Supplement No. 51
to
Tariff Water - Pa. P.U.C. No. 6

CITY OF LANCASTER

RATES, RULES AND REGULATIONS

GOVERNING THE DISTRIBUTION OF WATER

IN

TERRITORY OUTSIDE THE CITY OF LANCASTER

INCLUDING AREAS IN THE BOROUGH OF MILLERSVILLE AND

THE TOWNSHIPS OF

EAST HEMPFIELD, EAST LAMPETER, LANCASTER, MANHEIM,

MANOR, PEQUEA, WEST HEMPFIELD, AND WEST LAMPETER

IN LANCASTER COUNTY, PENNSYLVANIA

NOTICE

ISSUED: June 16, 2026 EFFECTIVE: June 29, 2026

By: Amanda Bakay
Acting Director of Administrative Services
Lancaster Pennsylvania

This Tariff increases rates for all customers

List of Changes Made by this Tariff

This Supplement increases jurisdictional rates by $4,700,000 or 28.9% over existing rates. Both customer charges and volumetric rates are increased for all customer classes. This Supplement also establishes a Public Fire rate, on a per hydrant basis, for fire protection services provided to municipality customers.

This Supplement creates a charge of $50.00 for the processing of any payment that is returned due to insufficient funds. The customer shall be responsible for the payment of this fee.

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Schedule of Rates

Meter Rate - General Service

Application

This Schedule applies to all service other than (1) emergency sales for resale and (2) fire protection.

(See Section 3).

Customer Charges **(I)**

All metered customers shall be subject to a monthly or quarterly customer charge, based on the required size of meter to render adequate service.

Size of Meter	Customer Charge		Size of Meter	Customer Charge	
	Per Month	Per Quarter		Per Month	Per Quarter
5/8"	$10.25	$30.75	3”	$132.03	$396.09
3/4”	$11.99	$35.97	4”	$206.16	$618.48
3/4 x 1”	$21.53	$64.59	6"	$410.00	$1,230.00
1"	$27.20	$81.60	8"	$649.30	$1,947.90
1-1/2"	$42.81	$128.43	10"	$858.94	$2,576.82
2"	$66.92	$200.76	12"	$1,295.17	$3,885.51

Consumption Charges — Residential, Commercial and Industrial **(I)**
In addition to the customer charge the following water consumption charges will apply:

	Rate Per 1,000 Gallons
For the first 25,000 gallons/month or 75,000 gallons/quarter	$5.597
For the next 575,000 gallons/month or 1,725,000 gallons/quarter	$4.510
For all over 600,000 gallons/month or 1,800,000 gallons/quarter	$4.470
Consumption Charge — Large Industrial for all consumption	$4.200

The minimum charge shall be the customer charge.

When more than one meter is installed on the premises for the convenience of the customer, the above consumption and customer charges will be assessed against the individual meters.

(I) Indicates Increase

Schedule of Rates

Meter Rate - Water Sold for Resale Purposes

Application

This Schedule is applicable to all metered sales to public utilities and municipal corporations for resale purposes.

Customer Charges **(I)**

Size of Meter	Minimum Charge Per Month	Minimum Charge Per Quarter
4"	$206.16	$618.48
6"	$410.00	$1,230.00
8"	$649.30	$1,947.90
10"	$858.94	$2,576.82

Consumption Charges

In addition to the customer charge the following water consumption charges will apply:

	Rate Per 1,000 Gallons
For all consumption	$4.430 **(I)**

The minimum charge shall be the customer charge.

When more than one meter is installed on the premises for the convenience of the customer, the above consumption and customer charges will be assessed against the individual meters.

(I) Indicates Increase

Schedule of Rates

Tapping Fee

Application

This Schedule is applicable to all new connections to the Company's system in West Lampeter Township,

Capacity Portion:

$850.00 per residential connection*

Special Purpose Part:

$1,150.00 per residential connection*

Total Tapping Fee:

$2,000.00 per residential connection*

* A single family dwelling, mobile home, apartment unit, condominium and the like shall be considered one residential connection. Connections for nonresidential structures will be calculated on an equivalent basis for a residential connection as determined by the City's consulting engineers at the time application for service is made. Each unit of a multi-occupancy building shall be at least one residential unity. All non-residential connections will be subject to audit after they are in use. If actual usage exceeds the amount originally applied for as determined by the City's consulting engineers, the owner shall be invoiced for the additional tapping fee.

Schedule of Rates

Flat Rate — Private Fire Protection Service

Application

This Schedule is applicable to all private fire lines serving yard hydrants and automatic sprinkler or fire service systems located inside buildings. For all private fire lines, (1) adequate provision must be made to prevent the use of water from such service connections for purposes other than fire extinguishing, (2) a detector check, of a type approved by the Bureau of Water, shall be installed on the customer's fire service line, said detector check to be purchased and installed at the customer's expense, and (3) an ERT, approved by the Bureau of Water, shall be installed for purposes of measuring water consumption.

Rate: (I)

	Per Month	Per Quarter
1" Connection	$ 3.64	$ 10.92
1½" Connection	8.19	24.57
2" Connection	14.55	43.65
3" Connection	32.72	98.16
4" Connection	47.67	143.01
6" Connection	77.58	232.74
8" Connection	134.16	402.48
10" Connection	180.06	540.18
12" Connection	260.12	780.36

No charge will be made for water used for extinguishment of accidental fires. All consumption recorded by the disc (small flow) meter, whether from use of water for other purposes, or from leakage from customer-owned pipelines, will be billed at the meter rate for General Service.

(I) Indicates Increase

Schedule of Rates

Flat Rate — Public Fire Protection Service

Application

This Schedule is applicable to all public fire lines serving yard hydrants.

