
		Each additional 7 employees or fraction thereof	1
(17)		Each funeral home	2
(18)		Each nursing home, per bed	3/4

To compute the sewer rate for facilities in a single commercial establishment which consists of multiple uses, such as a shopping center or an office building, each unit, tenant, or use shall be calculated by using the above schedule as though each unit, tenant, or use were a separate property or user with a separate connection to the sewer system. In such cases, the owner shall be liable for the full sewer charges. Charges shall be due and payable on all units whether vacant or occupied. If the unit is vacant, one-half of the EDUs assigned to the space shall be used for the calculation.

The DSIC surcharge shall not be applied to bills of wastewater customers in East Whiteland Township; this will remain effective until an amended Long-Term Infrastructure Improvement Plan (LTIIP) is filed and approved which includes East Whiteland. Following the approval of an amended LTIIP, the DSIC surcharge shall be applicable to wastewater customers in East Whiteland Township.

Special Charges:

Customers may apply for a credit to domestic water utilized outside of the property which does not enter the Company's sanitary sewer system; provided, that to be an eligible Customer for this credit, the Customer shall have applied for or shall have been currently using the credit as of the execution date of January 8, 2021 of the Asset Purchase Agreement between the Company and East Whiteland Township. Eligible Customers must have a properly calibrated outside meter upon their premises for the purpose of recording outside usage, and such meter shall be approved by the Company. All such costs of maintenance, repair, furnishing and installation of an approved meter shall be borne by the eligible Customer. Eligible Customers are required to submit, or cause to be submitted, all data required to calculate the credit in a manner approved by the Company within a time period determined by the Company.

SCHEDULE OF RATES

RATE ZONE 8 – METERED AND UNMETERED

The rates under this schedule apply to all customer classes in the territories served subject to Rate Zone 15 rates as noted in the Description of Territories Served section under this tariff unless otherwise specifically identified below.

MONTHLY SERVICE & CONSUMPTION CHARGES ($)

	Rate Zone 8 Monthly	
Minimum Charge (up to the first 500 gallons)	$ 10.50	Per Month Per Unit*
Consumption Charge:		
For next 2,000 gallons	$ 3.84	per 1,000 gallons
For next 2,000 gallons	$ 4.05	per 1,000 gallons
For next 3,500 gallons	$ 4.13	per 1,000 gallons
For next 24,500 gallons	$ 4.18	per 1,000 gallons
For next 117,500 gallons	$ 4.26	per 1,000 gallons
For next 100,000 gallons	$ 4.40	per 1,000 gallons
For next 75,000 gallons	$ 4.47	per 1,000 gallons
Anything Over 325,000 gallons	$ 4.69	per 1,000 gallons
Well Users Flat Charge	$ 30.41	Per Month Per Unit*

*Per Unit - All structures with multiple units will be billed per each individual unit

The DSIC surcharge shall not be applied to bills of wastewater customers in the Greenville Division; this will remain effective until an amended Long-Term Infrastructure Improvement Plan (LTIIP) is filed and approved which includes Greenville. Following the approval of an amended LTIIP, the DSIC surcharge shall be applicable to wastewater customers in the Greenville Division.

RATE ZONE 8 - CONTINUED

The following surcharges are applicable for waste that exceeds the limits set forth in each of the items below:

(a) $0.000288 for each mg/l of suspended solids in excess of 350 mg/l per 1,000 gallons of sewage.
(b) $0.000202 for each mg/l of five day 20° C.BOD above 300 gpm per 1,000 gallons of sewage.
(c) $0.01008 for each mg/l of chlorine demand greater than 50 mg/l.
(d) $0.000015 for each mg/l of grit or mineral solids in excess of 14 mg/l per 1,000 gallons of sewage.

Special Charges:

Customers that have in place a deduct meter, as of the execution date of April 27, 2023 of the Asset Purchase Agreement between the Company and Greenville Sanitary Authority, that measures water on the water supply line or lines not discharging into the Greenville Sanitary Sewer System may continue to use the deduct meter and will be Eligible Customers for use of deduct meters in the Greenville Division. Eligible Customers must have a properly calibrated outside meter upon their premises for the purpose of recording outside usage, and such meter shall be approved by the Company. All such costs of maintenance, repair, furnishing and installation of an approved meter shall be borne by the Eligible Customer. Eligible Customers are required to submit, or cause to be submitted, all data required to calculate the credit in a manner approved by the Company within a time period determined by the Company.

SCHEDULE OF RATES

RATE ZONE 9 – METERED

The rates under this schedule apply to all customer classes in the territories served subject to Rate Zone 9 rates as noted in the Description of Territories Served section under this tariff unless otherwise specifically identified below.

QUARTERLY SERVICE & CONSUMPTION CHARGES ($)

		Gallons per Quarter	Rate Zone 9 Quarterly	
RESIDENTIAL	Base	0 to 3,000 Gallons	$43.64	
	Block 1	Over 3,000 Gallons	$8.71	per 1,000 gallons
COMMERCIAL	Base	0 to 3,000 Gallons	$43.64	
	Block 1	Over 3,000 Gallons	$8.71	per 1,000 gallons
Bulk Rates (1)			$4.68	per 1,000 gallons
Bulk Rate Other (Dalton)			$4.68	per 1,000 gallons

MONTHLY SERVICE & CONSUMPTION CHARGES ($)

COMMERCIAL & INDUSTRIAL	Base	0 to 1,000 Gallons	$14.54	
	Block 1	Over 1,000 Gallons	$8.71	per 1,000 gallons

The DSIC surcharge shall not be applied to bills of wastewater customers in the Beaver Falls division; this will remain effective until an amended Long-Term Infrastructure Improvement Plan (LTIIP) is filed and approved which includes Beaver Falls. Following the approval of an amended LTIIP, the DSIC surcharge shall be applicable to wastewater customers in the Beaver Falls division.

(1) Bulk Rate service is available to municipalities and municipal authorities that provide their own wastewater collection system but obtain conveyance and treatment service from the Beaver Falls division and do not have a wastewater service agreement with Aqua.

SCHEDULE OF RATES

RATE ZONE 9 – CONTINUED

Industrial Pretreatment Program-Beaver Falls (IPP-Beaver Falls)

A. Introduction

1. This Section applies to Industrial and Commercial customers served under Rate Zone 9 of this Tariff. All customers subject to this section ("Users") shall comply with the Wastewater Control Regulations and Industrial and Commercial Service Limitations as set forth in Section H and M, respectively, of the Company's Tariff, as amended from time to time, except as such rules and regulations are modified by this Section.

2. The Users shall be responsible for the charges and fees set forth below for the administration of the IPP-Beaver Falls. IPP fees are in addition to any other charges set forth in this Tariff.

3. Specific limitations and prohibitions applicable to Industrial and Commercial Users under this Section are set forth on Aqua's website regarding IPP-Beaver Falls.

4. Users shall be required to enter into a separate pretreatment agreement to govern specific limitations; prohibitions; conditions; duties and responsibilities; and sampling, monitoring and reporting requirements.

B. Charges

1. Industrial Wastewater Discharge Contract Application/Renewal Fee: $300.00

2. Specific Fees to be applied to quarterly flow, if the quarterly average results from samples collected from the discharge exceeds 300 ppm for BOD_5 or 275 ppm for TSS:

    a. BOD_5 Rate per 1,000 gallons = 0.00834 x $0.25 x ($BOD_5$ Sample – 300)

    b. TSS Rate per 1,000 gallons = 0.00834 x $0.15 x (TSS Sample – 275)

3. Industrial Surcharge Rate: $0.01 per gallon.

SCHEDULE OF RATES

DISTRIBUTION SYSTEM IMPROVEMENT CHARGE (DSIC)

In addition to the net charges provided for in this Tariff, a surcharge of 0.95% shall apply to all bills issued on or after the Effective Date at the bottom of this page for Rate Zones 1, 2, 3, 4, 5, and 6. **(I)**

I. General Description

Purpose: To recover the reasonable and prudent costs incurred to repair, improve or replace eligible property which is completed and placed in service and recorded in the individual accounts, as noted below, between base rate cases and to provide the Company with the resources to accelerate the replacement of aging infrastructure, to comply with evolving regulatory requirements and to develop and implement solutions to regional supply problems. The costs of extending facilities to serve new customers are not recoverable through the DSIC. Utility projects receiving PENNVEST funding or using PENNVEST surcharges are not DSIC-eligible property.

Eligible Property: The DSIC-eligible property will consist of the following:

- Collection sewers, collecting mains and service laterals, including sewer taps, curb stops and lateral cleanouts installed as in-kind replacements for customers. Accounts. (360 & 361)

- Collection mains and valves for gravity and pressure systems and related facilities such as manholes, grinder pumps, air and vacuum release chambers, cleanouts, main line flow meters, valve vaults, and lift stations installed as replacements or upgrades for existing facilities that have worn out, are in deteriorated condition or are required to be upgraded by law, regulation or order. Accounts (360;361;362;363;364; & 365)

- Collection main extensions installed to implement solutions to wastewater problems that present a significant health and safety concern for customers currently receiving service from the wastewater utility. Accounts (360 & 361)

- Collection Main rehabilitation including inflow and infiltration projects. (Account 361)

- Unreimbursed cost related to highway relocation projects where a wastewater utility must relocate its facilities. Account (360;361;362;363;364; & 365)

- Other related capitalized costs. Account (389.2)

Effective Date: The DSIC will become effective for bills rendered on and after October 1, 2013.

II. Computation of the DSIC

Calculation: The initial charge, effective October 1, 2013, will be calculated to recover the fixed costs of eligible plant additions that have not previously been reflected in the Company's rates or rate base and will have been placed in service between June 1, 2013 and August 31, 2013. Thereafter, the DSIC will be updated on a quarterly basis to reflect eligible plant additions placed in service during the three month periods ending one month prior to the effective date of each DSIC update. Thus, changes in the DSIC rate will occur as follows:

SCHEDULE OF RATES

DISTRIBUTION SYSTEM IMPROVEMENT CHARGE (DSIC)

Effective Date of Change	Date to Which DSIC Eligible Plant Additions Reflected
April 1	December 1 to February 28/29
July 1	March 1 to May 31
October 1	June 1 to August 31
January 1	September 1 to November 30

The fixed costs of eligible distribution system improvement projects will consist of depreciation and pre-tax return, calculated as follows:

Depreciation: The depreciation expense will be calculated by applying to the original cost of DSIC-eligible property the annual accrual rates employed in the Company's last base rate case for the plant accounts in which each retirement unit of DSIC-eligible property is recorded.

Pre-tax Return: The pre-tax return will be calculated using the statutory state and federal income tax rates, the Company's actual capital structure and actual cost rates for long-term debt and preferred stock as of the last day of the three month period ending one month prior to the effective date of the DSIC and subsequent updates. The cost of equity will be the equity return rate approved in the Company's last fully litigated base rate proceeding for which a final order was entered not more than two years prior to the effective date of the DSIC. If more than two years shall have elapsed between the entry of such a final order and the effective date of the DSIC, then the equity return rate used in the calculation will be the equity return rate calculated by the Commission staff in the latest Quarterly Report on the Earnings of Jurisdictional Utilities released by the Commission.

DSIC Surcharge Amount: The charge will be expressed as a percentage carried to two decimal places and will be applied to the total amount billed to each customer for service under the Company's otherwise applicable rates and charges, excluding amounts billed for the State Tax Adjustment Surcharge (STAS). To calculate the DSIC, one-fourth of the annual fixed costs associated with all property eligible for cost recovery under the DSIC will be divided by the Company's projected revenue for wastewater service (including all applicable clauses and riders) for the quarterly period during which the charge will be collected.

SCHEDULE OF RATES

DISTRIBUTION SYSTEM IMPROVEMENT CHARGE (DSIC)

Formula: The formula for calculation of the DSIC surcharge is as follows:

$$DSIC = \frac{(DSI * PTRR + STFT + Dep + e) \times 1/(1-T)}{PQR}$$

Where:

DSI = Original cost of eligible distribution system improvement projects net of accrued depreciation and associated accumulated deferred income taxes pertaining to property-related book/tax depreciation timing differences resulting from the use of accelerated depreciation per Internal Revenue Code, 26 U.S. Code § 168.

PTRR = Pre-tax return rate applicable to DSIC-eligible property.

STFT = (State Tax Flow Through) Pre-tax flow through calculated on book-tax timing differences between accelerated tax depreciation and book depreciation net of federal tax.

Dep = Depreciation expense related to DSIC-eligible property.

e = Amount calculated (+/-) under the annual reconciliation feature or Commission audit, as described below.

T = If applicable, Pennsylvania Gross Receipts Tax rate in effect during the billing month, expressed in decimal form.

PQR = Projected quarterly revenue will be based on the applicable three-month period, (including all applicable clauses and riders) including revenue from existing customers plus netted revenue from any customers which will be gained or lost by the beginning of the applicable service period.

Quarterly Updates: Supporting data for each quarterly update will be filed with the Commission and served upon the Bureau of Investigation & Enforcement, the Office of Consumer Advocate, Bureau of Audits and the Office of Small Business Advocate at least ten (10) days prior to the effective date of the update.

III. Customer Safeguards

All Customer Classes: The DSIC shall be applied equally to all customer classes, with the exception of Woodloch Pines and any future customers with negotiated contracts for which a reduction or exemption is shown to be reasonably necessary.

SCHEDULE OF RATES

DISTRIBUTION SYSTEM IMPROVEMENT CHARGE (DSIC)

Cap: The DSIC is capped at 5.00% of the amount billed to customers (including all applicable clauses and riders) as determined on an annualized basis.

Audits/Reconciliation: The DSIC will be subject to audit at intervals determined by the Commission. Any cost determined by the Commission not to comply with any provision of 66 Pa C.S. §§ 1350, et seq., shall be credited to customer accounts. It will also be subject to an annual reconciliation based on a reconciliation period consisting of the twelve months ending December 31 of each year or the utility may elect to subject the DSIC to quarterly reconciliation but only upon request and approval by the Commission. The revenue received under the DSIC for the reconciliation period will be compared to the Company's eligible costs for that period. The difference between revenue and costs will be recouped or refunded, as appropriate, in accordance with Section 1307(e), over a one-year period commencing on April 1 of each year, or in the next quarter if permitted by the Commission. If DSIC revenues exceed DSIC-eligible costs, such over-collections will be refunded with interest. Interest on the over-collections and credits will be calculated at the residential mortgage-lending rate specified by the Secretary of Banking in accordance with the Loan Interest and Protection Law (41 P. S. sec.101, et seq.) and will be refunded in the same manner as an over-collection. The utility is not permitted to accrue interest on under collections.

New Base Rates: The charge will be reset at zero as of the effective date of new base rates that provide for prospective recovery of the annual costs that had theretofore been recovered under the DSIC. Thereafter, only the fixed costs of new eligible plant additions that have not previously been reflected in the Company's rates or rate base would be reflected in the quarterly updates of the DSIC.

Earning Reports: The charge will also be reset at zero if, in any quarter, data filed with the Commission in the Company's then most recent Annual or Quarterly Earnings Report show that the Company will earn a rate of return that would exceed the allowable rate of return used to calculate its fixed costs under the DSIC as described in the Pre-tax return section. The utility shall file a tariff supplement implementing the reset to zero due to overearnings on one-days' notice and such supplement shall be filed simultaneously with the filing of the most recent Annual or Quarterly Earnings reports indicating that the utility has earned a rate of return that would exceed the allowable rate of return used to calculate its fixed costs.

