
RULES AND REGULATIONS

Now comes J. H. Wilkerson & Son, Inc. pursuant to Order No. 2021 and files with the Commission a set of Rules and Regulations for approval and use in the operations of the Broadkiln Beach Water Company, Prime Hook Water Company, and Wilkerson Water Company (consolidated company composed of Bowers Beach, Teal Point, Country Club Village, Cedar Creek Estates, South Shores, and Blue Heron Estates Water Companies).

RULES

These Rules are on file with the Delaware Public Service Commission and are part of the contract with every customer.

I. Definitions

A. "Company" shall mean Broadkiln Beach Water Company, Prime Hook Water Company and Wilkerson Water Company which are owned and operated by J. H. Wilkerson & Son, Inc. their duly authorized officers or agents.

B. "Customer" shall mean any person, firm, association, corporation or governmental agency being supplied with water service from the Company.

C. "Main" shall mean the company-owned piping and fixtures in or along public highways and streets, and privately owned rights-of-way used for the transmission and distribution of water to customers.

D. "Dwelling Unit" means one (1) or more rooms arranged for the use of one or more individuals as a single housekeeping unit with cooking, living, sanitary and sleeping facilities.

E. "Multiple Dwelling Unit" or apartment houses would be classified as any property with more than one dwelling unit existing within the same building or buildings on a single parcel.

F. "Extra Unit" means additional water service on the same lot, provided the structure served is not a single housekeeping unit, with cooking, living, sanitary and sleeping facilities as defined in paragraph D above.

G. "Service Line" shall mean any water service line which extends between a main and the customer premise.

2. Application for Service

A. All applications for water service should be made in writing.

B. No application for service will be accepted by the Company until the applicant has paid, or made satisfactory arrangements to pay all arrears and charges due by the applicant at the premises now or hereafter occupied by applicant.

C. The accepted application shall constitute a contract between the Company and the applicant, obligating the applicant to pay to the Company its rates as established from time to time, and to comply with its Rules and Regulations then in effect.

D. Applications for service installations will be accepted subject to there being an existing main in a right-of-way abutting on the premises to be served.

E. When a prospective customer has made application for a new service or has applied for the reinstatement of an existing service, it is assumed that the piping and fixtures on the applicant's premises are in good condition and the Company will not be liable in any case for any accident, breaks, or leakage arising in any way in connection with the supply of water or failure to supply the same, or the freezing of water pipes or fixtures of the customer, nor for any damage to the property which may result from usage or non-usage of water supply to the premises.

3. Service Connections

A. The Company will furnish and install the following equipment: Corporation stop, service pipe to the property line, and the appropriate size coupling at the property end of each service pipe, Provided However, that the Company will charge to the property owner the cost of any street surface and sidewalk restoration, together with all permit fees for street opening which may be charged by the City, Town, County or political entity. The Company reserves the right to require deposits sufficient to cover the estimated cost of such street and sidewalk restoration and permit fees.

B. The title to all services from main to property line are vested in, and the same shall at all times remain the sole property of, the Company, and shall not be trespassed upon or interfered with in any respect. This property shall be maintained by the Company

C. The service pipe from the property line to the building shall be installed at the expense of the owner of the premises. For this installation, the owner or applicant shall employ a competent registered plumber to do the work or the Company will install and charge the customer the actual costs of installation. The minimum size and cover shall be the same as that used from the main to the property line. Materials and method of construction shall be approved by the Company and the Department of Health. If the service pipe has not been installed in accordance with the requirements of the Company or Department of Health, water will not be turned on until such defects have been remedied. Service pipes between the property line and the building and all piping and fixtures in or on the building of the owner or applicant shall be maintained by applicant and the work performed by a competent plumber in a manner satisfactory to the Company.

D. The Company reserves the right to determine the size and type of pipe, kind and quality for all materials laid between the water main to the customer's dwelling or building.