Rate:

	Per Month	Per Quarter
Per Hydrant	$5.89	$17.67

RULES AND REGULATIONS

Sec. 1 - Definition of Terms

Applicant: An individual or agency applying for water service.

Bureau of Water: (or Utility) The Bureau of Water of the City of Lancaster

Commission: Pennsylvania Public Utility Commission.

Customer: The individual or agency contracting for a supply of water to a property as hereinafter classified, i. e.,

(a) A building under one roof and occupied as one residence or business; or

(b) A combination of buildings in one enclosure and occupied by one family or business; or

(c) One side of a double house having a solid vertical partition wall and occupied by one family or business; or

(d) One side or part of a house occupied by more than one family or business, even though the closet and other fixtures be used in common; or

(e) Each apartment, office, or suite of offices located in a building having several such apartments, offices, or suites of offices and using in common one hall and one or more means of entrance.

Date of Presentation: The date upon which a bill or notice is mailed, as evidenced by postmark, or delivered personally to the customer.

Domestic Service: Provision of water for household residential purposes, including water for sprinkling lawns, gardens, and shrubbery; Watering livestock; washing vehicles; and other similar and customary purposes.

Fire Protection Service: Provision of water for public and private fire protection.

Flat Rate Service: Provision of water in unmeasured quantities.

Flat Rate: A fixed periodic charge for an unmetered service.

RULES AND REGULATIONS

Sec. I - Definition of Terms, cont.

Commercial Service:	Provision of water to premises where the customer is engaged in trade.
Industrial Service:	Provision of water to a customer for use in manufacturing or processing activities.
Large Industrial Service:	Provision of water to a customer for use in manufacturing or processing activities and consumes during the prior calendar year, an average usage exceeding 10,000,000 gallons per month.
Irrigation Service:	Provision of water for commercial agricultural, floricultural, or horticultural use.
Main Extension:	Extension of distribution pipelines, exclusive of service connections, beyond existing facilities.
Mains:	Distribution pipelines located in streets, highways, public ways, alleys, or private rights of way which are used to carry water to serve the general public.
Meter Rate Service:	Provision of water in measured quantities.
Municipal or Public Use:	Provision of water to a municipality or other public body for other than fire protection purposes.
Premises:	The integral property of area, including improvements thereon, to which water service is or will be provided.
Service Line, Utility's:	The connecting facilities between the utility's distribution main and the customer's service line, in general consisting of a valve or corporation stop at the main, piping there from to the street curb line, terminating with a curb stop and curb box.
Service Line, Customer's:	The connecting facilities from the utility's curb stop and curb box to a point of consumption.
Tariff Schedules:	The entire body of effective rates, charges, rules, and regulations, as set forth herein.
Temporary Service:	Provision of service for circuses, bazaars, fairs, construction work, irrigation of vacant property, and similar uses, that because of their nature will not be used steadily or permanently.

RULES AND REGULATIONS

Sec. 2 - Service Area

The service area of the Bureau of Water of the City of Lancaster outside of or beyond the city limits of the City of Lancaster includes areas in the following townships and borough in Lancaster County:

East Hempfield Township
East Lampeter Township
Lancaster Township
Manheim Township
Manor Township
Pequea Township
West Hempfield Township
West Lampeter Township
Borough of Millersville

Sec. 3 - Description of Service

A. Supply

The Bureau of Water will exercise reasonable diligence and care to deliver a continuous and sufficient supply of water to the customer at a proper pressure, and to avoid any shortage or interruption in delivery.

B. Quality

The Bureau of Water will endeavor to supply a safe and potable water at all times.

C. Classes of Service

Services installed by the Bureau of Water will be classified as follows:

RULES AND REGULATIONS

Sec. 3 - Description of Service, cont.

C. Classes of Service, cont.

1. Residential
2. Commercial
3. Industrial
4. Irrigation (Commercial)
5. Municipal (Excluding Fire Protection)
6. Private Fire Protection
7. Public Fire Protection
8. Other Utilities for Resale Purposes (Emergency Use Only)
9. Temporary

Metered service only is available, except service for public and private fire protection service.

Sec. 4 - Service Connections

A. Application for Service Connection

4.1 Any property owner desiring the introduction of a service line from the utility's main to the curb of his or her premises must first make written application on a form furnished by the Bureau of Water. The application must be signed by the property owner or his duly authorized attorney.

B. Utility's Service Lines

4.2 The Bureau of Water will, at its own expense, furnish and install a service of such size and at such location as the applicant requests, provided such request is reasonable. The utility's service lines will be maintained at its. own expense as an integral part of its distribution system and they will be the property of the utility and under its exclusive control.

4.3 Where the customer requests a service line larger than that deemed necessary by the utility, the utility will install the larger service, provided the customer pays the additional cost for the larger service.

4.4 Any temporary or emergency feature of a service line requested by the customer shall be at the expense of the customer. If the owner of a parcel of ground desires a service line installed to the curb in advance of street Improvement and where there is no present demand for a supply of water, such owner shall

RULES AND REGULATIONS

Sec. 4 - Service Connections, cont.

B. Utility's Service Lines, cont.

pay the cost of installing the service line, which cost shall be refunded if and when an application is made and approved for a supply of water through the service line.

4.5 Where more than one customer is now supplied through one service line, a violation of these Rules and Regulations by any customer on the common service line shall be deemed a violation by all such customers, but water service to the premises shall not be discontinued until after the expiration of a reasonable time for the installation of a separate customer's service line by or for each customer after notice by the utility to all such customers of the violation of the Rules and Regulations. The utility will install a sufficient number of separate curb stops and curb boxes at the termination of the utility's service line to permit the installation of a separate customer's service line for each customer, or the utility may, at its election, permit the use of one customer's service line by all such customers other than the customer who shall have violated these Rules and Regulations.