Customer Notice: Customers shall be notified of changes in the DSIC by including appropriate information on the first bill they receive following any change. An explanatory bill insert shall also be included with the first billing.

Residual E-Factor Recovery Upon Reset to Zero: The utility shall file with the Commission interim rate revisions to resolve the residual over/under collection or E-factor amount after the DSIC rate has been reset to zero. The utility can collect or credit the residual over/under collection balance when the DSIC rate is reset to zero. The utility shall refund any over-collection to customers and is entitled to recover any under collections as set forth in Section III Safeguards – Audits/Reconciliations. Once the utility determines the specific amount of the residual over or under collection amount after the DSIC rate is reset to zero, the utility shall file a tariff supplement with supporting data to address that residual amount. The tariff supplement shall be served upon the Commission's Bureau of Investigation and Enforcement, the Bureau of Audits, the Office of Consumer Advocate, and the Office of Small Business Advocate at least ten (10) days prior to the effective date of the supplement.

SCHEDULE OF RATES

STATE TAX ADJUSTMENT SURCHARGE (STAS)

In addition to the net charges provided for in this Tariff, a surcharge of -0.17% will apply to all bills issued on or after the Effective Date at the bottom of this page for Rate Zones 1, 2, 3, 4, 5, and 6. **(D)**

The above surcharge will be recalculated using the element prescribed by the Commission in its policy at 52 PA Code section 69.51 et seq.:

- On or before March 31 of each year; and/or

- Whenever the Company experiences a material change in any of the taxes used in calculation of the surcharge due to a change in the applicable tax rates, or in the basis of calculating such tax rates, or due to changes in the state tax liability arising under the law.

The recalculation will be submitted to the Commission within 10 days after the occurrence of the event which occasions such recalculation or as prescribed in the Commission's regulations or orders. If the recalculated surcharge is less than the one in effect, the Company will, or if the recalculated surcharge is more than the one in effect, the Company may, submit with such recalculation a tariff or supplement to reflect such recalculated surcharge. The effective date of such tariff or supplement shall be 10 days after filing or as prescribed in the Commission's regulations or orders. In the event that the Company files an increased surcharge subsequent to 10 days after the occurrence of an event which occasions a recalculation, the effective date of such tariff or supplement shall be 60 days after filing in accordance with Section 1308(a) of the Public Utility Code, 66 Pa.C.S. § 1308(a) (regarding voluntary changes in rates), unless otherwise directed by the Commission.

The surcharge shall be rolled into base rates when increased or decreased base rates are made effective.

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SCHEDULE OF RATES

CUSTOMER ASSISTANCE PROGRAM RIDER

Customer Assistance Program ("CAP"):

I. Availability

The CAP is a program designed to enroll residential Customers who satisfy the criteria set forth below ("CAP Program").

Processing and verification by authorized agencies upon referral by the Company's offices, other agencies, or the Commissions Bureau of Consumer Services.

Residential Customer of the Company.

Annual income no greater than 200 percent of the federal poverty limit ("FPL"). For payment purposes Customers will be defined as follows:

a. Tier 1 – Customers whose annual income has been verified as being at or below 50 percent of FPL.

b. Tier 2 – Customers whose annual income has been verified as being above 50 percent FPL or at or less than 100 percent of FPL.

c. Tier 3 – Customers whose annual income has been verified as being above 100 percent FPL or at or less than 150 percent of FPL.

d. Tier 4 – Customers whose annual income has been verified as being above 150 percent FPL or at or less than 200 percent of FPL.

II. Rate Table

Eligible Customers will receive the discounted rate as set forth below:

Tier	Customer Charge	Consumption Charge
1	85% discount on Customer Charge	85% discount on all volumes
2	75% discount on Customer Charge	75% discount on all volumes
3	65% discount on Customer Charge	50% discount on all volumes
4	50% discount on Customer Charge	25% discount on all volumes

Customers billed a flat bill

Rate Zone	Tier 1 Discount	Tier 2 Discount	Tier 3 Discount	Tier 4 Discount
1	85.00%	75.00%	57.31%	37.19%
2	85.00%	75.00%	57.86%	38.10%
3	85.00%	75.00%	58.56%	39.27%
4	85.00%	75.00%	59.43%	40.71%
5	85.00%	75.00%	59.89%	41.49%
6	85.00%	75.00%	62.51%	45.86%
7	85.00%	75.00%	65.00%	50.00%
8	85.00%	75.00%	55.18%	33.63%

SCHEDULE OF RATES

CUSTOMER ASSISTANCE PROGRAM RIDER (cont'd)

III. Surcharges

All surcharges applicable under the Company's Rules and Regulations shall still apply to Customers under the CAP Program.

IV. Late Payment Charges

No late payment charges shall be applied to arrearages existing at the time the Customer begins receiving service under the CAP Program. Late payment charges will not be applied during participation in the CAP Program.

V. Rules and Regulations

If, at any time after acceptance into CAP, a Customer's family size or income changes, the Customer must notify the Company of the change within 30 days of the change. Failure to do so may result in the Company ending the Customer's opportunity to receive service under the CAP Program.

If a balance is owed at the time of enrollment such balance will be frozen as preprogram arrears and is eligible for a monthly credit of $40.00 for in-full payments as those payments are made. **(C)**

If a Customer no longer satisfies the criteria set forth under Availability, the Customer will no longer be eligible to receive service under the CAP Program and any pre-program arrearages will become due.

At the time of application to the CAP Program, the Customer will be advised of the importance of timely payments. The CAP Program screening administrator will review relevant assistance programs and offer help in applying for such programs.

Failure to make payments will result in the Company returning the participant to the regular collection cycle and may lead to termination of service. To avoid termination, the participant must pay the amount set forth in the termination notice prior to the scheduled termination date.

SCHEDULE OF RATES

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SCHEDULE OF RATES

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RULES AND REGULATIONS

SECTION A – INTRODUCTION

These Rules and Regulations, files as part of the Company's Tariff, shall govern the manner in which wastewater service is provided to all Applicants and Customers. The Company may supplement these Rules and Regulations, and may revise and amend these Rules and Regulations from time to time subject to the approval of the Pennsylvania Public Utility Commission ("Commission"). The Company will follow Commission regulations not specifically addressed in these Rules and Regulations.

There are four classes of general metered service, based on the nature of the Customer and the use of the property receiving service, as follows:

Residential Class: An individually-metered or flat rate billed dwelling unit intended for human habitation (including a detached house, rowhome, townhouse, condominium and mobile home) or an individually-metered or flat rate billed home or building consisting of not more than two dwelling units.

Commercial Class: A building, store, restaurant, or office which is primarily a site for the buying or selling of goods or the provision of professional or consumer services. In addition, apartments, condominium complexes, colleges, private and public schools, car washes, laundromats, construction sites, hotels, and motels are included in this class.

Industrial Class: A building or factory which is primarily a site for the manufacture or production of goods.

Public: A public building, library, park, or playground which is owned by a governmental unit having the power of taxation.

RULES AND REGULATIONS

SECTION B - DEFINITIONS

Wherever used in the Rules and Regulations or elsewhere in the Company's Tariff, the following terms shall have the meanings hereinafter set forth:

Applicant: A person, at least 18 years of age, who is not currently receiving service but has applied to the Company for service and whose name appears on the mortgage, deed, or lease of the property for which service is requested.

Authorized or Duly Authorized Representative of the User:

(1) If the User is a corporation:

(a) The president, secretary, treasurer, or a vice-president of the corporation in charge of a principal business function, or any other person who performs similar policy or decision-making functions for the corporation; or

(b) The manager of one or more manufacturing, production, or operating facilities, provided the manager is authorized to make management decisions that govern the operation of the regulated facility including having the explicit or implicit duty of making major capital investment recommendations, and initiate and direct other comprehensive measures to assure long-term environmental compliance with environmental laws and regulations; can ensure that the necessary systems are established or actions taken to gather complete and accurate information for individual wastewater discharge permit requirements; and where authority to sign documents has been assigned or delegated to the manager in accordance with corporate procedures.

(2) If the User is a partnership or sole proprietorship: a general partner or proprietor, respectively.

(3) If the User is a Federal, State, or local governmental facility: a director or highest official appointed or designated to oversee the operation and performance of the activities of the government facility, or their designee.

(4) The individuals described in paragraphs 1 through 3, above, may designate a Duly Authorized Representative if the authorization is in writing, the authorization specifies the individual or position responsible for the overall operation of the facility from which the discharge originates or having overall responsibility for environmental matters for entity, and the written authorization is submitted to the Company.

Best Management Practices or BMPs: means schedules of activities, prohibitions of practices, maintenance procedures, and other management practices to implement the prohibitions listed in Section 2.1 of Section H of this tariff. BMPs include treatment requirements, operating procedures, and practices to control plant site runoff, spillage or leaks, sludge or waste disposal, or drainage from raw materials storage.

RULES AND REGULATIONS

SECTION B – DEFINITIONS (cont'd)

Biochemical Oxygen Demand or BOD5: The quantity of oxygen utilized in the biochemical oxidation of organic matter under standard laboratory procedures for five (5) days at 20 degrees centigrade, usually expressed as a concentration (e.g., mg/l).

Builder: Any person(s) requesting an extension to provide service to an existing lot or group of lots, either existing or to be subdivided, where service is to be provided to something other than a preexisting Residential Structure; namely, a newly constructed structure, structures to be constructed in the future, or to a preexisting non-residential structure.

Categorical Industrial User: An Industrial User who, if it were discharging to a POTW, would be subject to a categorical pretreatment standard or categorical standard.

Categorical Pretreatment Standard or Categorical Standard: Any regulation containing pollutant discharge limits promulgated by EPA in accordance with sections 307(b) and (c) of the FWPCA (33 U.S.C. § 1317) that apply to a specific category of Users and that appear in 40 CFR Chapter I, Subchapter N, Parts 405-471.

Chemical Oxygen Demand or COD: A measure of the oxygen required to oxidize all compounds, both organic and inorganic, in water.

Commission: The Pennsylvania Public Utility Commission.

Company: Aqua Pennsylvania Wastewater, Inc. and its duly authorized officers, agents, and employees; each acting within the scope of his/her authority and employment.

Company Service Lateral: The pipe or line extending laterally out from the Company collection Main that connects to the building service line at the hypothetical or actual curb line, edge of the right-of-way, or the actual property line, or easement line in the case where the Company collection Main is located within an easement.

Company's System: The aggregate of the Company's wastewater disposal plant, pumping equipment, trunk lines or Mains, and connection facilities to the curb-line at each premise.

Construction Costs: All direct and indirect costs attributable to the material and installation of the subject Main extension, services and appurtenances, and/or removal of existing Company facilities (including the net book value of property replaced or retired) whether incurred by the Builder or the Company.

Contributory Industrial User: Any Industrial User that the Company has determined discharges specific pollutants to the treatment works at concentrations greater than are found in typical domestic/commercial wastewaters.

Customer: A person at least 18 years of age, or entity who is an owner, occupant or who contracts with the Company for or who takes or receives wastewater collection, treatment and/or disposal service.

Customer Service Lateral: The connecting facilities owned by the Customer from the Company wastewater supply lines or Mains at the curb-line, Right-of-way line, or easement line into and within the Customer's premises.

SECTION B – DEFINITIONS (cont'd)

Daily Maximum: The arithmetic average of all effluent samples for a pollutant collected during a calendar day.

Daily Maximum Limit: The maximum allowable discharge limit of a pollutant during a calendar day. Where Daily Maximum Limits are expressed in units of mass, the daily discharge is the total mass discharged over the course of the day. Where Daily Maximum Limits are expressed in terms of a concentration, the daily discharge is the arithmetic average measurement of the pollutant concentration derived from all measurements taken that day.

Domestic Wastes: A combination of water-carried wastes, consisting of wash water, culinary wastes, and liquid wastes containing only human excreta and similar matter flowing in or from a building drainage system of sewer originating from residences, business buildings, institutions, and commercial establishments.

Environmental Protection Agency or EPA: The U.S. Environmental Protection Agency.

Equivalent Dwelling Unit or "EDU"**:** Except for existing Customers acquired by the Company through a purchase or acquisition and for billing purposes only, the EDU is a measure assigned by the Company based upon the estimated average daily wastewater flow for the type of business, as calculated by the PaDEP regulation at 25 Pa. Code § 73.17(b) divided by the Company's typical estimated average daily wastewater flow from a current single-family unit. Residential Customers are designated as one (1) EDU; however, in the Company's sole discretion, the Company may assign more than one (1) EDU for a residential Property.

For existing customers without a predetermined EDU allocation, the EDU is a measure based upon the estimated average daily wastewater flow for the type of business based on water usage, divided by the typical estimated average daily wastewater flow from a current single-family unit. For other existing customers acquired by the Company through a purchase or acquisition, the number of equivalent dwelling units is available at https://www.aquawater.com/about/states-we-serve/pennsylvania/index.php.

Any Customer who modifies their properties in a manner that impacts the EDU calculation, including in areas previously acquired by the Company, will be subject to the EDU definition described above. The Company will consider a Customer's request for a change in the number of assigned EDU's upon presentation of substantial evidence, satisfactory to the Company in its sole discretion. The Customer shall bear the burden of proof for all such requests.

Existing Source: Any source of discharge that is not a "New Source."

Federal Water Pollution Control Act (FWPCA), also known as the Clean Water Act, as amended, 33 U.S.C. § 1251 et seq.

SECTION B – DEFINITIONS (cont'd)

Grab Sample: A sample that is taken from a wastestream without regard to the flow in the wastestream and over a period of time not to exceed fifteen (15) minutes.

Grinder Pump: Any mechanical or powered device used to grind, macerate or fluidize waste so that it can be discharged into the Company's System. This device is a component of the Customer Service Lateral and the sole responsibility of the Customer to own, maintain, and operate along with the balance of their Customer Service Lateral. The Customer shall be responsible for all power to operate the device in accordance with the manufacturer's specifications and guidelines. If required by the PaDEP, the Customer shall enter into an operations and maintenance agreement with the respective municipality.

Indirect Discharge or Discharge: The introduction of pollutants into the Company's System from any nondomestic source.

Industrial Waste Discharge Permit or Contract: A wastewater permit or contract issued as required by the Company to an Industrial User.

Industrial Waste Pretreatment Program: A program established by the Company that requires discharges to monitor, test, treat and control as necessary, pollutants in a Customer's wastewater prior to discharge into the sanitary and/or combined sewer.

Instantaneous Limit: The maximum concentration of a pollutant allowed to be discharged at any time, determined from the analysis of any discrete or composited sample collected, independent of the industrial flow rate and the duration of the sampling event.

Interference: A discharge that, alone or in conjunction with a discharge or discharges from other sources, inhibits or disrupts the Company's System, its treatment processes or operations or its sludge processes, use or disposal; and therefore, is a cause of a violation of the Company's NPDES permit or of the prevention of sewage sludge use or disposal in compliance with any of the following statutory/regulatory provisions or permits issued thereunder, or any more stringent State or local regulations: section 405 of the FWPCA; the Solid Waste Disposal Act, including Title II commonly referred to as the Resource Conservation and Recovery Act (RCRA); any State regulations contained in any State sludge management plan prepared pursuant to Subtitle D of the Solid Waste Disposal Act; the Clean Air Act; the Toxic Substances Control Act; and the Marine Protection, Research, and Sanctuaries Act.