E. All service pipes to the building shall be laid in a straight line and have a minimum cover of two (2) and one-half ($\frac{1}{2}$) feet. All service pipes shall be at least 3/4" in diameter.

F. No service pipe shall be laid in the same trench with gas pipe, sewer pipe, or any other facility of a public service company, nor within three (3) feet of any excavation or fault.

G. Every service pipe must be provided with a stop and waste cock, easily accessible, fully protected from freezing and all pipes in the building must be laid in such a way that they can be fully drained by that waste cock.

4. Water Charges

A. Water service will be charged for on the basis of rates approved by the Delaware Public Service Commission and on the basis of the tariffs on file with Public Service Commission.

B. Apartment houses and other multiple unit buildings shall be billed a yearly water charge for every individual unit existing thereon.

5. Payment of Bills

A. Bills will be rendered in accordance the following schedule:
Broadkilyn Beach and Prime Hook Water Companies - Annually - July 1.
Wilkerson Water Company - Semi-Annually - April 1 and October 1 except for Cedar Creek Estates development which will be billed quarterly.

Payments are due in advance and must be paid by the date designated above otherwise a late charge of \$2.50 per month will be assessed.

B. If payment in full is not made within thirty (30) days after the due date of any bill, the Company reserves the right and privilege after five (5) days written notice, to discontinue rendering service if necessary.

C. Whenever the customer desires to have his service contract terminated or his water service discontinued, he shall so notify the Company in writing. Until such written notice is received by the Company, the customer shall be responsible for the payment of all service rendered by the Company. A reasonable time after the receipt of such notice shall be allowed the Company to discontinue the service.

6. Discontinuance of Service Without Notice.

A. The Company may discontinue service without notice for any of the reasons cited below, and service may not be restored until the cause for disconnection has been corrected.

(a) Hazardous Condition - A condition on the customer's premises reasonably determined by the Company to be hazardous.

- (b) Adverse Effect on Service - When the customer's use of equipment is in such a manner as to adversely affect the Company's equipment furnished and owned by the Company.
- (c) Tampering - When a customer has been found tampering with the equipment furnished and owned by the Company.
- (d) Unauthorized Use of Service - Any unauthorized use of the Company's service by any method including unauthorized resale of water by a customer.

7. Discontinuance of Service With Notice.

The Company may deny service for any of the reasons listed below, provided the Company has notified the customer of its intent to deny service and has allowed the customer a reasonable period of time in which to correct or remove the cause of service denial.

- (a) Non-Compliance with Rules - A violation of or for Non-Compliance with the Commission's "Minimum Standards Governing Service Provided by Public Water Companies", or for a violation of or non-compliance with the Company's tariff on file with the Commission, or State, County, and Municipal Ordinances.
- (b) Contractual Obligation - Failure of the customer to fulfill his contractual obligations for service or facilities.
- (c) Access Refusal - Failure on the part of the customer to permit the Company's agents or representatives to have reasonable access to the property to inspect or maintain its equipment or for any purpose necessary to conduct Company's business.
- (d) Non-Payment of Bill - Non-payment of a bill for service provided that the Company has made a reasonable attempt to effect collection, non-payment resulted and no bona fide dispute exists over a billing statement under investigation.

- (1) Customers may designate in writing a second party to be notified prior to discontinuation of service for non-payment, provided the named second party has agreed in writing to accept notice. In such cases, the Company will not discontinue service less than five (5) days after giving oral or written notice to the second party of its intent to discontinue service. The person accepting second party status does not incur any obligation whatsoever to the Company.
- (e) Non-Compliance with Service Conditions - Failure on the part of the customer to furnish such service equipment, permits, certificates, or rights-of-way as shall have been specified by the Company and agreed to by the applicant or customer as a condition to obtaining service or in the event such equipment or permission are withdrawn or terminated.
- (f) Waste of Water - Willful waste of water by the customer which includes the unnecessary or excessive use of water.