4.6 No service line of the utility will be installed at a time when street openings are prohibited by municipal regulations or, in the judgment of the utility, working conditions are unreasonable for such installations.

4.7 No service pipe shall be placed within eighteen inches of any sewer line or in the same trench with a gas pipe or other facilities of a public service company, or within three feet of any open vault or area, or pass through any premises other than the one supplied, nor shall it be laid at a depth of less than 3 1/2 feet below the surface of the ground, or less than 3 $^{1}/_{2}$ feet below the street grade, where one has been established by public authority, except when otherwise approved by the proper official of the Bureau of Water.

4.8 No service line will be installed by the utility on private property unless the owner furnishes a right of way satisfactory to the utility.

4.9 When new service lines are installed, or old ones replaced, the stop and curb box will be placed inside the curb and within six inches of the same,

4.10 If a customer being supplied by an existing service line desires that its location be changed to suit his own convenience, such customer shall pay all costs of making the change, including all labor, materials, and permits,

4.11 Under no circumstances shall any person not authorized by the utility turn the curb stop cock on or off.

RULES AND REGULATIONS

Sec. 4 - Service Connections, cont.

B. Utility's Service Lines, cont.

4.12 Hereafter only one customer will be supplied through one service pipe. Where more than one customer is now supplied through one service pipe under the control of one curb cock, it shall be replaced by separate curb stops and curb boxes for each customer in accordance with Rule 4.5, at the convenience of the utility. All service lines will be the same size as the curb stop up to the water meter. The curb stop shall be six (6) inches behind curbs or pavement edges. If the curb box is in a driveway, the box must be a two (2) inch box. The curb box must be aligned with the shut-off valve, plumb, backfilled and tamped in place, and be at grade after any landscaping. The curb box must be straight and centered on the shut off valve before the City will take ownership of the valve.

4.13 Where renewal of a service line of the utility is found to be necessary, the utility wilt renew said service line in the same location as the old one. However, if the customer, for his own convenience, desires the utility's service line at some other location and agrees to pay all expenses of such relocation in excess of the cost of installing the new service line in the same location as the old and cutting off and disconnecting the old service line, the utility will lay the new service line at the location desired. Should the customer, for his convenience, request that the service be renewed using larger size materials than deemed necessary by the utility, the utility will renew the service using the larger size materials, provided the customer pays the additional cost.

4.14 The utility is not responsible for the installation and/or maintenance of the customers water lines beyond the end of the utility's service line.

C. Customer's Service Line

4.15 Each customers service line shall be installed and maintained by or on behalf of such customer at his own expense. A customer's service, line shall be of a material and at a location approved by the utility.

4.16 The customer's service line shall not: (a) occupy the same trench with, or be placed within eighteen inches of any sewer pipe of any facility of any other public service company, except that a common trench may be ledged for the service if approved by the utility; or (b) be placed within three feet of any open excavation or vault; or (c) pass through any premises other than those served by such customer's service line.

4.17 There shall be placed in the service line, inside the wall of the building supplied, at the expense of the customer, a roundway brass stop and waste cock, easily accessible to the occupants for their protection in enabling them to turn off the water in case of leaks, and to drain the pipe to prevent freezing.

4.18 Where any service line is directly connected to a heating unit (water heater, steam bailer, etc.) a cheek valve and a relief valve shall be inserted in the line between the utility's meter and said heating unit at the maximum distance possible from the utility's meter.

RULES AND REGULATIONS

Sec. 5 – Application for Service

A. Application

5.1 Each applicant for water service will be required to sign a form provided by the utility, and an agreement to abide by all the rules and regulations of the utility.

The applicant shall provide the following:

1. Owner or builder name, phone number, and email address;
2. New service address and the date on which the applicant will be ready for service;
3. Whether the premises have ever before been supplied by the utility;
4. The purpose for which the service is to be used;
5. Lot number;
6. The size of the service;
7. The address to which bills are to be mailed or delivered;
8. Whether the application is the owner or tenant of, or agent for, the premises;
9. Plumber's name, phone number, and email address;
10. Applicable plumbing permit if required by the municipality where service is requested;
11. Acknowledgment of the applicable rate schedule.

The application is merely a written request for service and does not bind the applicant to take service for any period of time longer than the one upon which the rates and minimum charges of the applicable rate schedule are based; neither does it bind the utility to give service, except under reasonable conditions.

5.2 Developers shall also complete a service installation form and a water application form for all lots in the development prior to any construction. The developer will provide the following:

1. A copy of the development plans, showing the lot number, address, and Lancaster County Real Estate tax map;
2. Lot numbers painted on the curb;
3. A W = water; painted or stamped on the concrete where the service is requested.

The developer will be responsible for curb boxes until the utility has made final inspection. Only one water lateral will be permitted for each proposed lot.

5.3 Commercial and Industrial applicants shall also provide:

1. Prints showing tap of the main and location of the meter;
2. Completion of New Service Backflow Prevention Form, before construction;
3. Provide a capacity request letter in gallons per day;
4. Obtain utility approval before bidding to construct the new service;
5. Provide copy of any municipal required street excavation permit if the street must be disturbed.