Line or Main Extension: An addition to the Company's System Mains which is necessary to serve the Premises of an Applicant or Customer.

Local Limit: Specific discharge limits developed and enforced by the Company upon industrial or commercial facilities to implement the general and specific discharge prohibitions identified in Section H of this tariff.

SECTION B – DEFINITIONS (cont'd)

Main: The Company's pipe used in transporting Wastewater, excluding Service Connections, which is located in a public highway, street, alley, or private right-of-way.

Maximum Allowable Industrial Loading: The maximum mass of pollutants that is allowed to be discharged to the treatment works from all contributory Industrial Users.

Medical Waste: Isolation wastes, infectious agents, human blood and blood products, pathological wastes, sharps, body parts, contaminated bedding, surgical wastes, potentially contaminated laboratory wastes, and dialysis wastes.

Monthly Average: The sum of all "daily discharges" measured during a calendar month divided by the number of "daily discharges" measured during that month.

Monthly Average Limit: The highest allowable average of "daily discharges" over a calendar month, calculated as the sum of all "daily discharges" measured during a calendar month divided by the number of "daily discharges" measured during that month.

SECTION B – DEFINITIONS (cont'd)

New Source:

(1) Any building, structure, facility, or installation from which there is (or may be) a discharge of pollutants, the construction of which commenced after the publication of proposed pretreatment standards under section 307(c) of the FWPCA that will be applicable to such source if such standards are thereafter promulgated in accordance with that section, and if such source were to discharge to a POTW, provided that:

(a) The building, structure, facility, or installation is constructed at a site at which no other source is located; or

(b) The building, structure, facility, or installation totally replaces the process or production equipment that causes the discharge of pollutants at an Existing Source; or

(c) The production or wastewater generating processes of the building, structure, facility, or installation are substantially independent of an Existing Source at the same site. In determining whether these are substantially independent, factors such as the extent to which the new facility is integrated with the existing plant, and the extent to which the new facility is engaged in the same general type of activity as the Existing Source, should be considered.

(2) Construction on a site at which an Existing Source is located results in a modification rather than a New Source if the construction does not create a new building, structure, facility, or installation meeting the criteria of Section (1)(b) or (c) above but otherwise alters, replaces, or adds to existing process or production equipment.

(3) Construction of a New Source as defined under this paragraph has commenced if the owner or operator has:

(a) Begun, or caused to begin, as part of a continuous onsite construction program

(i) any placement, assembly, or installation of facilities or equipment; or

(ii) significant site preparation work including clearing, excavation, or removal of existing buildings, structures, or facilities which is necessary for the placement, assembly, or installation of new source facilities or equipment; or

(b) Entered into a binding contractual obligation for the purchase of facilities or equipment which are intended to be used in its operation within a reasonable time. Options to purchase or contracts which can be terminated or modified without substantial loss, and contracts for feasibility, engineering, and design studies do not constitute a contractual obligation under this paragraph.

SECTION B – DEFINITIONS (cont'd)

Noncontact Cooling Water: Water used for cooling that does not come into direct contact with any raw material, intermediate product, waste product, or finished product.

Nondomestic Waste or Industrial Waste: Any wastewater resulting from any process of industry, manufacturing, trade, or business or from the development or recovery of any natural resource, or any mixture of such waste with water or domestic wastewater, as distinct from domestic wastewater.

PaDEP: The Pennsylvania Department of Environmental Protection.

Pass Through: A discharge which exits the Company's System into waters of the United States in quantities or concentrations which, alone or in conjunction with a discharge or discharges from other sources, is a cause of a violation of any requirement of the Company's NPDES permit, including an increase in the magnitude or duration of a violation.

Person: Any individual, partnership, copartnership, firm, company, corporation, association, joint stock company, trust, estate, governmental entity, or any other legal entity; or their legal representatives, agents, or assigns. This definition includes all Federal, State, and local governmental entities.

pH: A measure of the acidity or alkalinity of a solution, expressed in standard units.

Pollutant: Dredged spoil, solid waste, incinerator residue, filter backwash, sewage, garbage, sewage sludge, munitions, Medical Wastes, chemical wastes, biological materials, radioactive materials, heat, wrecked or discarded equipment, rock, sand, cellar dirt, municipal, agricultural and industrial wastes, and certain characteristics of wastewater (e.g., pH, temperature, TSS, turbidity, color, BOD5, COD, toxicity, or odor).

Premise: A single lot or piece of ground consisting of a single Residential Structure, together with all buildings and structures erected thereon.

Pretreatment: Pretreatment. The reduction of the amount of pollutants, the elimination of pollutants, or the alteration of the nature of pollutant properties in wastewater prior to, or in lieu of, introducing such pollutants into the Company's System. This reduction or alteration can be obtained by physical, chemical, or biological processes; by process changes; or by other means, except by diluting the concentration of the pollutants unless allowed by an applicable pretreatment standard.

Pretreatment Requirements: Any substantive or procedural requirement related to pretreatment imposed on a User, other than a pretreatment standard.

Pretreatment Standards or Standards: Pretreatment Standards shall mean prohibited discharge standards, categorical pretreatment standards, and local limits.

Prohibited Discharge Standards or Prohibited Discharges: Absolute prohibitions against the discharge of certain substances; these prohibitions appear in Section 2.1 of Section H of this tariff.

SECTION B – DEFINITIONS (cont'd)

Property: In general terms, a separate parcel of land owned in fee simple absolute, including any home(s), condominium(s), Home Owner's Association or building(s) affixed thereto, which is delineated by the description contained on the recorded deed, and which may be further delineated by any public roads.

Prospective Customer: Any owner, tenant, or lessee of a Property that is expected to be receiving wastewater service for at least one year following the commencement of wastewater service.

Publicly Owned Treatment Works or POTW: A treatment works defined by EPA in 40 CFR § 403.3(q).

Residential Structure: A home or building which contains metered or flat rate dwelling units intended for human habitation.

Sanitary Sewer: A sewer which primarily carries sanitary wastewater, together with such storm, surface and ground water as may be present.

Service Connection: The point at which the Company Service Lateral connects with the Customer Service Lateral.

Septic Tank Waste: Any sewage from holding tanks such as vessels, chemical toilets, campers, trailers, and septic tanks.

Shall: is mandatory; May is permissive.

SECTION B – DEFINITIONS (cont'd)

Significant Industrial User ("SIU"): A Significant Industrial User is:

(1) An Industrial User subject to categorial pretreatment standards, if it were discharging to a POTW; or

(2) An Industrial User that:

(a) Discharges an average of twenty-five thousand (25,000) gallons per day or more of process wastewater to the Company's System (excluding sanitary, noncontact cooling and boiler blowdown wastewater;

(b) Contributes a process wastestream which makes up five (5) percent or more of the average dry weather hydraulic or organic capacity of the Company's treatment plant; or

(c) Is designated as such by the Company on the basis that it has a reasonable potential for adversely affecting the Company's System operation or for violating any pretreatment standard or requirement.

(3) The Company may determine that an Industrial User subject to categorical pretreatment standards is a Non-Significant Categorical Industrial User rather than an SIU on a finding that the Industrial User never discharges more than 100 gallons per day of total categorical wastewater (excluding sanitary, noncontact cooling and boiler blowdown wastewater, unless specifically included in the pretreatment standard) and the following conditions are met:

(a) The Industrial User, prior to the Company's finding, has consistently complied with all applicable categorial pretreatment standards and requirements;

(b) The Industrial User annually submits the certification requirement in Section 6.13 of Section H of this tariff, together with any additional information necessary to support the certification statement; and

(c) The Industrial User never discharges any untreated concentrated wastewater.

(4) Upon a finding that a User meeting the criteria in subsection 2 of this definition has no reasonable potential for adversely affecting the Company's System operation or for violating an pretreatment standard or requirement, the Company may at any time, on it is own initiative or in response to a request received from an Industrial User, determine that such User should not be considered an SIU.

SECTION B – DEFINITIONS (cont'd)

Slug Load or Slug Discharge: Any discharge at a flow rate or concentration, which could cause a violation of the prohibited discharge standards in Section 2.1 of Section H of this tariff. A Slug Discharge is any Discharge of a non-routine, episodic nature, including but not limited to an accidental spill or a non-customary batch Discharge, which has a reasonable potential to cause Interference or Pass Through, or in any other way violate these rules, local limits or permit conditions.

Stormwater: Any flow occurring during or following any form of natural precipitation, and resulting from such precipitation, including snowmelt.

Tariff: All the service rates, rules and regulations issued by the Company, together with any supplements and revisions thereto, officially approved by the Commission and contained in this document.

Total Suspended Solids (TSS) or Suspended Solids: The total suspended matter that floats on the surface of, or is suspended in, water, wastewater, or other liquid, and that is removable by laboratory filtering.

User or Discharger: Any person that discharges, causes, or permits the discharge of wastewater into the Company's System.

Waste: Rejected, unutilized, or superfluous substances in liquid, gaseous, or solid form resulting from domestic and nondomestic activities.

Wastewater: A combination of the water-carried waste from residences, businesses, buildings, institutions, and industrial establishments, together with any ground, surface, and storm water that may be present, whether treated or untreated, discharged into or permitted to enter the Company's System.

Wastewater Treatment Plant or Treatment Plant: That portion of the Company's System which is designed to provide treatment of domestic waste and industrial waste.

RULES AND REGULATIONS

SECTION C – APPLICATION FOR SERVICE

1. Application for Wastewater Service by a New Owner or Occupant at an Existing Service Property: Where a Customer's Service Lateral exists on a Property, service will be furnished by the Company as soon as reasonably practicable after written application of the Applicant or the Applicant's authorized agent is made and such application is approved by the Company. The Customer receiving service takes such service subject to the Company's Tariff, including its Rules and Regulations.

2. Application for Wastewater Service to a Proposed Service Property: Where an adequate sewer Main abuts the Customer's Property, a Service Connection will be made as soon as reasonably practicable after written application of the Applicant or the Applicant's authorized agent and such application is approved by the Company. Service Connection application forms will be furnished by the Company on request.

Where an adequate sewer Main does not abut the Customer's Property, the Customer must make necessary arrangements with the Company's New Business Office for the extension of sewer in accordance with the Company's Rules and Regulations, as discussed further in Section I of this Tariff.

3. Application and Discharge Requirements. 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 a 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. The Applicant must provide all necessary and required documentation as determined in Company's sole discretion to evaluate the request for service.

Non-residential service Customers which desire to discharge Nondomestic Wastes into the Company's System or existing Industrial/Commercial Users which desire to commence operations of a new facility or a new or different process that will affect the characteristics of the wastewater discharging into the Sanitary Sewer, shall notify the Company prior to the commencement of the new or different operations at the facility and provide such other information regarding the proposed discharge as the Company may request, including an application for an Industrial Waste Discharge Permit when deemed necessary.

RULES AND REGULATIONS

SECTION D – CONSTRUCTION AND MAINTENANCE OF FACILITIES

1. Provision of Service:

- Connection of a Premise to the Company's System constitutes a contract for service subject to all Rules and Regulations and rate schedules as provided for in this Tariff.

- The Company will install a Company Service Lateral from the main to the curb, or such point as determined by the Company of a size and material determined by the Company in its discretion. Any additional or larger connection facilities requested by the Customer may be installed provided the proposed discharge into the system is within the capability of the system, complies with these Rules and Regulations, and the Customer pays the additional costs for the installation.

- No owner or tenant of any Premises connected with the Mains of the Company will be allowed to permit another person or premises to use or connect with its Customer Service Lateral, except upon written permit from the Company.

- Any violation of the Rules and Regulations of the Company shall render the contract between the Customer and the Company void, and service may be discontinued after due notice, remaining so until such time as the Company is satisfied that the Customer will observe the Rules and Regulations. Service will not be connected until the actual costs of the discontinuing and reconnections are paid in full.

Customer Service Lateral Inspection Fee

- Charge for the Company's time involved in the inspection of a Customer Service Lateral tie-in to the Company's wastewater system shall be fifty dollars ($50.00) per Customer Service Lateral.

2. Customer Service Lateral: The Customer Service Lateral shall extend from the Property to the Curb Stop or cleanout or such point as designated by the Company. All connections, Service Laterals and fixtures owned by the Customer shall be maintained by the Customer in good order, and all meters and appurtenances owned by the Company and located on the Property of the Customer shall be protected properly by the Customer. All leaks in or other deteriorated condition of the Customer's Service Line or any other pipe or fixture in or upon the Premises supplied must be repaired immediately by the owner or occupant of the Premises.

3. Size, Kind, and Location of Service Laterals: The Company reserves the right to determine the size, kind and location of the Service Laterals, from the main to the curb, and from the curb to the property to be served. The Customer's Service Lateral shall not cross intervening properties unless the property is landlocked and there is no other way in which service can be provided (for example, because the property does not abut a public road) and an appropriate easement is obtained by the Customer for the Customer's benefit, a copy of which must be furnished to the Company. The service line from the curb stop or cleanout to the property shall be furnished, installed, owned, and maintained by the owner of the property, and where possible shall be laid in a straight line at right angles to the curb line within the building limits of the structure to be served and at a minimum depth of cover specified by the Company, and bedded in at least 6 inches of sand, in property owned in fee simple absolute.

SECTION D – CONSTRUCTION AND MAINTENANCE OF FACILITIES (cont'd)

4. Right to Reject: The Company may refuse to connect with any Customer Service Lateral 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. Separate Trench: The Customer Service Lateral 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 utility service.

6. Customer Grinder Pump: In areas of the Company's System where the Company has installed a pressure sewage collection system or where required as determined by the Company, the Customer, in conjunction with the construction of their Customer Service Lateral, shall install, own, operate, and maintain and replace a Grinder Pump and holding tank at the Customer's expense as specified by the Company prior to connection and shall maintain such facilities in good order and repair. The Grinder Pump shall meet specifications as provided by the Company. The failure of a Customer to properly install and maintain a Grinder Pump, including replacement, shall construe grounds for the Company to initiate action to terminate service to the Customer and seek recovery for any damage to the Company's facilities caused by an improperly functioning Grinder Pump. In the case where PaDEP approval of the grinder pump installation is required to ensure the long-term operation and maintenance of the grinder pump in accordance with PaDEP regulation Title 25 Pa Code §71.72, the Customer may have to enter into an operations and maintenance agreement with the municipality in which the Customer is located.

RULES AND REGULATIONS

SECTION D – CONSTRUCTION AND MAINTENANCE OF FACILITIES (cont'd)

7. Individual Service Lines: Except as otherwise expressly authorized by the Company, each individual Customer shall be served only through a separate Customer Service Lateral connected directly to the Company Service Lateral, and that Customer Service Lateral shall not cross over the Property of or serve any other Customer or Premise. The maximum Customer Service Lateral length shall be two hundred and fifty (250) feet from the Service Connection(s) with clean-outs every 50 feet. The Company shall have the right to waive this maximum length requirement at its sole discretion. No additional attachment may be made to any Customer Service Lateral for any purpose without the express written approval of the Company.