8. General.

A. Curb stops, if any, shall not be used by the customer or his agent for turning or shutting off the water supply. The control of the water supply by the customer shall be by means of a separate stop (the aforementioned stop and waste cock). Curb stops, if any, are for the exclusive use of the Company.

B. No water will be furnished to any premises where any possibility exists of mixing of the water furnished by the Company with water from any other source. The Company will not permit its main or service pipes to be connected to any piping or apparatus containing any substance which may flow back into the company's service pipe or main.

C. The customer shall not permit anyone, except an agent of the Company, or someone otherwise lawfully authorized to do so, to remove, inspect or tamper with any property of the Company on the customer's premises. The customer shall notify the Company as soon as it comes to his knowledge, of any injury to the Company's property.

D. The authorized agent to the Company shall have the right of access to the premises supplied with water at all reasonable hours for the purpose of examining fixtures and pipes, observing the manner of using water, and for any other purpose which is proper and necessary to the conduct of the Company's business.

E. The Company agrees to maintain in good order and repair and to efficiently operate the water supply system consisting of wells, or other satisfactory sources of supply water, adequate as to volume, pressure and quality for all domestic purposes at the point of connection of the customer. The Company is not responsible for the connection of pipes leading from the property line to the dwelling or other structure or outlet of the customer. As necessity may arise, in case of breakdown, emergency, or for any unavoidable cause, the Company shall have the right without liability to temporarily cut off the water supply to make necessary repairs and/or connections, nor will the Company be held liable for any temporary interruption of water service caused by leaks, damage, failure of water supply, or other unforeseen casualty to any part of the water supply system.

F. The water supply furnished by the Company is for domestic purposes. It does not include fire hydrant service and is not warranted by the Company to be adequate for fire protection.

G. The Company reserves the right to impose reasonable restrictions on the use of water during periods of shortage of supply, excessive demand, or other difficulty which results in the impairment of normal service to any group of customers.

H. Notwithstanding anything heretofore contained in the foregoing rules, the Company reserves the right to make its own arrangements with commercial water applicants. The Company also reserves the right, subject to the approval of the Delaware Public Service Commission, to change, take from or add to any and all of the foregoing rules and regulations. Customers or prospective customers may be denied service until they have complied with all State and Municipal regulations governing such services, as well as with the Rules and Regulations filed by the Company with the Delaware Public Service Commission, and approved by it.

9. Possibility of water mains freezing.

A. There is a question that the freeze could occur on private property as well as in the street

B. The customer must be a year round resident

C. The Company should be notified by each Customer in writing within two days as to date of freezing

D. The Company would allow a deduction from the next statement of forty cents per day for the number of days the customer was without water.

RATES

Broadkiln Beach Water Company		\$325.00 Annually Effective 7/1/09
Wilkerson Water Company (Former Prime Hook Water Company Customers)	$\frac{3}{4}$ "	\$275.00 Annually Effective 7/1/15
	1"	\$425.00 Annually Effective 7/1/15
Wilkerson Water Company	$\frac{3}{4}$ "	\$275.00 Annually Effective 4/1/15
	1"	\$425.00 Annually Effective 4/1/15

The bulk rate approved effective 7-1-08 is \$1.50 per thousand gallons to be applied to the wholesale sales of water made by Broadkiln Beach Water Company to Prime Hook Water Company.

Miscellaneous Charges:

Broadkiln		Wilkerson Water Company (Includes Prime Hook)
Tapping Charges	\$500.00	Tapping Charges \$600.00
Turn On Service	50.00	Turn On Service 75.00
Turn Off Service	50.00	Turn Off Service 75.00

Distribution System Improvement Charges (DSIC)

Prime Hook Water Company	\$9.25 Annually Effective 7/1/11 \$0.00 Annually Effective 7/1/15
Wilkerson Water Company	\$4.00 Annually Effective 7/1/12 \$0.00 Annually Effective 4/1/15