5.4 The Bureau of Water has contracted with a third-party to complete new service installation inspections. Customers and Developer shall be responsible for payment of the fee incurred by the Bureau of Water for inspection of the new service installation and shall make payment to the Bureau of Water within thirty (30) days of Date of Presentation to the Developer. If a Customer or Developer requests documentation supporting the fee, such as a request for invoices, the City shall provide the requested information. All meters for new service installations shall be installed within thirty (30) days of receipt of the meter from the Bureau of Water. **(C)**

B. Change in Customer's Equipment

Customers making any material change in the size, character, or extent of the equipment or operations utilizing water service, or whose change In operations results in a large increase In the use of water, shall immediately give the utility written notice of the nature of the change and, if necessary, amend their application.

C. Change of Ownership of Property

Where customer is owner of premises supplied with water service, he should immediately notify the Bureau of Water, if and when the property is sold, and the new owner or tenant should sign an application for water service, so that bills for water service will be properly addressed.

(C) - Indicates Change.

RULES AND REGULATIONS

Sec. 6 - Special Contracts

Contracts, other than applications, may be required prior to service, under the following conditions:

1. When construction of special extension facilities is necessary.

2. For temporary service. (See Sec. 13.)

3. For fire protection service.

4. For connections with other qualified utilities for emergency service.

Sec. 7 - Meters

A. Ownership and Protection of Meter

7.1 All meters will be furnished and maintained, as far as ordinary wear is concerned, by the utility, end remain the property of the utility, and be accessible to and subject to its control. A gate valve shall be placed on the service line on the street side of and near the meter (Rule 4.17), and a suitable check valve and a relief valve shall be inserted in the line between the utility's meter and any heating unit directly connected to the service line (Rule 4.18); all to be placed by end remain the property of the customer.

7.2 The customer shall be responsible to the utility at all times for proper protection of the meter from injury or loss of the meter arising out of or caused by customers negligence or carelessness, or that of his servants, agents, employees, or any person upon his premises, under, or by authority of, his consent, or sufferance. The customer shall permit no one who is not an agent of the utility or otherwise lawfully authorized so to do, to remove, inspect, or tamper with the utility's meter or other property of the utility on his premises. The customer is also responsible for all equipment that is used to monitor water consumption. If the meter is lost, broken, lightening damaged, frozen and breaks, or any part of the assembly (meter, wire, and outside pad) is damaged by the customer, the customer shall be responsible for the cost to replace the meter and/or damaged assembly parts.

7.3 If a range boiler, or heating boiler, is directly connected to the pipelines, the utility will install an approved type of positive action relief valve on the outlet side of the meter to protect the meter from hot water, at the expense of the customer.

RULES AND REGULATIONS

Sec. 7 - Meters, cont.

B. Size and Location of Meter

7.4 The utility will determine the size and location for the meter. The meter shall be placed at a convenient, accessible location, in a horizontal position, approved by the utility so as to control the entire supply. The meter shall be installed within thirty (30) days of receipt from the Bureau of Water. Meters shall not be higher than 4 feet from the floor. Water lines shall not run under the floor to the meter. A valve will be installed in front of and after the meter. A flared or compression fitting must be used at the first valve before the meter. Copper pipe shall be used up to the valve. **(C)**

The ERT (encoder-receiver-transmitter) for the meter must be mounted on the wall no lower than 3 feet, at a location approved by the utility. If the customer fails to install the ERT and/or wire at the location required, the service line will be shut off until all requirements have been complied with. The Bureau of Water will provide the ERT only after the meter has been installed. The Bureau of Water reserves the right to inspect the property at any time to ensure proper installation of the meter and ERT. **(C)**

For ERT pit installations, complete any necessary drilling to hook up the antenna for the meter before the meter installation. Pits in a wooded area require pressure treated posts with half plastic piping to cover the wire from the pit to the post. Pits that are on a hill require the post to be mounted at the bottom of the hill, and in an area that allow the utility reader access to get to the ERT. If the utility decides the meter is to be placed within the building to be served, the customer shall provide free of charge and expense to the utility an easily accessible place near the entrance of the service pipe, If the utility decides the meter is to be located outside the building to be served, it must be placed in an approved meter box furnished by the utility at the expense of the customer.

7.5 Meters moved for the convenience of the customer will be relocated at the customer's expense. If the service line from the curb box to the location of the water meter exceeds 100 feet, a meter pit is required. The pit shall be located within 15 feet of the property line. Note that the utility engineer will review the meter pit. A backflow prevention device will be required in accordance with the Backflow Prevention and Cross Connection Control Policies and Procedures Manual (See Section 14.2 of the tariff).

C. Periodic Meter Tests

7.6 All meters shall be tested periodically by the utility without cost to the customer, and the customer may have the meter tested at any other time by making a written application to the Bureau of Water and providing a deposit, as indicated in Rule 7.8, to defray the cost of the special test.

D. Meter Testing in Disputed Account

7.7 In case of a disputed account, involving the accuracy of a meter, such meter shall be tested upon the request of the applicant, in conformity with the provisions of the rules and regulations pertaining to Water Service Utilities, of the Public Utility Commission.

7.8 The meter will be tested upon the written request of the Customer and refund made if a meter is found to be fast at any test in accordance with the Rules set forth in the Water Regulations of the Pennsylvania Public Utility Commission. The Customer shall pay a deposit in advance for testing of the meter in accordance with fees established by the Commission in 52 Pa, Code §65.8(h). If the meter tested upon such request shall be found to be accurate within the limits specified by the Commission, the fee shall be retained by the City; but if not so found, then the cost thereof shall be borne by the City and the fee deposited by the Customer shall be refunded.

(C) Indicates Change

RULES AND REGULATIONS

Sec. 7 - Meters, cont.

D. Meter Testing in Disputed Account, cont.

7.9 Rates for testing meters not included in the above classification, or which are so located that the cost is out of proportion to the fee specified, will be furnished by the Commission.