8. Customer Responsibilities:

a. Use shall be restricted to Domestic Wastes, unless a special agreement is made satisfactory to the Company as to other uses. No Customer shall discharge into the system roof, storm, surface or ground water, swimming pools, drainage from cesspools or drain fields, cistern, combustible gases or liquids, insoluble solids, industrial type waste or other harmful substances. Any Customer discharging any unauthorized matter into the system, which causes damage to Company facilities or interferes with the operation of the system, will be required to cease using the system and pay whatever damages and costs are incurred as a result.

b. Each Customer Service Lateral shall be installed and maintained by or on behalf of the Customer at its expense and in full accordance with the Company's specifications as to materials, size, location and underground construction, starting at the curb-line at a location designated by the Company.

c. No sewer connection, or disconnection, shall be made to the Company's Main except under the supervision, control and approval of the Company's authorized representative. 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 Company Service Laterals from the Main to the property line or right of way.

d. No repairs, alterations, or additions to any drain or Service Connection with the Company's System shall be made, unless the person desiring to make the same shall first receive permission from the Company for doing so.

e. Connections with sewers that run through private property shall, in all respects, be governed by these Rules and Regulations.

SECTION D – CONSTRUCTION AND MAINTENANCE OF FACILITIES (cont'd)

9. Company's Service Lateral:

Except for Service Connections made in accordance with the section, "Main Extensions", the Company will make all connections to its Mains and furnish, install and maintain the Company Service Laterals from the Main up to the hypothetical or actual curb line, edge of the right-of-way or the actual property line. The Company Service Laterals will be the property of the Company and under its control.

The maximum Company investment per Company Service Lateral to a Bona Fide Service Applicant shall be calculated under the same formula as described in the "Company Contribution" of Section I, "Main Extensions", of this Tariff.

The cost of any Company Service Lateral in excess of the applicable maximum Company investment shall be paid by the Customer. The Company may require payment of the estimated amount of such excess cost in advance of the installation and will make a partial repayment of the extent the actual cost is determined to be less than the estimate.

RULES AND REGULATIONS

SECTION E – TERMINATION, DISCONTINUANCE, RESTORATION OF SERVICE, AND SERVICE CONTINUITY

Termination and Discontinuance of Service:

Termination and Discontinuance by the Company

1. Service may be terminated by the Company for any one of the following reasons:

a. Failure of a Customer to maintain and repair its Customer Service Lateral(s);

b. Failure of a Customer to pay a bill for service in accordance with the Commission's regulations;

c. Vacancy of the Premises;

d. Violation by a Customer, or with his consent, of any of these Rules and Regulations.

2. The Company may, without notice, discontinue wastewater service if an emergency reasonably requires it in order to make necessary repairs or connections or to meet any other emergency; however, the Company will give notice of any discontinuance of service if it is reasonably possible to do so.

3. If you are a victim of domestic violence and have a Protection From Abuse Order or other court order that shows clear evidence of domestic violence, there are special protections available.

Discontinuance by the Customer

1. A Customer desiring the discontinuance of wastewater service shall give written notice to the office of the Company and the Customer will be responsible for service charges until such notice is given. A new application must be made on any change of Customers on a Property as required at the office of the Company, and the Company shall be at liberty to discontinue the service until such new application has been made and approved.

2. The Customer desiring abatement from wastewater bills shall report same in writing or call in person at the office of the Company. All vacancies shall date from the day reported at the office of the Company. When vacancy is properly reported, an allowance will be made for the period of vacancy, but not for less than one month.

Restoration of Service: After termination of service it will not be reconnected until all amounts due to the Company have been paid plus the cost of a fifty dollar ($50.00) turn-on charge prior to service reconnection (with the exception of the Masthope Division).

SECTION E – TERMINATION, DISCONTINUANCE, RESTORATION OF SERVICE, AND SERVICE CONTINUITY (cont'd)

Service Continuity and Liability:

In the course of furnishing service that needs to be adequate, but not perfect, it is recognized that there will be times when service is subject to interruption or disruption as a result of Main breaks, the failure of equipment or facilities, and for other reasons. Accordingly, the liability of the Company shall be limited to four thousand dollars ($4,000.00) in any legal action brought against the Company for damages in connection with: 1) a service interruption or delay, or cessation or lack of adequate, efficient, safe and reasonable service and facilities; and/or 2) a failure of equipment, including, but not limited to, a break or leak in a Main, service line or Meter owned by the Company.

In any legal action where a court does not recognize, or is being asked to interfere with or hamper, the jurisdiction of the Commission to authorize limitations of liability or to exclusively determine whether the service and facilities of a public utility are in conformity with the regulations and Orders of the Commission, the public utility may certify to the Commission the question of the appropriateness of such court action by filing a petition for declaratory judgment with the Commission.

Furthermore, the Company shall not be liable in any action where the loss or damage involves an act of God (except where the Company is found to be negligent or not in compliance with its Section 1501 duties under the Public Utility Code) or does not involve a duty of the Company, including breaks or leaks on facilities that are not owned by the Company, such as breaks, leaks, defects or conditions in the Customer's Service Line, Meter, internal plumbing or fixtures, or due to the materials out of which those facilities are made. Further, the Company shall not be liable in any action where the loss or damage does not involve a breach of a duty of the Company, including where the Company does not receive actual notice, either written or oral, that a Company facility (located within the public right-of-way, in a sidewalk or on a Customer's Property) is in need of repair that is not proven to have been in that condition at the time of installation or that is caused by a plumber, developer, or the person or event.

From time to time, the Company may provide public notices, specific notices, correspondence or other notifications ("Notices") regarding the presence of conditions affecting the wastewater service provided by the Company. These Notices may contain information about actions members of the public may wish to, are recommended to, or should take in response to the conditions identified in the Notice. In the event the Company issues a Notice, the Company will not be liable for any expenses or costs incurred by a Customer or end-user for any action taken in response to any condition identified in the Notice.

SECTION F – BILLING AND COLLECTION

Methods of Payment: Bills are payable by mail, by direct debit, in person at any authorized pay agency or as otherwise authorized by the Company. Amounts due for services must be made in one of the following formats: cash at a valid payment center, credit card, debit card, atm card, or personal check, business check, or money order issued by a properly licensed financial institution, or other commercially acceptable form of payment as determined by the Company.

Landlord Assumption of Responsibility: If an Applicant for service, who is a landlord, assumes responsibility for rates and charges related to wastewater service provided to tenants and is billed for such service, the landlord must assume responsibility and be billed for both water and wastewater service, if such service is provided or billed by the Company.

Billing History: A Customer may obtain from the Company; at no charge to the Customer, the billing history for up to ten accounts per year in the name of the Customer, provided that the Customer submits a written request for such information directly to the Company. Additional requests will be processed subject to the Company's right to charge the Customer its incremental costs of providing such billing histories.

Delinquent Bills: If a rendered bill remains unpaid for a period of 20 days for Residential Customers and 15 days for Non-Residential Customers, it shall be classified as delinquent. However, if the last day of such period falls on a Saturday, Sunday, a holiday or day when the Company's offices are closed, the delinquency date shall be the next succeeding business day. Payments by mail will be deemed made on the date of the postmark. Payments to the Company drop box or authorized payment agent will be deemed received when paid at that location. Service may be terminated for non-payment of bills in accordance with the Commission's regulations. If service is thus terminated, it will not be restored until all outstanding charges provided by the Commission's regulations and the Tariff of the Company are paid or satisfactory arrangements are entered for payment.

Late Payment Charge: If payment has not been received by the Company for five days after the bill has been classified as delinquent, a late charge (penalty) of 1.50% will be applied to the account and such late charge (penalty) will be calculated every thirty days thereafter only on the overdue portion of the bill excluding previous late charges (penalties), and in no event shall the late charge (penalty) exceed more than 18% annually (simple interest).

Return Check Charge and Return Electronic Payment Charge: The Customer will be responsible for the payment of a charge of $20.00 per incident where a check or electronic payment, which has been presented to the Company for payment of any bill, is returned by the bank for any reason including, but not limited to, non-sufficient funds, account closed, payment stopped, two signatures required, postdated, stale date, account garnished, no account, drawn against uncollected funds, balance held, and unauthorized signature. This charge is in addition to any and all charges assessed against the Customer by the bank. If a Customer's account shows a history of submitting payments that have been returned for insufficient funds or any other reason outlined above, the Company may require deposit or turn-on charges to be paid by cash, certified check, money order, or credit card or service may be terminated without additional notice in accordance with Commission regulations.

SECTION F – BILLING AND COLLECTION (cont'd)

Turn-on Charge: When service has been terminated to any Premise because of violation of the Company's Rules and Regulations or at the Customer's request, a charge of fifty dollars ($50.00) payable in advance will be made for restoration of service. If the Customer request for restoration of service requires the Company to incur overtime or holiday costs, the Company reserves the right to bill the Customer for the additional cost incurred. If the Company incurs out of the ordinary expense to affect termination of service for non-payment of bills or due to lack of access to the Company's facilities, the Customer must reimburse the Company for those expenses in addition to the $50.00 turn-on charge prior to service reconnection.

Turn-off at Customer's Request: Customers desiring to avoid payment for wastewater service during periods when Properties are vacant or during extended absences shall give notice in writing at the office of the Company requesting the wastewater to be shut off. If a minimum charge or Customer charge for water use is applicable, the bill will be based on the proportion that the period when wastewater service was available bears to the entire period on which such minimum charge or Customer charge is based. Metered consumption in excess of such adjusted minimum shall be billed at normal rates.

Pro-ration of Base Rates on Customer Bills: During a period of changes to base rates, billing of base rates for Customers involves proration of the different base rates based on days of invoice. The fixed charge and the consumption for the entire period is divided by the number of service days to develop an average rate per day for purposes of bifurcating the consolidated charges at the old rate and at the new rate.

SECTION G – DEPOSITS AND CREDIT STANDARDS

General: Deposits may be required from Applicants for new service or extension of service. Residential Customers will not be required to pay a security deposit in order to receive service from the Company. The Company will pay income tax on any deposit, advance, contribution or other like amounts received from an Applicant which shall constitute taxable income to the Company as defined by the Internal Revenue Service and required by the Commission. Such income taxes shall be segregated in a deferred account for inclusion in rate base in a future base rate case proceeding. Such income tax associated with a deposit, advance, or contribution will not be charged to the Person providing such deposit, advance, or contribution.

Creditworthiness: Upon application for wastewater service, the Company may require the Applicant/Customer to provide valid identification, a valid deed lease or mortgage evidencing the Applicant/Customer's residency at the Property/Premise, and/or payment of an outstanding balance owed by the Customer which accrued within the past 4 years for which the Applicant/Customer is legally responsible.

The Company may determine liability for a past due balance by:

- Use of Company records that contain information previously provided to the Company;
- Information contained on a valid mortgage, lease or deed;
- Use of commercially available public records databases; and
- Government and property ownership record.

SECTION H – WASTEWATER CONTROL REGULATIONS

1. GENERAL PROVISIONS

1.1 Purpose and Policy

(a) These rules set forth uniform requirements applicable to Users of the wastewater collection, treatment, and disposal services provided by the Company and the nature of wastes acceptable for discharge into the Company's System, either directly or indirectly. In developing these rules, the Company was guided by the "EPA Model Pretreatment Ordinance" (January 2007) published by the U.S. Environmental Protection Agency ("EPA") for use by municipalities operating Publicly Owned Treatment Works ("POTWs") as well as EPA regulations designed to control pollutants discharged to POTWs at 40 CFR Part 403 (General Pretreatment Regulations for Existing and New Sources of Pollution). These rules shall apply throughout the Company's service territory.

(b) The objectives of these rules are:

(i) To prohibit the introduction of pollutants into the Company's System that will interfere with its operation or impact the quality or classification of the resulting sludge;

(ii) To prohibit the introduction of pollutants into the Company's System that will pass through the treatment works, inadequately treated, into receiving waters, or otherwise be incompatible with the System;

(iii) To protect both the Company's personnel who may be affected by wastewater and sludge in the course of their employment and the general public;

SECTION H – WASTEWATER CONTROL REGULATIONS (cont'd)

(iv) To promote reuse and recycling of industrial wastewater and sludge from the Company's System;

(v) To provide for fees for the equitable distribution of the cost of operation, maintenance, and improvement of the Company's System;

(vi) To enable the Company to comply with its National Pollutant Discharge Elimination System permit conditions, its Water Quality Management ("WQM") Permit in the case of land application treated effluent disposal systems, sludge use and disposal requirements, and any other federal or state laws to which the Company's System is subject;

(vii) To require the pretreatment of wastewater discharged into the Company's System as appropriate and consistent with standards for pretreatment of wastewater that have been promulgated by the EPA or otherwise imposed by the PaDEP; and

(viii) To otherwise provide the conditions of wastewater collection, treatment and disposal service by the Company.

(c) These rules shall apply to all Users of the Company's System. These rules authorize the issuance of wastewater discharge permits; provide for monitoring, compliance, and enforcement activities; establish administrative review procedures; require user reporting; and provide for the setting of fees for the equitable distribution of costs resulting from the program established herein.

1.2 Administration

Except as otherwise provided herein, the Company shall administer, implement, and enforce these rules. Any powers granted to or duties imposed upon the Company may be delegated by the Company a duly authorized Company employee.

SECTION H – WASTEWATER CONTROL REGULATIONS (cont'd)

1.3 Abbreviations

The following abbreviations, when used in these rules, or in the implementation of these rules, shall have the designated meanings:

BOD5 - Biochemical Oxygen Demand (5-day)

BMP - Best Management Practice

C - Celsius

CERCLA - Comprehensive Environmental Response, Compensation and Liability Act

CFR - Code of Federal Regulations

CIU - Categorical Industrial User

COD - Chemical Oxygen Demand

PaDEP - Pennsylvania Department of Environmental Protection

EPA - U.S. Environmental Protection Agency

F - Fahrenheit

FOG - Fats, Oils and Grease

gpd - gallons per day

IU - Industrial User

IPP - Industrial Pretreatment Program

IWDC - Individual Wastewater Discharge Contract

SECTION H – WASTEWATER CONTROL REGULATIONS (cont'd)

mg/l - milligrams per liter

MGD - Million Gallons per Day

NH3-N - Ammonia Nitrogen

NPDES - National Pollutant Discharge Elimination System

NSCIU - Non-Significant Categorical Industrial User

RCRA - Resource Conservation and Recovery Act

SIU - Significant Industrial User

TDS - Total Dissolved Solids

TKN - Total Kjeldahl Nitrogen

TN - Total Nitrogen

TP - Total Phosphorus

TSS - Total Suspended Solids

U.S.C. - United States Code

SECTION H – WASTEWATER CONTROL REGULATIONS (cont'd)

2. GENERAL SANITARY SEWER USE REQUIREMENTS

2.1 Prohibited Discharge Standards

(a) General Prohibitions. No User shall introduce or cause to be introduced into the Company's System any pollutant or wastewater which causes pass through or interference or damages the Company's System. These general prohibitions apply to all Users of the Company's System whether or not they are subject to categorical pretreatment standards or any other national, state, or local pretreatment standard or requirement.

(b) Specific Prohibitions. No User shall introduce or cause to be introduced into the Company's System the following pollutants, substances, or wastewater:

(i) Liquids, solids or gases that by reason of their nature or amount are, or may be, sufficient either alone or by interaction with other substances to cause fire or explosion or be injurious in any way to persons, the Company's System or the operation of the Company's System, including, but not limited to, any discharge with a closed-cup flashpoint of less than 140° F (60°C) using the test methods specified in 40 CFR § 261.21. At no time shall any wastewater cause two successive readings on an explosion hazard meter, at the point of discharge into the Company's System (or at any point in the Company's System), to be more than five percent (5%) nor any single reading to be over ten percent (10%) of the Lower Explosive Limit (LEL) of the meter.