E. Adjustment of Account far Faulty Registration

7.10 If a meter be found to be in error at any test by more than four (4) percent, an allowance or charge shall be made to the customer by the utility, equal to the excess or deficiency in quantity charged the customer, figured back from the date of test through the entire period of the current bill, unless it can be shown that the error is due to an accident or other cause, the exact date of which can be determined, in which case it shall be figured back to such date.

F. Meter Repairs

7.11 When a meter has been found to be in error more than four (4) percent, it will be repaired or replaced with a meter accurate within four (4) percent by the utility without charge to the customer.

G. When Meter Does Not Register

7.12 If a meter, by reason of any defect, has not registered for one month or any part of a quarter year, then the bill for that period shall be estimated on the basis of the average consumption during the three preceding periods. The customer shall at once notify the utility of any cessation of the registration of the meter. Every meter is installed subject to a minimum monthly or quarterly charge in accordance with the Schedule of Rates and such minimum charge shall be non-abatable for nonuse of water, and noncumulative, against subsequent consumption.

RULES AND REGULATIONS

See. 8 - Discontinuance of Service

A. Customer's Request for Service Discontinuance

8.1 When premises are unoccupied, the customer shall notify the utility in writing and the water will be turned off and all charges for water will cease from the date that the water is turned off by the utility. When the property is again occupied, the customer shall again notify the utility in writing and the water will be turned on. No allowance or refund will be made for unoccupied property when written notice both at time of vacancy and at time of occupancy has not been given as above provided, No refund will be allowed for property unoccupied for a *less* period of time than one month.

B. Discontinuance of Service for Failure to Obey Rules

8.2 Service may be discontinued by the utility after due notice to customer for any one of the following reasons:

(a) Use of water by a customer, or with his consent, for any purpose or at any location or property other than those or that described in the application;
(b) Failure of a customer to maintain and repair his portion of service line;
(c) Undue waste of water by a customer or with his consent;
(d) Failure of a customer to pay a bill for water service within the period herein specified or failure to pay any other fee or charge herein provided;
(e) Violation by a customer, or with his consent, of any of these Rules and Regulations.

8.3 If the utility has reason to suspect that any customer has tampered with the curb cock at the premises, the utility may shut off the water at the main, and it will not be again turned on until satisfactory assurance is given that the practice will be discontinued and all bills, including labor, supplies, and permits, incurred in shutting off and turning on the water are paid in full. **(C)**

C. Restoration—Reconnection Charge

8.4 A charge of eighty-three dollars ($83.00) payable in advance will be made for turning on water in restoration of service after discontinuance for any of the reasons specified in Rule 8.2.

(C) Indicates Change

RULES AND REGULATIONS

Sec. 9 - Deposits

9.1 If the utility requires a deposit pursuant to the Rules and Regulations contained in this tariff or the Water Regulations of the Pennsylvania Public Utility Commission, deposits will be handled in accordance with any applicable Commission regulations and the Public Utility Code.

RULES AND REGULATIONS

Sec. 10 - Notices

A. Notices to Customers

10.1 Notices from the utility to a customer will normally be given in writing, and either delivered or mailed to him at his last known address.

10.2 Where conditions warrant, and in emergencies, the utility may resort to notification either by telephone or messenger.

B. Notices from Customers

10.3 Notice from the customer to the utility may be given by him or his authorized representative in writing: **(C)**

(a) At the office of the Bureau of Treasury in City Hall; or

(b) To an employee of the utility.

(C) Indicates Change

RULES AND REGULATIONS

Sec. 12 - Bills Due and Payment

12.1 Meters will be read at regular monthly or quarterly intervals, at the option of the utility, for the preparation of regular bills, and as required for the preparation of opening bills, closing bills, and special bills.

12.2 All bills for unmetered service shall be rendered monthly or quarterly in arrears. **(C)**

12.3 The customer will be responsible for the payment for all service rendered by the utility until written notice to discontinue same is received and reasonable time from receipt of said notice shall have elapsed for the utility to take the final reading of the meter.

12.4 If any monthly or quarterly bill for water service is not paid within thirty (30) days after the date on which the bill is rendered, a penalty of one and one-quarter percent (1-¼%) of the amount of said bill shall be imposed thereon, and further, the water shall be shut off after giving the customer ten (10) days written notice of the utility's intention to do so. Upon payment by the customer of an additional charge of eighty-three dollars ($83.00) as the charge for restoring service, the customer will be returned to service.

12.5 Payments mailed, as evidenced by the United States Post Office mark, on or previous to the last day of the period in which the payment becomes due will be deemed by the utility to be a payment of the bill within the period in which it becomes due.

12.6 Bills or notices, relating to the utility or its business, shall be mailed or delivered to the customer's last address as shown by the books of the utility and the utility shall not be otherwise responsible for delivery. The utility shall deliver or mail all such notices and bills to the address given on the application, until a change, in writing, has been filed with the utility by the applicant. Failure to receive a bill shall not exempt any customer from the payment of the bill or from being subject to the above provisions with regard to discontinuance of service. The presentation of a bill to the customer is a matter of accommodation and not a waiver of this rule.

12.7 The customer shall be responsible for payment of a fee in the amount of $50.00 for processing of any payment that is returned due to insufficient funds, e.g., checks returned by reason of non-sufficient funds (NSF), stop payments, closed accounts, etc., or for any other reason. **(C)**

(C) Indicates Change

RULES AND REGULATIONS

Sec. 13 - Temporary Service

A. Charge for Water Service

13.1 Charges for water furnished through a temporary service connection shall be at the established rates for other customers.