(ii) Wastewater having a pH less than 6.0 or higher than 9.0 as measured by a grab sample, unless otherwise specified by the Company in an IWDC, or wastewater having other corrosive properties capable of causing damage or hazard to structures, equipment, or personnel of the Company's System.

SECTION H – WASTEWATER CONTROL REGULATIONS (cont'd)

(iii) Solid or viscous substances which may cause obstruction to the flow in the Company's System or other interference with the operation of the Company's System such as, but not limited to, grease, garbage (not properly shredded), animal guts or tissues, paunch manure, bones, hair, hides or fleshings, entrails, whole blood, feathers, ashes, cinders, sand, spent limestone or marble dust, bentonite, lye, building materials, rubber, leather, porcelain, china, metal glass, straw, shavings, grass clippings, rags, spent grains, spent hops, waste paper, wood, plastics, tar, asphalt residues, residues from refining or processing of fuel or lubricating oil, mud, or glass grinding or polishing wastes or any material which can be disposed of as trash.

(iv) Pollutants, including oxygen-demanding pollutants (BODS, etc.), released in a discharge at a flow rate and/or pollutant concentration which, either singly or by interaction with other pollutants, will cause interference with the Company's System.

(v) Wastewater with a temperature at the introduction into the Company's System which exceeds 120 degrees F (49 degrees C), or less than 32°F, or which will inhibit biological activity in the treatment plant resulting in interference, but in no case wastewater which causes the temperature at the introduction into the treatment plant to exceed 104 degrees F (40 degrees C).

(vi) Petroleum oil, motor oils or lubricants removed from vehicles or machinery, non-biodegradable cutting oil, or products of mineral oil origin, in amounts that will cause interference or pass through.

(vii) Pollutants in sufficient quantity which, either alone or by interaction with other pollutants, would result in the presence of toxic gases, vapors or fumes, cause worker injury or disruption of any wastewater treatment process, including the disposal of sludge, or be in non-compliance with any categorical or pretreatment standards established in accord with 40 CFR § 403.6.

(viii) Trucked or hauled pollutants, except at discharge points designated by the Company in accordance with subsection 2.10 of Section H of this tariff.

(ix) Noxious or malodorous liquids, gases, solids, or other wastewater which, either singly or by interaction with other wastes, are sufficient to create a public nuisance or a hazard to life, or to prevent entry into the Company's System for maintenance or repair.

RULES AND REGULATIONS

SECTION H – WASTEWATER CONTROL REGULATIONS (cont'd)

(x) Wastewater which imparts color which cannot be removed by the treatment process, and which consequently imparts color to the treatment plant's effluent.

(xi) Wastewater containing any radioactive wastes or isotopes with half-lives or concentrations that exceed (A) measured background or naturally-occurring levels or (b) limits established by the Company.

(xii) Storm water, surface water, ground water, artesian well water, roof runoff, subsurface drainage, swimming pool drainage, condensate, deionized water, noncontact cooling water, and unpolluted wastewater, unless specifically authorized by the Company.

(xiii) Sludges, screenings, or other residues from the pretreatment of industrial wastes

(xiv) Medical wastes, except as specifically authorized by the Company in an IWDC.

(xv) Wastewater causing, alone or in conjunction with other sources, the treatment plant's effluent to fail toxicity test or otherwise create a toxic effect in receiving waters.

(xvi) Detergents, surface-active agents, or other substances that might cause excessive foaming in the Company's System.

(xvii) Discharge which is or contains hazardous waste or, if otherwise disposed of, would be considered hazardous waste.

(xviii) Any substance which may cause the treatment plant's effluent or any other product of the treatment plant, such as residues, sludge or scum, to be unsuitable for reclamation and reuse or to interfere with the reclamation process. In no case shall a substance discharged to the Company's System cause the Company to be in non-compliance with sludge use or disposal criteria, guidelines or regulations developed under Section 405 of the Federal Water Pollution Control Act ("FWPCA"), nor any criteria, guidelines, or regulations affecting sludge use or disposal developed pursuant to the Solid Waste Disposal Act, the Clean Air Act, the Toxic Substances Control Act, or state criteria applicable to the sludge management methods being used by the Company.

SECTION H – WASTEWATER CONTROL REGULATIONS (cont'd)

(xix) Any pollutant, including oxygen demanding pollutants and suspended solids, released at a flow rate and/or pollutant concentration which a User knows or has reason to know will cause interference or pass through to the Company's System. In no case shall a slug load have a flow rate or contain a concentration or quantity of a pollutant that exceeds for any time period longer than fifteen (15) minutes more than five (5) times the average twenty-four (24) hour permitted concentration, quantity, or flow during normal operation.

(xx) Any wastewater which because of its chemical nature or composition causes the sewer atmosphere to contain airborne chemical concentrations in excess of concentrations established by the U.S. Department of Labor, Occupational Safety and Health Administration ("OSHA") under 29 CFR Part 1910, regardless of duration of exposure experienced by any individual, unless written authorization is granted by the Company.

(xxi) Substances which will cause pass through or interference or otherwise cause the Company to violate its NPDES permit or air quality or receiving water quality standards, or that are prohibited by any permit issued by the Company, the Commonwealth of Pennsylvania or EPA.

(xxii) Wastes which are not amenable to biological treatment or reduction in existing treatment facilities, including but not limited to nonbiodegradable complex carbon compounds.

(xxiii) Wastewater containing any organic compounds of endrin, lindane, methoxychlor, toxaphene, dichlorophenoxyacetic acide, trichlorophenoxypropionic acid or other herbicides, pesticides or rodenticides.

(xxiv) Wastewater containing any of the pollutants listed on EPA's "Priority Pollutant List" (40 CFR Part 423, Appendix A), without authorization from the Company in an IWDC.

RULES AND REGULATIONS

SECTION H – WASTEWATER CONTROL REGULATIONS (cont'd)

(c) Pollutants, substances, or wastewater prohibited by this section shall not be processed or stored in such a manner that they could be discharged to the Company's System.

(d) No User shall discharge wastewater to the Company's System in an amount exceeding the below general prohibitions. The Company may impose different limitations depending on the needs of a particular treatment plant or the Company's System:

Wastewater raw Waste strength shall be limited to that illustrated below:

		Maximum Allowable Limits (Grab Sample)	Maximum Allowable Limits (24 Hour Composite Sample)
BOD_5	(mg/l)	250	250
TSS	(mg/l)	250	250
COD	(mg/l)	500	500
Total Kjeldahl Nitrogen	(mg/l)	50	50
Total Phosphorus	(mg/l)	8	8
Ammonia Nitrogen	(mg/l)	45	45
pH	(s.u.)	6-9	N/A
Oil and Grease	(mg/l)	100	N/A

2.2 National Categorical Pretreatment Standards

(a) The National Categorical Standards found at 40 CFR Chapter I, Subchapter N, Parts 405-471 are hereby incorporated by reference. Any industrial User that would be a categorical industrial User under the provisions of one or more categorical standards if it were discharging to a POTW is a Significant Industrial User under these rules and is required to obtain an WDC as described in subsection 4 of this Section H, unless otherwise determined by the Company pursuant to these rules. The IWDC will reflect the effluent limitations and standards of the pertinent categorical standard(s). Although the Company is not subject to EPA's pretreatment regulations, the Company will use pertinent standards and requirements contained in 40 CFR, Chapter I, Subchapter N, Part 403 as guidance in administering and applying the categorical standards. Any categorical standard or local limit, if more stringent than the limitations imposed under an IWDC, shall immediately supersede the limitations imposed under the IWDC.

SECTION H – WASTEWATER CONTROL REGULATIONS (cont'd)

(b) Where a categorical standard is expressed only in terms of either the mass or the concentration of a pollutant in wastewater, the Company may impose equivalent concentration or mass limits in the manner described in 40 CFR § 403.6(c).

(c) When the limits in a categorical standard are expressed only in terms of mass of pollutant per unit of production, the Company may convert the limits to equivalent limitations expressed either as mass of pollutant discharged per day or effluent concentrations for purposes of calculating effluent limitations applicable to individual industrial Users.

(d) When wastewater subject to a categorical standard is mixed with wastewater not regulated by the same standard, the Company shall impose an alternate limit using the combined waste stream formula in 40 CFR § 403.6(e).

(e) Once included in its IWDC, an industrial User must comply with the equivalent limitations developed in this subsection 2.2 of this Section H in lieu of the categorical standard from which the equivalent limitations were derived.

(f) Where a categorical standard specifies one limit for calculating maximum daily discharge limitations and a second limit for calculating maximum monthly average (or 4-day average) limitations, the same production flow figure shall be used in calculating both the average and the maximum equivalent limitation.

(g) Any industrial User operating under an IWDC incorporating equivalent mass or concentration limits calculated from a production-based standard, as provided in paragraph (c) of this subsection 2.2, shall notify the Company within two (2) business days after the User has reasonable basis to know that the production level will significantly change within the next calendar month. Any User not notifying the Company of such anticipated change will be required to meet the mass or concentration limits in its IWDC that was based on the original estimate of the long term average production rate.

SECTION H – WASTEWATER CONTROL REGULATIONS (cont'd)

2.3 Modification of National Categorical Pretreatment Standards

The Company may modify specific limits in a categorical pretreatment standard where appropriate for purposes of these rules or an IWDC. Although not subject to EPA's pretreatment regulations, the Company will utilize the standards and requirements contained in 40 CFR, Chapter I, subchapter N, Part 403 generally, and particularly sections 403.7 (removal credits), 403.13 (fundamentally different factors), and 403.15 (net limits), as guidance in considering any such modifications.

2.4 State and Federal Requirements

Applicable state or federal requirements and limitations on discharges shall apply in any case where they are more stringent than those in these rules.

2.5 Specific Pollutant Discharge Limitations - Local Limits

(a) All industrial Users shall be subject to the local limits applicable to their service area as specified in the Company's IPP.

(b) Local limits are the highest allowable concentrations in a discharge, unless otherwise specified in an IWDC.

(c) Local limits apply at the point where wastewater is discharged to the Company's System or at the point designated by the Company.

(d) The Company reserves the right to allocate among Users the total loading applicable to a particular pollutant by establishing maximum daily industrial concentrations specific to each User, provided that the total maximum allowable daily industrial load for the treatment plant is not exceeded.

(e) In addition to industrial Users, the Company reserves the right to apply local limits to any User's wastewater.

(f) The Company reserves the right to establish alternate limits in IWDCs in order to protect against pass through or interference or to assure that the Company complies with its NPDES permit and federal and state law. The alternate limits, if more stringent than the categorical standards, shall immediately supersede the categorical standards.

(g) The Company may develop BMPs in IWDCs to implement local limits and the requirements of subsection 2.1 of this Section H.

SECTION H – WASTEWATER CONTROL REGULATIONS (cont'd)

2.6 Reservation of Right to Impose More Stringent Requirements

The Company reserves the right to establish, in IWDCs, more stringent limits or requirements on discharges to the Company's System, if deemed necessary, consistent with the purpose of these rules.

2.7 Dilution

No User shall ever increase the use of process water, or in any way attempt to dilute a discharge as a partial or complete substitute for adequate treatment to achieve compliance with a discharge limitation unless expressly authorized by an applicable pretreatment standard or requirement. The Company may impose mass limitations on Users who are using dilution to meet applicable pretreatment standards or requirements, or in other cases when the imposition of mass limitations is appropriate.

2.8 Compliance with Other Applicable Standards and Requirements

Compliance with these rules and IWDCs or compliance or cessation directives issued hereunder does not relieve the industrial user from its obligations to comply with any and all applicable local, state, and federal standards and requirements including any such applicable standard or requirement that may become effective during the term of a permit or directive or these rules.

2.9 Grease Traps

Users shall install, operate and maintain interceptor/collector devices (e.g., traps) to capture and remove fats, oils and grease prior to discharge to the treatment works whenever the Company determines that such devices are necessary for the proper handling of wastewater. All such devices shall be designed and installed so as to accommodate the maximum flow rate expected to occur and to be readily and easily accessible for cleaning and inspection. The User shall be responsible for operating and maintaining the devices, including regular cleaning, to ensure that they consistently remove FOG prior to discharge to the Company's System. Alternatively, or in addition, the Company may require users to implement BMPs in order to eliminate FOG at the point of use and thereby reduce the generation of FOG in wastewater.

SECTION H – WASTEWATER CONTROL REGULATIONS (cont'd)

3. PRETREATMENT OF WASTEWATER

3.1 Pretreatment Facilities - General

Users shall provide wastewater treatment as necessary to comply with these rules and shall achieve compliance with all categorical pretreatment standards, local limits, and the prohibitions set out in subsection 2.1 of this Section H within the time limitations specified by EPA, the state, or the Company, whichever is more stringent. Any facilities necessary for compliance, including the design, construction, operation, and maintenance of these facilities, shall be at the User's expense. Detailed plans describing such facilities and operating procedures shall be submitted to the Company for review, and shall be acceptable to the Company before such facilities are constructed. The review of such plans and operating procedures shall in no way relieve the User from the responsibility of modifying such facilities or procedures as necessary to produce a discharge acceptable to the Company under the provisions of these rules.

3.2 Additional Pretreatment Measures

(a) Whenever Deemed necessary, the Company may require Users to restrict their discharge during peak flow periods, designate that certain wastewater be discharged only into specific sewers, relocate and/or consolidate points of discharge, separate sewage wastestreams from industrial wastestreams, and such other conditions as may be necessary to protect the Company's System and determine the User's compliance with the requirements of these rules.

(b) The Company may require any person discharging to the Company's System to install maintain, on their property and at their expense, a suitable storage and flow-control facility to ensure equalization of flow. Provisions regarding flow equalization may be required in an IWDC.

(c) Grease, oil and sand interceptors or traps shall be provided when, in the opinion of the Company, they are necessary for the proper handling of wastewater containing grease and/or oil, or sand. All interception/trap units shall be of the type and capacity acceptable to the Company, and shall be located as to be readily and easily accessible for cleaning and inspection. Such interceptors/traps shall be inspected, cleaned and repaired by the User at the User's expense.

(d) Users are prohibited from discharging combustible or flammable substances into the Company's system. Users with the potential to discharge combustible or flammable substances may be required to install and maintain an approved combustible gas detection meter. The User shall immediately notify the Company in the event of a potential combustible or flammable discharge.

SECTION H – WASTEWATER CONTROL REGULATIONS (cont'd)

3.3 Accidental Discharge/Slug Discharge Control Plans

(a) The Company shall evaluate whether each SIU needs an accidental discharge/slug discharge control plan or other action to control slug discharges. The Company may require any User to develop, submit for approval, and implement such a plan or take such other action that may be necessary to control slug discharges. Alternatively, the Company may develop such a plan for any User. An accidental discharge/slug discharge control plan shall address, at minimum, the following:

(i) Description of discharge practices, including nonroutine batch discharges;

(ii) Description of stored chemicals;

(iii) Procedures for immediately notifying the Company of any accidental or slug discharge, as required by subsection 6.6 of this Section H; and

(iv) Procedures to prevent adverse impact from any accidental or slug discharge. Such procedures include, but are not limited to, inspection and maintenance of storage areas, handling and transfer of materials, loading and unloading operations, control of plant site runoff, worker training, building of containment structures or equipment, measures for containing toxic organic pollutants, including solvents, and/or measures and equipment for emergency response.

(b) The Company may include conditions relating to implementation of an accidental discharge/slug discharge control plan when issuing an IWDC.