B. Installation Charge and Deposits

13.2 The applicant for temporary service will be required:

(a) To pay the utility, in advance, the estimated cost of installing and removing all facilities necessary to furnish such service.
(b) To deposit an amount sufficient to cover bills for water during the entire period such service may be used, or to otherwise establish his credit.
(c) To deposit with the utility an amount equal to the value of any equipment loaned by the utility to such applicant for use on temporary services.

C. Responsibility for Meters and Installation

13.3 The customer shall use all possible care to prevent damage to the meter or to any other loaned facilities of the utility which are involved in furnishing the temporary service from the time they are installed until they are removed, or until 48 hours' notice in writing has been given to the utility that the contractor or other person is through with the meter or meters and the installation. If the meter or other facilities are damaged, the cost of making repairs shall be paid by the customer,.

D. Temporary Service from a Fire Hydrant/Construction Water

13.4 Water for construction purposes may be furnished by a metered service line from the main or by a utility issued permit to use a fire hydrant with a utility issued isolation device and billing meter. Fire hydrant connections are only available at the locations outlined in Section 13.5. There shall be no hook-ups at the curb stop. A permit fee may be required for the utility issued isolation device with billing meter. If temporary service is supplied through a fire hydrant, a permit for the use of the hydrant shall he obtained from the municipality and the utility, It is specifically prohibited to operate the valve of any fire hydrant other than by the use of a spanner wrench designed for this purpose.

E. Non-Potable Bulk Water Loading Stations

13.5 PADEP required that the utility permit all locations where water is withdrawn from hydrants connected to the utility's distribution system. The Customer must contact the utility to arrange for a permit and a utility issued isolation device and billing meter before water may be withdrawn at any of the PADEP approved locations listed below:

Conestoga Water Treatment Plant, 150 Pitney Road, Lancaster, PA
Susquehanna Water Treatment Plant, 900 South Fifteenth Street, Columbia, PA
WH-14459 2250 Old Philadelphia Pike, Rear East Lampeter Township Building
WH-14460 2056 Waterford Drive
WH-12369 506 Ashton Place
WH-11161 642 Fountain Avenue
WH-12606 5 Bentley Lane
WH-14778 55 Cartledge Lane
WH-12460 140 South Tree Drive
WH-17766 400 Block of East Fulton Street North Side
WH-11735 451 College Avenue
WH-10385 Green Street at South Duke Street
WH-10848 347 North Reservoir Street
WH-10580 Ruby Street at 6th Street
WH-11822 304 South Broad Street
WH-10254 North Queen Street at Penn Square
WH-10621 Fairview Avenue at Fremont Street
WH-11786 750 West Chestnut Street
WH-11153 756 Hamilton Street
WH-10684 861 Marjory Terrace

The utility reserves the right to update this list as may be necessary at the direction of the PADEP, without the approval of the Commission, upon the filing of a revised tariff leaf with the Commission.

F. Unauthorized Use

13.6 Tampering with any fire hydrant for the unauthorized use of water therefrom, or for any other purpose, is a criminal offense, punishable by law.

RULES AND REGULATIONS

Sec. 14 - Cross Connections

14.1 Water service not supplied by the utility shall not be connected or cross-connected with the utility's facilities.

14.2 Backflow Prevention and Cross Connection Control -The utility recognizes that certain water customers have water systems that have connections to apparatus, vessels, etc., which may have impurities in varying degrees that, if not properly isolated and contained, could contaminate and/or pollute both the customer's water system and the utility's water distribution system. The utility has developed a Backflow Prevention and Cross Connection Control Policies and Procedures Manual, which manual is incorporated herein by reference, as updated from time to time and is available on the City's website. This Manual defines the policy and procedures of the City of Lancaster and the water Customer's responsibility regarding backflow prevention and cross-connection.

14.3 All Commercial, Industrial, and Bulk water customers shall have an approved backflow prevention device consistent with the degree of hazard, as defined by the utility, at the service connection. The backflow protection shall be a properly installed double check valve assembly, or a reduced pressure zone device as determined by the utility. In addition, all fire systems that constitute a potential cross connection shall have a utility-approved double check detector assembly at the lines leading to the fire system.

14.4 Residential Customers shall be required to install an approved backflow prevention device when they apply for a plumbing permit.

14.5 The utility will terminate water service to a customer's facility if it is determined that a serious contamination potential exists.

14.6 The utility requires that the Customer shall provide for the testing, maintenance, and repair of backflow devices by a certified backflow prevention assembly technician at least once a year or whenever failure has occurred or is suspected in order to maintain the devices in satisfactory operating condition. The Customer shall also provide, through a certified backflow prevention assembly technician, for the overhaul or replacement of such devices if they are found to be defective. Records of such tests, repairs, overhauls, and replacements shall be submitted by the Customer to the utility. Customers shall be responsible for maintaining records of such tests and related maintenance for a period of the most recent three (3) years. The installation, care, maintenance and repair of backflow devices are at the customer's expense.

14.7 Non-compliance with the preceding requirements after due notification may result in the discontinuation of water service. The Customer may be required to reimburse the utility for all costs associated with such action.

Sec. 15 - Frozen Service Lines

15,1 Should any service line become frozen, the utility will thaw out, at its own expense, that portion of the frozen service line between the main and the curb. The customer shall, at his own expense, thaw out that pardon of the frozen service line between the curb and his premises.

Sec. 16 - Pools and Tanks

16.1 When an abnormally large quantity of water is desired for filling a swimming pool or for other purposes, arrangements must be made with the utility prior to taking such water.

16.2 Permission to take water in unusual quantities will be given only if it can be safely delivered through the utility's facilities and if other customers are not inconvenienced.