SECTION H – WASTEWATER CONTROL REGULATIONS (cont'd)

3.4 Hauled Wastewater

(a) Septic tank waste may be introduced into the Company's System only at locations designated by the Company, and at such times as are established by the Company. Such waste shall not violate subsection 2 of this Section H or any other requirements established by the Company. The Company may require septic tank waste haulers to enter a separate agreement with the Company.

(b) The Company may require haulers of industrial waste to enter into an IWDC. The Company may require generators of hauled waste to enter into an IWDC. The Company also may prohibit the disposal of hauled industrial waste. The discharge of hauled industrial waste is subject to all other requirements of these rules.

(c) Industrial waste haulers may discharge loads only at locations designated by the Company. No load may be discharged without prior consent of the Company. The Company may collect samples of each hauled load to ensure compliance with applicable standards. The Company may require the industrial waste hauler to provide a waste analysis of any load prior to discharge.

(d) Industrial waste haulers must provide a waste-tracking form for every load. This form shall include, at a minimum, the name and address of the industrial waste hauler, the IWDC (as applicable), truck identification, names and addresses of sources of waste, and volume and characteristics of waste. The form shall identify the type of industry and all known or suspected waste constituents and confirm that no wastes are RCRA hazardous wastes.

3.5 Damage Liability

The person producing or introducing waste to the Company's System shall be liable for all damages, increased costs of treatment or maintenance, or other costs incurred by the Company directly attributable to such waste, including the costs of repairs, testing, consulting and all other costs associated with the damage. Any User violating any of the provisions of these rules shall be liable to the Company for all expenses, losses, or damages occasioned by the Company by reason of such violation, whether incidental or consequential.

SECTION H – WASTEWATER CONTROL REGULATIONS (cont'd)

4. INDIVIDUAL WASTEWATER DISCHARGE CONTRACTS

4.1 Wastewater Analysis

When requested by the Company, a User must submit information on the nature and characteristics of its wastewater. Upon receipt of a questionnaire or IWDC application from the Company, a User shall have sixty (60) days (unless extended by the Company for good reason) to return the completed questionnaire or application, signed by an authorized representative of the User. The Company may periodically require Users to update this information.

4.2 IWDC Requirements

(a) No SIU shall discharge wastewater into the Company's System without first obtaining an IWDC from the Company.

(b) No person discharging industrial waste to the treatment works shall undertake any significant wastewater modification without first notifying the Company and obtaining a new or amended IWDC from the Company, except as authorized by the Company in accordance with the provisions of these rules.

(c) The Company may require that other Users obtain IWDCs as necessary to carry out the purposes of these rules.

(d) Any violation of the terms and conditions of an IWDC shall be deemed a violation of these rules and subjects the User to the sanctions set out in subsection 10 through subsection 11 of this Section H. Obtaining an IWDC does not relieve a User of its obligation to comply with all federal and state standards or requirements or with any other requirement of federal, state, and local law.

4.3 IWDC: Existing Connections

Any User required to obtain a IWDC who was discharging wastewater into the Company's System prior to the effective date of these rules and who wishes to continue such discharges in the future, shall, within ninety 90 days after said date, apply to the Company for an IWDC, and shall not cause or allow discharges to the Company's System after 180 days after the effective date of these rules except in accordance with an IWDC issued by the Company. Any User with an existing IWDC shall comply with their existing IWDC until the term of the IWDC ends, and shall be subject to these rules for any new IWDC required by the Company.

SECTION H – WASTEWATER CONTROL REGULATIONS (cont'd)

4.4 IWDC: New Connections

Any User required to obtain an IWDC who proposes to begin or recommence discharging into the Company's System must obtain such IWDC prior to the beginning or recommencing of such discharge. An application for this IWDC must be filed at least 180 days prior to the date upon which any discharge will begin or recommence.

4.5 IWDC Application Contents

(a) All Users required to obtain an IWDC must submit a permit application. The Company shall provide the information requirements to the User upon request for an IWDC application, including, at minimum, the following:

(i) Identifying Information

1) The name and address of the facility, including the name of the operator and owner; and

2) Contact information, description of activities, facilities, and plant production processes on the premises.

(ii) Environmental Permits. A list of any environmental control permits held by or for the facility.

(iii) Description of Operations

1) A brief description of the nature, rate of production (including each product produced by type, amount, processes, and rate of production), and standard industrial classifications of the operation(s) carried out by such User. This description should include a schematic process diagram, which indicates points of discharge to the Company's System from the regulated processes;

2) Types of wastes generated, and a list of all raw materials and chemicals used or stored at the facility which are, or could accidentally or intentionally be, discharged to the Company's System;

3) Number and type of employees, hours of operation, and proposed or actual hours of operation;

SECTION H – WASTEWATER CONTROL REGULATIONS (cont'd)

4) Type and amount of raw materials processed (average and maximum per day);

5) Site plans, floor plans, mechanical and plumbing plans, and details to show all sewers, floor drains, and appurtenances by size, location, and elevation, and all points of discharge.

(iv) Time and duration of discharges.

(v) The location for monitoring all wastes covered by the IWDC.

(vi) Flow Measurement. Information showing the measured average daily, maximum daily, and 30 minute flow rates, in gallons per day, including daily, monthly, and seasonal variations if any, to the Company's System from regulated process streams and other streams, as necessary, to allow use of the combined wastestream formula set out in subsection 2.2(d) of this Section H (40 CFR §403.6(e)).

(vii) Measurement of Pollutants

1) The categorical pretreatment standards applicable to each regulated process and any new categorically regulated processes for existing sources.

2) The results of sampling and analysis identifying the nature and concentration, and/or mass, where required by the standard or by the Company, of regulated pollutants in the discharge from each regulated process.

3) Instantaneous, daily maximum, and long-term average concentrations, or mass, where required, shall be reported.

4) The sample shall be representative of daily operations and shall be analyzed in accordance with procedures set out in subsection 6.9 of this Section H. Where the standard requires compliance with a BMP or pollution prevention alternative, the User shall submit documentation as required by the Company or the applicable standards to determine compliance with the standard.

5) Sampling must be performed in accordance with procedures set out in subsection 6.10 of this Section H.

SECTION H – WASTEWATER CONTROL REGULATIONS (cont'd)

(b) Incomplete or inaccurate applications will not be processed and will be returned to the User for revision.

(c) Applicants wishing to claim confidentiality of information required in the application shall indicate on the application which information is of a confidential nature. Wastewater constituents and characteristics shall not be considered as confidential information.

4.6 Application Signatories and Certifications

(a) All wastewater IWDC applications, User reports and certification statements must be signed by an authorized representative of the User and comply with the requirements of the Company.

(b) If the designation of an authorized representative of the User is no longer accurate because a different individual or position has responsibility for the overall operation of the facility or overall responsibility for environmental matters for the User, a new written authorization satisfying the requirements of this Section must be submitted to the Company prior to or together with any reports to be signed by the authorized representative of the User.

(c) A facility determined to be a non-SIU by the Company must annually submit the signed certification statement in subsection 6.13 of this Section H.

4.7 IWDC Decisions

The Company will evaluate the data furnished by the User and may require additional information. The Company will determine whether to issue IWDC and may deny any application for an IWDC.

4.8 IWDC Renewal

(a) A user with an expiring IWDC shall apply for an IWDC reissuance by submitting an application to the Company a minimum of one hundred twenty (120) days prior to the expiration of the User's existing IWDC, unless the deadline is extended in writing by the Company.

(b) In the event that a timely and complete application to renew an IWDC has been submitted and the IWDC cannot be reissued before the expiration date, through no fault of the User, the terms and conditions of the existing IWDC will be automatically continued and will remain fully effective and enforceable pending the granting or denial of the application for IWDC renewal.

SECTION H – WASTEWATER CONTROL REGULATIONS (cont'd)

5. INDIVIDUAL WASTEWATER DISCHARGE CONTRACT ISSUANCE

5.1 IWDC Duration

Individual IWDCs shall be issued for a specified time period, not to exceed five (5) years. A IWDC may be issued for a period less than five (5) years at the discretion of the Company. Each IWDC will indicate a specific date upon which it will expire.

5.2 IWDC Contents

(a) IWDCs shall be expressly subject to all provisions of these rules, the Company's IPP, and such other conditions as are deemed reasonably necessary by the Company to prevent pass through or interference, protect the quality of the water body receiving the treatment plant's effluent, protect worker health and safety, facilitate sludge management and disposal, and protect against damage to the Company's System.

5.3 IWDC Modification

(a) The Company may modify an IWDC for good cause, including, but not limited to, the following reasons:

(i) To incorporate any new or revised federal, state, or local pretreatment standards or requirements;

(ii) To address significant alterations or additions to the User's operation, processes, or wastewater volume or character since the time of the IWDC issuance;

(iii) A change in the Company's System that requires either a temporary or permanent reduction or elimination of the authorized discharge;

(iv) Information indicating that the permitted discharge poses a threat to the Company's System, Company personnel or the receiving waters;

(v) Violation of any terms or conditions of the IWDC;

(vi) Misrepresentations or failure to fully disclose all relevant facts in the IWDC application or in any required reporting;

(vii) Revision of or a grant of variance from categorical pretreatment standards as provided in 40 CFR § 403.13;

SECTION H – WASTEWATER CONTROL REGULATIONS (cont'd)

(viii) To correct typographical or other errors in the IWDC; or

(ix) To reflect a transfer of the facility ownership or operation to a new owner or operator where requested in accordance with subsection 5.4 of this Section H;

5.4 IWDC Transfer

(a) IWDCs may be transferred to a new owner or operator only if the User gives at least thirty (30) days advance notice to the Company and the Company approves the IWDC transfer. The notice to the Company must include a written certification by the new owner or operator which:

(i) States that the new owner and/or operator has no immediate intent to change the facility's operations and processes;

(ii) Identifies the specific date on which the transfer is to occur; and

(iii) Acknowledges full responsibility for complying with the existing IWDC.

(b) Failure to provide advance notice of a transfer renders the IWDC void as of the date of facility transfer.

5.5 IWDC Revocation

(a) The Company may revoke an IWDC for good cause, including, but not limited to, the following reasons:

(i) Failure to notify the Company of significant changes to the wastewater prior to the changed discharge;

(ii) Failure to provide prior notification to the Company of changed conditions pursuant to subsection 6.5 of this Section H;

(iii) Misrepresentation or failure to fully disclose all relevant facts in an IWDC application;

(iv) Falsifying self-monitoring reports and certification statements;

(v) Tampering with monitoring equipment;

(vi) Refusing to allow the Company timely access to the facility premises and records;

SECTION H – WASTEWATER CONTROL REGULATIONS (cont'd)

(vii) Failure to meet effluent limitations;

(viii) Failure to pay fees or sewer charges;

(ix) Failure to meet compliance schedules;

(x) Failure to complete a wastewater survey or the IWDC application;

(xi) Failure to provide advance notice of the transfer of business ownership of a facility with an IWDC; or

(xii) Violation of any pretreatment standard or requirement or any terms of an IWDC or these rules.

(b) If an IDWC is revoked, the Company may take steps it deems advisable, including severance of the sewer connection to terminate service, in order to promote compliance with these rules. The Company reserves the right to terminate wastewater service for violation of any provision of these rules, subject to the Commission's rules and regulations.

SECTION H – WASTEWATER CONTROL REGULATIONS (cont'd)

6. REPORTING REQUIREMENTS

6.1 Baseline Monitoring Reports

(a) Within either one hundred eighty (180) days after the effective date of a categorical pretreatment standard, or the final administrative decision on a category determination under 40 CFR § 403.6(a)(4), whichever is later, existing categorical industrial Users currently discharging to or scheduled to discharge to the Company's System shall submit to the Company a report which contains the information listed in paragraph (b), below. At least ninety (90) days prior to commencement of their discharge, new sources, and sources that become categorical industrial Users subsequent to the promulgation of an applicable categorical standard, shall submit to the Company a report which contains the information listed in paragraph (b), below. A new source shall report the method of pretreatment it intends to use to meet applicable categorical standards. A new source also shall give estimates of its anticipated flow and quantity of pollutants to be discharged.

(b) Users described above shall submit the information set forth below.

(i) All information required in subsections 4.5(a)(i)(1), 4.5(a)(ii), 4.5(a)(iii)(1), and 4.5(a)(vi).

(ii) Measurement of pollutants.

1) The user shall provide the information required in subsection 4.5(a)(vii)(1) through 4.5(a)(vii)(4)

2) The User shall take a minimum of one representative sample to compile that data necessary to comply with the requirements of this paragraph.

3) Samples should be taken immediately downstream from pretreatment facilities if such exist or immediately downstream from the regulated process if no pretreatment exists. If other wastewaters are mixed with the regulated wastewater prior to pretreatment, the User should measure the flows and concentrations necessary to allow use of the combined wastestream formula in 40 CFR § 403.6(e) to evaluate compliance with the pretreatment standards. Where an alternate concentration or mass limit has been calculated in accordance with subsection 2.2 and 40 CFR § 403.6(e) this adjusted limit along with supporting data shall be submitted to the Company;

SECTION H – WASTEWATER CONTROL REGULATIONS (cont'd)

4) Sampling and analysis shall be performed in accordance with subsections 6.9 and 6.10;

5) The Company may allow the submission of a baseline report which utilizes only historical data so long as the data provides information sufficient to determine the need for industrial pretreatment measures;

6) The baseline report shall indicate the time, date and place of sampling and methods of analysis, and shall certify that such sampling and analysis is representative of normal work cycles and expected pollutant discharges to the Company's System.

(iii) Compliance Certification. A statement, reviewed by the authorized representative of the User and certified by a qualified professional, indicating whether pretreatment standards are being met on a consistent basis, and, if not, whether additional operation and maintenance ("O&M") and/or additional pretreatment is required to meet the pretreatment standards and requirements.

(iv) Compliance Schedule. If additional pretreatment and/or O&M will be required to meet the pretreatment standards, the shortest schedule by which the user will provide such additional pretreatment and/or O&M must be provided. The completion date in this schedule shall not be later than the compliance date established for the applicable pretreatment standard. A compliance schedule pursuant to this section must meet the requirements set out in subsection of this Section H.

(v) Signature and Report Certification. All baseline monitoring reports must be certified in accordance with subsection 6.13 of this Section H and signed by an authorized representative of the user.

SECTION H – WASTEWATER CONTROL REGULATIONS (cont'd)

6.2 Compliance Schedule Progress Reports

The following conditions shall apply to the compliance schedule required by subsection 6.1(b)(iv) of this Section H.

(a) The schedule shall contain progress increments in the form of dates for the commencement and completion of major events leading to the construction and operation of additional pretreatment required for the User to meet the applicable pretreatment standards (such events include, but are not limited to, hiring an engineer, completing preliminary and final plans, executing contracts for major components, commencing and completing construction, and beginning and conducting routine operation);

(b) No increment referred to above shall exceed nine (9) months;

(c) The User shall submit a progress report to the Company no later than fourteen (14) days following each date in the schedule and the final date of compliance including, as a minimum, whether or not it complied with the increment of progress, the reason for any delay, and, if appropriate, the steps being taken by the User to return to the established schedule; and

(d) In no event shall more than nine (9) months elapse between such progress reports to the Company.

6.3 Reports on Compliance with Categorical Pretreatment Standard Deadline

Within ninety (90) days following the date for final compliance with applicable categorical pretreatment standards, or in the case of a new source following commencement of the introduction of wastewater into the Company's System, any User subject to such pretreatment standards and requirements shall submit to the Company a report containing the information described in subsections 4.5(a)(vi), 4.5(a)(vii) and 6.1(b)(ii) of this Section H. For Users subject to equivalent mass or concentration limits established in accordance with the procedures in Section 2.2(d) of this Section H, this report shall contain a reasonable measure of the User's long-term production rate. For all other users subject to categorical pretreatment standards expressed in terms of allowable pollutant discharge per unit of production (or other measure of operation), this report shall include the User's actual production during the appropriate sampling period. All compliance reports must be signed and certified in accordance with subsection 6.13 of this Section H. All sampling will be done in conformance with subsection 6.10.

SECTION H – WASTEWATER CONTROL REGULATIONS (cont'd)

6.4 Periodic Compliance Reports

(a) All SIUs must submit reports to the Company on a quarterly basis, within thirty (30) days following the end of each calendar quarter, or on a more frequent basis as specified in the User's IWDC, indicating the nature, concentration of pollutants in the discharge which are limited by pretreatment standards and the measured or estimated average and maximum daily flows for the reporting period. In cases where the pretreatment standard requires compliance with BMPs or pollution prevention alternatives, the User must submit documentation required by the Company or the pretreatment standard necessary to determine the compliance status of the User.

(b) All periodic compliance reports must be signed and certified in accordance with subsection 6.13 of this Section H.

(c) All wastewater samples must be representative of the User's discharge. Wastewater monitoring and flow measurement facilities shall be properly operated, kept clean, and maintained in good working order at all times. The failure of a User to keep its monitoring facility in good working order shall not be grounds for the User to claim that sample results are unrepresentative of its discharge.

(d) If a User subject to the reporting requirement in this section monitors any regulated pollutant at the appropriate sampling location more frequently than required by the Company, using the procedures prescribed in subsection 6.10 of this Section H, the results of this monitoring shall be included in the report.

(e) SIUs not subject to categorical pretreatment standards under these rules shall submit periodic compliance reports as specified by the User's IWDC.

6.5 Reports of Changed Conditions

(a) Each User must notify the Company of any significant wastewater modification at least ninety (90) days before the change.

(b) The Company may require the User to submit such information as may be deemed necessary to evaluate the changed condition, including the submission of an IWDC application.

(c) The Company may issue a new IWDC or modify an existing IWDC in response to changed conditions or anticipated changed conditions.

SECTION H – WASTEWATER CONTROL REGULATIONS (cont'd)

6.6 Reports of Potential Problems

(a) In the case of any discharge, including, but not limited to, an accidental discharge, a discharge of a nonroutine, episodic nature, a non-customary batch discharge, or a slug discharge or slug load, that might cause potential problems for the Company's System, the User, upon discovery, and after assessing the situation and taking initial corrective action, shall immediately telephone and notify the Company of the incident. This notification shall include the location of the discharge, type of waste, concentration and volume, if known, and corrective actions taken by the User.

(b) Within five (5) days following such discharge, the User shall, unless waived by the Company, submit a detailed written report including the date, time and duration of the discharge and describing the cause(s) of the discharge, all corrective actions implemented or attempted, and the measures to be taken by the User to prevent similar future occurrences. Such notification shall not relieve the User of any expense, loss, damage, or other liability which might be incurred as a result of damage to the Company's System, natural resources, or any other damage to person or property; nor shall such notification relieve the User of any fees or other liability which may be imposed pursuant to these rules.

(c) A notice shall be permanently posted on the User's bulletin board or other prominent place advising employees who to call in the event of a discharge described in paragraph (a), above. Employers shall ensure that all employees are advised of the emergency notification procedure.

(d) SIUs are required to notify the Company immediately of any changes at its facility affecting the potential for a slug discharge.

6.7 Reports from Users without an IWDC

All Users not required to obtain an IWDC shall provide appropriate reports to the Company as the Company may require.

SECTION H – WASTEWATER CONTROL REGULATIONS (cont'd)

6.8 Notice of Violation/Repeat Sampling and Reporting

If sampling performed by a User indicates a violation, the User must notify the Company within twenty-four (24) hours of becoming aware of the violation. The User shall also repeat the sampling and analysis and submit the results of the repeat analysis to the Company within thirty (30) days after becoming aware of the violation. Resampling by the User is not required if the Company performs sampling at the User's facility at least once a month, or if the Company performs sampling at the User between the time when the initial sampling was conducted and the time when the User or receives the results of this sampling, or if the Company has performed the sampling and analysis in lieu of the User.

6.9 Analytical Requirements

All pollutant analyses, including sampling techniques, to be submitted as part of a IWDC or report shall be performed in accordance with the techniques prescribed in 40 CFR Part 136 and amendments thereto, unless otherwise specified in an applicable categorical pretreatment standard. If 40 CFR Part 136 does not contain sampling or analytical techniques for the pollutant in question, or where the Company determines that the Part 136 sampling and analytical techniques are inappropriate for the pollutant in question, sampling and analyses shall be performed by using validated analytical methods or any other applicable sampling and analytical procedures, including procedures suggested by the Company. The Company may specify appropriate alternative procedures in a User's IWDC.

SECTION H – WASTEWATER CONTROL REGULATIONS (cont'd)

6.10 Sample Collection

(a) Samples collected to satisfy reporting requirements must be based on data obtained through appropriate sampling and analysis performed during the period covered by the report, based on data that are representative of conditions occurring during the reporting period.

(b) Except as indicated in subsections (c) and (d) below, the User must collect wastewater samples using 24-hour flow-proportional composite sampling techniques, unless time-proportional composite sampling or grab sampling is authorized by the Company. Where time-proportional composite sampling or grab sampling is authorized by the Company, the samples must be representative of the discharge. Using protocols (including appropriate preservation) specified in 40 CFR Part 136 and appropriate EPA guidance, multiple grab samples collected during a 24-hour period may be composited prior to the analysis as follows: for cyanide, total phenols, and sulfides, the samples may be composited in the laboratory or in the field; for volatile organics and oil and grease, the samples may be composited in the laboratory. Composite samples for other parameters unaffected by the compositing procedures as documented in approved EPA methodologies may be authorized by the Company, as appropriate. In addition, grab samples may be required to show compliance with instantaneous limits.

(c) Samples for oil and grease, temperature, pH, cyanide, total phenols, sulfides, and volatile organic compounds must be obtained using grab collection techniques.

(d) For sampling required in support of baseline monitoring and 90-day compliance reports required in subsections 6.1 and 6.3, a minimum of four (4) grab samples must be used for pH, cyanide, total phenols, oil and grease, sulfide and volatile organic compounds for facilities for which historical sampling data do not exist; for facilities for which historical sampling data are available, the Company may authorize a lower minimum. For the reports required by subsection 6.4, the User is required to collect the number of grab samples necessary to assess and assure compliance with applicable pretreatment standards and requirements.

6.11 Date of Receipt of Reports

Written reports will be deemed to have been submitted on the date postmarked. For reports which are not mailed, postage prepaid, into a mail facility serviced by the United States Postal Service, including reports submitted by electronic mail, the date of receipt of the report shall govern.

SECTION H – WASTEWATER CONTROL REGULATIONS (cont'd)

6.12 Recordkeeping

Users subject to the reporting requirements of these rules shall retain, and make available for inspection and copying, all records of information obtained pursuant to any monitoring activities required by these rules, any additional records of information obtained pursuant to monitoring activities undertaken by the User independent of such requirements, and documentation associated with BMPs established under subsection 2.5(g) of this Section H. Records shall include the date, exact place, method, and time of sampling, and the name of the person(s) taking the samples; the dates analyses were performed; who performed the analyses; the analytical techniques or methods used; and the results of such analyses. These records shall remain available for a period of at least three (3) years. This period shall be automatically extended for the duration of any litigation concerning the User or the Company, or where the User has been specifically notified of a longer retention period by the Company.

6.13 Certification Statements

(a) Certification of Permit Applications, User Reports and Initial Monitoring Waiver - The following certification statement is required to be signed and submitted by Users submitting permit applications in accordance with subsection 4.6; Users submitting baseline monitoring reports under subsection 6.1(b)(v); Users submitting reports on compliance with the categorical pretreatment standard deadlines under subsection 6.3; and Users submitting periodic compliance reports required by subsection 6.4. The following certification statement must be signed by an authorized representative of the User:

I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.

SECTION H – WASTEWATER CONTROL REGULATIONS (cont'd)

(b) A facility determined by the Company to be a non-SIU must annually submit the following certification statement signed an authorized representative of the User. This certification must accompany an alternative report required by the Company:

Based on my inquiry of the person or persons directly responsible for managing compliance with the Categorical Pretreatment Standards under 40 CFR_____, I certify that, to the best of my knowledge and belief that during the period from_____ to_____ [months, days, year]:

(a) The facility described as_____ [facility name] met the definition of a Non-Significant Categorical Industrial User as described in Section B of the rules and regulations specified in Aqua Pennsylvania Wastewater, Inc.'s Tariff under the definition of SIU; and

(b) The facility complied with all applicable Pretreatment Standards and requirements during this reporting period; and

(c) *The facility never discharged more than 100 gallons of total categorical wastewater on any given day during this reporting period*.

This compliance certification is based on the following information:

_____

RULES AND REGULATIONS

SECTION H – WASTEWATER CONTROL REGULATIONS (cont'd)

7. COMPLIANCE MONITORING

7.1 Right of Entry: Inspection and Sampling

(a) In addition to the rights afforded to the Company as set forth in this tariff, the Company shall have the right to enter the premises of any User to determine whether the User is complying with all requirements of these rules and any IDWC or compliance directive issued hereunder. Users shall allow the Company ready access to all parts of the premises for the purpose of inspection, sampling, records examination and copying, and the performance of any additional duties.

(b) Where a User has security measures in force which require proper identification and clearance before entry into its premises, the User shall make necessary arrangements with its security guards so that, upon presentation of suitable identification, the Company shall be permitted to enter without delay for the purposes of performing specific responsibilities.

(c) The Company shall have the right to set up on the User's property, or require installation of, such devices as are necessary to conduct sampling or metering of the User's operations.

(d) The Company may require the User to install monitoring equipment as necessary. The facility's sampling and monitoring equipment shall be maintained at all times in a safe and proper operating condition by the User at its own expense. All devices used to measure wastewater flow and quality shall be calibrated at least one per year, and more frequently if necessary, to ensure their accuracy.

(e) Any temporary or permanent obstruction to safe and easy access to the facility to be inspected or sampled shall be promptly removed by the User at the written or verbal request of the Company and shall not be replaced. The costs of clearing such access shall be borne by the User.

(f) Unreasonable delays in allowing the Company access to the User's premises shall be a violation of these rules.

SECTION H – WASTEWATER CONTROL REGULATIONS (cont'd)

8. CONFIDENTIAL INFORMATION

Information and data on a User obtained from reports, surveys, IWDC applications, IWDCs, and monitoring programs, and from the Company's inspection and sampling activities, shall be made available at the discretion of the Company, unless the User specifically requests, and is able to demonstrate to the satisfaction of the Company that the release of such information would divulge information, processes, or methods of production entitled to protection as trade secrets under applicable state or federal law. Any such request must be asserted at the time of submission of the information or data. When requested and demonstrated by the User furnishing a report that such information should be held confidential, the portions of a report which might disclose trade secrets or secret processes shall not be made available for inspection by the public, but shall be made available immediately upon request to governmental agencies for uses related to the NPDES program or pretreatment program, and in enforcement proceedings involving the person furnishing the report. Wastewater constituents and characteristics and other effluent data, as defined at 40 CFR § 2.302, shall not be recognized as confidential information and may be available to the public.

SECTION H – WASTEWATER CONTROL REGULATIONS (cont'd)

9. FEES AND CHARGES

9.1 General Fees.

(a) IWDC Application Fee: $500.00

(b) IWDC Transfer/Modification/Renewal Fee: $200.00

(c) Facility Inspection Fee: $200.00 per inspection.

(d) Monitoring Report Review Fee: $200.00 per report.

(e) Accidental Discharge, Slug Control, and/or Monitoring Fee: Actual cost of response to accidental discharges or discharges of slugs loads, including but not limited to the costs incurred for any additional treatment or other actions required to manage such discharges, monitor and respond to such discharges, correct any resulting contamination or other impacts to the Company's System.

(f) Compliance and Enforcement Fee: Administrative and Legal: Actual cost incurred by the Company for investigation and actions to address a User's non-compliance with the terms of these rules or any IWDC.

(g) Damage Repair: Actual cost for cleaning, repair, replacement or correction of any damage to the Company's System caused or contributed to by a User's discharge.

9.2 Administration.

(a) All fees shall be payable by the User within forty-five (45) days of notification, or the User will be subject to such enforcement action deemed appropriate by the Company, including, but not limited to, termination of service and a revocation of the IWDC.

(b) Fees may be modified or amended as the Company deems necessary, subject to review and approval by the Commission.

SECTION H – WASTEWATER CONTROL REGULATIONS (cont'd)

10. ADMINISTRATIVE ENFORCEMENT REMEDIES

10.1 General

Users of the Company's System are obligated to comply with applicable provisions of these rules, pretreatment standards, and the terms and conditions of IWDCs issued by the Company. Failure to comply with these requirements may lead to suspension or termination of service, IWDC revocation, assessment of costs, and/or legal action. In determining what enforcement remedies are appropriate, the Company, in its discretion, may consider the nature and extent of the violation, the harm or threat of harm presented by the discharge, the compliance history of the user, and whether the user is in "significant noncompliance" as defined by 40 CFR § 403.8(f)(2)(viii)(A)-(H), among other factors.

10.2 Notice of Violation

When the Company finds that a User has violated, or continues to violate, any provision of these rules, an IWDC, a compliance or cessation directive issued hereunder, or any pretreatment standard or requirement, the Company may deliver to that User a written notice of violation stating the nature of the violation(s). Within the timeframe set forth in such notice, an explanation of the violation and a plan for the satisfactory correction and prevention thereof, to include specific remedial actions, shall be submitted by the User to the Company. Submission of such a plan in no way relieves the User of liability for any violations occurring before or after receipt the notice. Nothing in this section shall limit the authority of the Company to take any action, including emergency actions or any other enforcement action, without first issuing a notice of violation.

10.3 Compliance Orders

When the Company finds that a User has violated, or continues to violate, any provision of these rules, an IDWC, a compliance order or Discontinue Notice issued hereunder, or any pretreatment standard or requirement, the Company may issue a compliance order to the User responsible for the discharge directing that the User come into compliance within a specified time. If the User does not come into compliance within the time provided, sewer service may be discontinued unless adequate treatment facilities, devices, or other related appurtenances are installed and properly operated. Compliance orders also may contain other requirements to address the noncompliance, including additional self-monitoring and management practices designed to minimize the amount of pollutants discharged to the Company's System. A compliance order may not extend the deadline for compliance established for a pretreatment standard or requirement, nor does a compliance order relieve the User of liability for any violation, including any continuing violation. Issuance of a compliance order shall not be a bar against, or a prerequisite for, taking any other action against the User.

SECTION H – WASTEWATER CONTROL REGULATIONS (cont'd)

10.4 Discontinue Notice

(a) When the Company finds that a User has violated, or continues to violate, any provision of these rules, an IWDC, a compliance order or Discontinue Notice issued hereunder, or any pretreatment standard or requirement, or that the User's past violations are likely to recur, the Company may issue a Discontinue Notice to the User directing it to cease and desist all such violations and directing the User to:

(i) Immediately comply with all requirements; and

(ii) Take such appropriate remedial or preventive action as may be needed to properly address a continuing or threatened violation, including halting operations and/or terminating the discharge. Issuance of a cessation directive shall not be a bar against, or a prerequisite for, taking any other action against the user.