RULES AND REGULATIONS

Sec. 17 - Fire Hydrants

A. Use of and Damage to Fire Hydrants

17.1 No person or persons, other than those designated and authorized by the proper authority, or by the utility, shall open any fire hydrant, attempt to draw water from it or in any manner damage or tamper with it. Any violation of this regulation will be prosecuted according to law.

B. Moving of Fire Hydrants

17.2 When a fire hydrant has been installed in the location specified by the proper authority, the utility has fulfilled its obligation. If a property owner or other party desires a change in the size, type or location of the hydrant, he shall bear all costs of such changes, without refund. Any change in the location of a fire hydrant must be approved by the contracting municipality.

C. Installation of Fire Hydrants

17.3 Any municipality which applies for public fire protection service shall pay the cost of providing the public fire hydrant and the installation thereof. The installation shall be in accordance with the requirements of the Bureau of Water of the City of Lancaster.

17.4 All hydrant installations shall be located in such a manner that proficient firefighting operations are not impaired and shall be designed and installed in accordance with National Fire Protection Association Standard 24. **(C)**

Sec. 18 - Responsibility for Equipment

18.1 The customer shall, at his own risk and expense, furnish, install and keep in good and safe condition all equipment that may be required for receiving, controlling, applying and utilizing water, and the utility shall not be responsible for any loss or damage caused by the improper installation of such water equipment, or the negligence, want of proper care or wrongful act of the customer or of any of his tenants, agents, employees, contractors, licensees or permittees in installing, maintaining, using, operating or interfering with such equipment. The utility shall not be responsible for damage to property caused by spigots, faucets, valves and other equipment that are open when water is turned on at the meter, either when the water is turned on originally or when turned on after a temporary shutdown.

(C) Indicates Change

RULES AND REGULATIONS

Sec. 19 - Access to Premises

19.1 The utility or its duly authorized agents shall at all reasonable times have the right to enter or leave the customers premises for any purpose properly connected with the service of water to the customer.

Sec. 20 - Interruptions in Service

20.1 The utility shall not be liable for damage resulting from an interruption in service. Temporary shutdowns may be resorted to by the utility for improvements and repairs. Whenever possible, and as time permits, all customers affected will be notified prior to such shutdowns.

20.2 The utility will not be liable for interruption, shortage or insufficiency of supply, or for any loss or damage occasioned thereby, if caused by accident, act of God, fire, strikes, riots, war or any other cause not within its control. The utility, whenever it shall find it necessary or convenient for the purpose of making repairs or improvements to its system, shall have the right temporarily to suspend delivery of water and it shall not be liable for any loss or damage occasioned thereby. Repairs or improvements will be prosecuted as rapidly as is practicable and, so far as possible, at such times as will cause the least inconvenience to the customers.

Sec. 21 - Changing Rules and Regulations

21.1 These rules can only be changed in the manner provided by the Public Utility Law.

RULES AND REGULATIONS

Sec. 22 - Water Conservation Contingency Plan

1. If the Company is experiencing a short term supply shortage, the Company may request general conservation of inside water uses and may impose mandatory conservation measures to reduce or eliminate nonessential uses of water. **(C)**

2. Nonessential uses of water include, at a minimum, those uses contained in 52 PA. Code § 65.1, as listed below: **(C)**

   a. The use of hoses, sprinklers, or other means for sprinkling or watering of shrubbery, trees, lawns, grass, plants, vines, gardens, vegetables, flowers, or any other vegetation.

   b. The use of water for washing automobiles, tracks, trailers, trailer houses, or any other type of mobile equipment.

   c. The washing of streets, driveways, parking lots, service station aprons, office buildings, exteriors of homes, sidewalks, apartments, or other outdoor surfaces.

   d. The operation of any ornamental fountain or other structures making a similar use of water.

   e. The use of water for filling swimming or wading pools.

   f. The operation of any water-cooled comfort air conditioning which does not have water conserving equipment.

   g. The use of water from fire hydrants for construction purposes of fire drills.

   h. The use of water to flush a sewer line or sewer manhole.

   i. The use of water for commercial farms and nurseries other than a bare minimum to preserve plants, crops, and livestock.

3. Notice of the implementation of the conservation plan shall be sent to all customers *or* be provided by local radio, television, social media, or website messaging. The utility shall at first request voluntary customer cooperation to achieve curtailment of nonessential uses of water. **(C)**

(C) Indicates Change

RULES AND REGULATIONS

Sec. 22 — Water Conservation contingency Plan, cont.

4. If voluntary cooperation does not achieve satisfactory results, mandatory compliance will be imposed. If any customer refuses to amply with such mandatory measures, the utility may either adjust the outside water valve connection in a manner which will restrict water flow by up to one-half, or otherwise restrict flow such as by the insertion of a plug device. Note: Prior to such valve adjustment or other flow restriction being imposed, the company must make a bona fide attempt to deliver notice of the valve adjustment or other flow restriction to a responsible person at the affected premises and fully explain the reason for the proposed flow restriction and the means by which the customer may eliminate the grounds for such flow restriction. Less restrictive means may be imposed to secure such compliance.

5. These conservation measures shall be terminated at such time as the supply shortage is eliminated.

6. In addition to the provisions as set forth above, the Pennsylvania Emergency Management Council is authorized to promulgate, adopt, and enforce a Water Rationing Plan by virtue of the Emergency Management Services Code, 35 Pa. C.S. § 1701 et seq. as implemented by the Drought Emergency Proclamation dated November 6, 1980.