10.5 Emergency Response

(a) The Company may immediately suspend a User's discharge or the IWDC of any User, upon notice to the User, whenever such suspension is necessary, in the opinion of the Company, to stop an actual or threatened discharge, which presents or reasonably appears to present, or cause, an imminent or substantial endangerment to the health or welfare of persons. The Company may also immediately suspend a User's discharge, upon notice to the User, that causes or contributes to a violation of any condition of the Company's NPDES permit, or threatens to interfere with the operation of the Company's System, or which presents, or may present, an endangerment to the environment.

(b) Any User notified of a suspension of its discharge shall immediately stop or eliminate its discharge to the Company's System. In the event of a User's failure to immediately comply voluntarily with the suspension notice, the Company may take such steps as deemed necessary, including immediate severance of the sewer connection, to prevent or minimize damage to the Company's System, its receiving stream, or endangerment to any individuals or the environment.

SECTION H – WASTEWATER CONTROL REGULATIONS (cont'd)

11. JUDICIAL ENFORCEMENT REMEDIES

11.1 Injunctive Relief and Civil Actions

When the Company finds that a User has violated, or continues to violate, any provision of these rules, an IWDC, a compliance order or Discontinue Notice issued hereunder, or any pretreatment standard or requirement, the Company may petition the Court of Common Pleas in the county in which the User is located for the issuance of a temporary or permanent injunction, as appropriate, which restrains or compels the specific performance of the IWDC, compliance order, Discontinue Notice, or other requirement imposed by these rules. The Company also may seek such other action as is appropriate for legal or equitable relief, including a requirement for the User to conduct environmental remediation. A petition for injunctive or other judicial relief shall not be a bar against, or a prerequisite for, taking any other action against a User.

11.2 Remedies Nonexclusive

The remedies provided for in these rules are not exclusive and the Company may take any, all, or any combination of actions against a noncompliant User. As a general policy, however, the Company will seek to resolve compliance matters informally with a User before pursuing formal enforcement proceedings.

12. PROTECTION OF COLLECTION SYSTEMS

12.1 Service Areas Where the Company Provides Collection and Conveyance Only Service

In circumstances where the Company provides wastewater collection and conveyance services but not wastewater treatment services within a service territory, all Users shall comply with all rules, regulations and requirements established by the treatment plant operator and/or the municipality where wastewater is treated, including but not limited to requirements specifying prohibited discharges, assuring compliance with applicable pretreatment standards and discharge limitations, providing for user permitting, and assessing administrative and pollutant loading fees with respect to wastewaters that are not composed entirely of sanitary sewage.

RULES AND REGULATIONS

SECTION I – MAIN EXTENSIONS

General Provisions:

1. A Bona Fide Service Applicant (“Applicant”) or Builder must include with the initial written request for a Main extension to the Company, the following information: location for service, gallons/day flow, and type of use. The Company will evaluate its ability to serve for the requested Main extension. Applicant or Builder must provide all necessary and required documentation as determined in Company’s sole discretion to determine whether Main extension can be made. Once the Company has determined the Main extension can be made, Application and Company will develop and enter into an appropriate agreement(s).

2. The Company shall have the exclusive right to determine the type and size of Mains to be installed, and any other facilities or fixtures required to render adequate service

3. In determining the length and size of, and necessity for Main extensions, the terminal point of such extensions will, in all cases, be at that point in the curb-line which is equidistant from the side property lines of the lot for which wastewater service is requested. A street Service Connection will be provided only for service lines from the curb to the premises to be served, and will be installed in a straight line, at right angles, to the curb line. Where the Prospective Customer’s Property is landlocked, the Prospective Customer may be required to obtain, at no cost to the Company, an easement or right-of-way that shall not cross multiple properties. The Prospective Customer shall present the Company with a certified copy of a duly recorded instrument that is recorded in the County Office of the Recorder of Deeds.

4. Should it be necessary, at the Company's sole discretion, to extend beyond the last lot in any street to connect to an existing Main to provide more adequate and reasonable service, this additional extension shall be considered part of the total and orderly system development so long as the last lot in the street is not more than one hundred fifty (150) feet from that existing Main, and may be included in the cost of the extension to be paid for by the Applicant or Potential Customer.

SECTION I – MAIN EXTENSIONS (cont'd)

Bona Fide Service Applicant Initiated Main Extensions:

1. Where an adequate wastewater collection Main does not abut an Applicant's Property such that a service connection cannot be made to serve such Property in accordance with these Rules and Regulations, the Applicant (or an authorized agent for the Applicant) must apply to the Company for a Main extension. Such extension will be made under and pursuant to the terms of a Sewer Extension Agreement (which may include a reasonable allowance for overhead costs) subject to applicable provisions of these Rules and Regulations. The construction of facilities to serve such Applicant will not commence until a Sewer Extension Agreement has been executed and all applicable terms and conditions therein have been satisfied by the Applicant.

   In conjunction with executing a Sewer Extension Agreement, an Applicant shall deposit with the Company an amount totaling $1,000, representing a Service Line Deposit. If the total cost to connect the Applicant exceeds the total of the Service Line Deposit and the Company's contribution to the extension, the Applicant will be required to pay the difference. However, if the Company's contribution to the extension fully funds the amount needed to connect the Applicant, the Service Line Deposit will be refunded to the Applicant within 90 days after the Applicant's requesting and receiving wastewater service from the Company, provided, however, that if the Applicant does not request connection to the Company's Main extension within six months of the completion of the Main extension, the Service Line Deposit shall become non-refundable.

   Where a proposed Main extension is capable of serving multiple structures or facilities and at least 80% of the Prospective Customers who could receive service from the Main extension become Bona Fide Service Applicants and satisfy all applicable terms and conditions of the foregoing provisions, the Customer Advance, if any, required of each Bona Fide Service Applicant shall be calculated as if 100% of such Prospective Customers had become Bona Fide Service Applicants.

   For a period of ten (10) years following completion of the Main extension, the Company shall refund to each Applicant his/her pro rata share of an amount equal to the Company Contribution for each additional Customer who attaches a service line to the main extension and requests service. No refunds shall be made, however, in those situations where at least 80%, but less than 100%, of the Prospective Customers who could receive service from the Main extension become Applicants and their Customer Advances are calculated as if 100% of such Prospective Customers had participated in the initial funding of the project. In addition, the total amount refunded shall not exceed the amount of the Customer Advance paid by the Applicant.

2. The Applicant must have complied with all other conditions of service provided elsewhere in these Rules and Regulations in order to receive wastewater service from the Main extension.

SECTION I – MAIN EXTENSIONS (cont'd)

Definitions:

Bona Fide Service Applicant ("Applicant"): shall mean a person or entity applying for wastewater service to an existing or proposed structure or facility within the Company's certificated service territory, and which is either: (1) the primary residence of the Applicant; (2) a place of business; or (3) a public school, building, library, park or playground which is owned by a governmental unit or school district having the power of taxation. A person or entity shall not be deemed a Bona Fide Service Applicant if: (1) applying for service to a building lot, subdivision, or a secondary residence; (2) the request for service is part of a plan for the development of a residential dwelling or subdivision; or (3) requesting Special Utility Service. To become an Applicant, a person or entity must file a signed application to connect the qualifying structure or facility with the Company's distribution system and request service to begin immediately following such connection.

Builder: Any person(s) requesting an extension to provide service to an existing lot or group of lots, either existing or to be subdivided, where service is to be provided to something other than a preexisting Residential Structure; namely, a newly constructed structure, structures to be constructed in the future, or to a preexisting non-Residential Structure.

Company Contribution: shall mean that portion of the Main extension costs which generate annual line extension costs equal to annual revenue from the line extension and that the Company will fund based upon the following formula, where X equals the Company Contribution attributed to each Bona Fide Service Applicant:

$$X = \frac{AR - O\&M}{(P*I) + D}$$

Whereby:

AR = the expected annual revenue from the Bona Fide Service Applicant based upon the Company's currently effective Tariff rates as established in the Company's last base rate case and on the average annual usage of customers similar in nature and size to the Bona Fide Service Applicant.

O&M = the average annual operating and maintenance expenses associated with serving an additional Customer, including customer accounting, billing and collection, wastewater treated, power purchased, chemicals, and other variable costs based on the current total Company level of such costs, as well as any costs particular to the specific needs of the Bona Fide Service Applicant.

I = the Company's current debt ratio multiplied by its weighted cost of long-term debt as established in the Company's last base rate case; and

D = the Company's depreciation accrual rate for facilities to be installed, as established in the Company's last base rate case.

RULES AND REGULATIONS

SECTION I – MAIN EXTENSIONS (cont'd)

Customer Advance: shall mean (1) the Estimated Cost of the wastewater Main extension less (2) the Company Contribution.

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 line extension costs. If the annual revenue from the line extension will not equal or exceed the Company's 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.

Where a Customer Advance is required, and the Bona Fide Service Applicant is unable to advance the entire amount due, the Company, at its sole option, will either (1) allow the Bona Fide Service Applicant to pay the remaining portion of the Customer Advance ratably over a period of not less than three years, or (2) provide information to the applicant on financial institutions that may offer financing to the Bona Fide Service Applicant for the line extension. If the Company chooses option (1), it may require that up to one-third of the total Customer Advance be deposited prior to extending its facilities and may recover from the Bona Fide Service Applicant, over the payment term selected, its costs of financing the construction by applying to the amount outstanding interest charges calculated at the then-prevailing residential mortgage lending rate specified by the Secretary of Banking in accordance with the act of January 30, 1974 (P.L. 13, No. 6), known as the Loan Interest and Protection Law.

RULES AND REGULATIONS

SECTION I – MAIN EXTENSIONS (cont'd)

Special Utility Service: shall mean residential or business service which exceeds that required for ordinary residential purposes. By way of illustration and not limitation, Special Utility Service shall include: the installation of facilities such as oversized mains, lift stations, disposal systems, wastewater treatment facility ("WWTF") expansion, etc., as necessary to handle increased flows, hydraulic loading and / or organic loading, or service to large wastewater producing commercial and industrial facilities. An otherwise Bona Fide Service Applicant requesting service which includes a "Special Utility Service" component is entitled to a Bona Fide Service Applicant status, including the corresponding Company contribution toward the costs of the line extension which does not meet the Special Utility Service criteria.

Builder Initiated Main Extensions: In the event any Main extension is requested or required to provide service to newly constructed structure(s) to be constructed in the future on existing or subdivided lots, or to preexisting non-Residential Structures except as provided below, the Builder shall be required to install the wastewater Main and service lines through a pre-qualified contractor retained by the Builder and to pay all costs related thereto. The Company has the sole right to accept or reject the proposed contractor. At the sole discretion of the Company, the Company may undertake construction of facilities otherwise subject to this Rule, in which event, a Builder's Extension Agreement shall be applicable except that the Builder will retain financial responsibility for the installation of the wastewater Main, service lines and appurtenances as specified herein.

Under the provisions of this Rule, prior to construction, the Builder must enter into a Builder's Extension Agreement, in a form acceptable to the Company, detailing the terms and conditions under which the Company will accept, and provide service through, facilities constructed by Builder. All construction costs, whether initially incurred by the Company or the Builder, related to the Main extension shall be the responsibility of the Builder. The Builder's Extension Agreement shall contain, at a minimum, the following terms and conditions:

1. Main and service line installation work shall be performed in accordance with the specifications and conditions of the Company.

2. All costs of material and installation required to serve Builder's lots shall be the responsibility of Builder. Builder shall contract directly with a pre-qualified contractor, recognized and approved by the Company, for all Main and service line installation work, and all appurtenances required to serve the project.

3. Any specialty material required to interconnect with the Company's existing facilities shall be provided by the Company.

4. Any construction involving preexisting facilities of the Company, including but not limited to relocation of existing facilities and connections of Mains or services with existing facilities, shall be performed only by the Company except where otherwise agreed upon by the Company in its sole discretion.

5. Builder's estimate of the cost of construction must be acceptable to the Company. Estimates which appear to be understated may be rejected by the Company in its sole discretion.

RULES AND REGULATIONS

SECTION I – MAIN EXTENSIONS (cont'd)

6. Builder shall obtain all necessary permits from federal, state and local authorities. If any of these authorities require the Company to obtain such permits, the Builder shall do all engineering, design, research and complete the application for the Company's submittal. Any fees associated with any such permits shall be the sole responsibility Builder.

7. All construction shall be subject to inspection by Company personnel. No trenches shall be backfilled prior to approval from Company inspectors.

Main Extensions to Governmental Bodies: The Company may negotiate and enter into customized Extension Agreements with Governmental Agencies where the main extension is for a public purpose and is funded entirely with public funds. These agreements may include a waiver of the tax requirements of the "Extension Agreement;" provided, however, that where such waiver is given, the Company will not refund any portion of the cost of the main extension.

SECTION J – WAIVERS

The Company may, at its sole discretion, waive any of the Rules and Regulations 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 Commission regulations and this Tariff, the 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 L – PRIVILEGE TO INVESTIGATE/RIGHT TO ACCESS

The Company shall have the right by its employees to have access at all reasonable times to all parts of any Premises connected with the Company's System, including meters, Service Connections and other Property owned by it on the Premises of the Customer for the purpose of examining and inspecting the connections and fixtures, including the water and/or wastewater metering arrangement, or for disconnecting service for any proper cause or for purposes of replacement, maintenance, operation or repair thereof. The existing ground grade over any Sanitary Sewer in the utilities right of way shall not be changed nor shall any manhole be covered with earth and no shrubbery or trees be placed over Sanitary Sewer lines or facilities.

RULES AND REGULATIONS

SECTION M – INDUSTRIAL AND COMMERCIAL SERVICE LIMITATIONS

Pretreatment: At the User's expense, all industrial and commercial waste proposed for discharge into the wastewater system shall be studied to determine the degree of Pretreatment, if any, necessary in order that the Waste will not adversely affect the Company's System, and for compliance with Section H of this tariff. The Company will have the authority to properly control any Waste discharged into the Company's System by regulating the rate of any Waste discharged into the Company's System by requiring necessary Pretreatment, and excluding certain Waste, if necessary, to protect the integrity of the Company's System.

Customer Limitations: Users specifically agree that service applies exclusively for domestic/household sewage. If any User 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

- Requires the utilization of more wastewater treatment plant capacity per gallon of effluent than that required by average typical domestic wastewater.

Then the User shall provide, at the User's own expense, such Pretreatment as may be necessary before such Waste is discharged into the Company's System. No commercial or industrial Waste, whether pretreated or not, may be discharged without prior written authorization from the Company.

Company Limitations: The Company will not be liable nor bound to increase wastewater treatment plant operations to accommodate industrial or commercial Waste.

Specific Dangers: In general, any Waste will be considered harmful to the Company's System if it may cause any of the following damaging effects:

- Chemical reaction either directly or indirectly with the materials of construction of the Company's System in such a manner as to impair the strength or durability of the sewer structures;

- Mechanical action that will destroy the sewer structures;

- Restriction of the hydraulic capacity of the sewer structures;

- Restriction of the normal inspection or maintenance of the sewer structures;

- Danger to public health and safety; or

- Obnoxious condition contrary to public interest.