7. The utility shall be authorized to take any actions as approved in the Bureau of Water's Local Water Rationing Plan, filed with and approved by the Commonwealth Drought Coordinator, and as may be amended from time to time pursuant to 4 Pa. Code § 120.14. **(C)**

(C) Indicates Change

RULES AND REGULATIONS

Sec. 23 — Main Extensions

(a) Definitions

(1) Annual Line Extension Costs: The sum of the Company's additional annual operating and maintenance costs, debt costs and depreciation climes associated with the construction, operation and maintenance of the line extension.

(2) Annual Revenue (For Line Extension Purposes): The Company's expected additional annual revenue from the line extension based on the Company's currently effective tariff rates and on the average annual usage of customers similar in nature and size to the bona fide service applicant.

(3) Bona Fide Service Applicant (For Line Extension Purposes): A person or entity applying for water service to an existing or proposed structure within the Company's certificated service territory for which a valid occupancy or building permit has been issued if the structure is either a primary residence of the applicant or a place of business. An applicant shall not be deemed bona fide service applicant if:

(a) applicant is requesting water service to a building lot, subdivision or a secondary residence;
(b) the request for service is part of a plan for the development of a residential dwelling or subdivision; or
(c) the applicant is requesting special utility service.

(4) Company Service Line: The water line from the distribution facilities of the Company which connects to the customer service line at the hypothetical or actual line or the actual property line, including the control valve and valve box. The control valve and valve box determine the terminal point for the Company's responsibility for the street service connection.

RULES AND REGULATIONS

Sec. 23 Main Extensions, cont.

(5) Customer: A person or entity who is an owner or occupant and who contracts with the Company for water service.

(6) Customer Service Line: The water line extending from the curb, property line or utility connection to a point of consumption.

(7) Debt Costs: The Company's additional annual cost of debt associated with financing the tine extension investment based on the current debt ratio and weighted long-term debt cost rate of the Company or that of a comparable jurisdictional water utility.

(8) Depreciation Charges: The Company's additional annual depreciation charges associated with the specific line extension investment to be made based on the current depreciation accrual rates for the Company or that of a comparable jurisdictional water utility.

(9) Line Extension (For Line Extension Purposes): An addition to the Company's main line which is necessary to serve the premises of a customer.

(10) Operating and Maintenance Costs (For Line Extension Purposes): The Company's average annual operating and maintenance costs associated with serving an additional customer, including customer accounting, billing, collections, water purchased, power purchased, chemicals, and other variable costs based on the current total Company level of such costs, as well as costs particular to the specific needs of that customer, such as fine flushing.

(11) Public Utility: Persons or corporations owning or operating equipment or facilities in this Commonwealth for diverting, developing, pumping, impounding, distributing or furnishing water to or for the public for compensation.

RULES AND REGULATIONS

Sec. 23 —Main Extensions, cont.

(12) Short-term Supply Shortage; An emergency which causes the total water supply of a Company to be inadequate to meet maximum system demand.

(13) Special Utility Service: Residential or business service which exceeds that required for ordinary residential purposes. See additional clarification in the Main Extension portion of this tariff.

(b) The Company shall construct line extensions in its service territory upon request of a service applicant in the following manner and consistent with the definitions noted above;

(1) Line extensions to service applicants shall be funded without customer advance if the annual revenue from the line extension will equal or exceed the Company's annual line extension costs.

(2) If the annual revenue from the line extension will not equal or exceed the Company's annual line extension costs, a service applicant may be required to provide a customer advance, including associated taxes, if applicable, to the Company's cost of construction for the line extension. The Company's investment for the line extension shall be the portion of the total construction costs which generate annual line extension costs equal to annual revenue from the line extension, The customer's payment or advance amount shall be determined by subtracting the Company's investment for the line extension from the total construction costs of the line extension.

(3) The Company's investment for the line extension shall be based upon the following formula where X equals the Company's investment attributed to

RULES AND REGULATIONS

Sec. 23 — Main Extensions, cont.

bona fide service applicant:

X = [AR DM] divided by [I + D], and,

AR = The Company's annual revenue
OM = The Company's annual operation and maintenance expense
I = The Company's debt ratio multiplied by the Company's weighted long-term debt cost rate.
D = The Company's current depreciation =real rate,

(c) When a customer advance is required of a bona fide service applicant and an additional customer or customers attach customer service lines to the line extension within ten (10) years from the date of the extension deposit agreement, the Company shall refund a portion of the advance to the customer.

(1) The Company will refund a per-customer amount for each additional bona fide service applicant from whom a street service connection shall be directly attached to such line extension as distinguished from extensions or branches thereof, Provided, however, that the total amount refunded shall not exceed the original deposit without Interest, and further provided that all or any part of the deposit not refunded within said ten (10) year period shall become the property of the Company and shall be treated as Contributions-in-Aid of Construction for ratemaking purposes, The per customer refund amount shall equal the Company's investment attributed to each bona fide service applicant as calculated in the formula contained in this tariff.

(d) The Company shall require a customer to pay, in advance, a reasonable charge for service lines and equipment installed on private property for the exclusive use of the customer.

RULES AND REGULATIONS

Sec. 23 —Main Extensions, cont.

(e) Special utility service shall mean residential or business service which exceeds that required for ordinary residential purposes. Section 30, subsections (b) (d) of this tariff do not apply to special utility service. By way of illustration and not limitation, special utility service shall include the installation of facilities such as oversized mains, booster pumps and storage tanks as necessary to provide adequate flows or to meet specific pressure criteria or service to large water consuming commercial and industrial facilities. The Company shall have no duty to construct facilities to provide special utility service. A customer shall advance to the Company the full cost and associated taxes, if applicable, of facilities for special utility service. An otherwise bona fide applicant requesting service which includes a "special utility service" component is entitled to bona fide service applicant status, but only to the extent of the corresponding Company contribution toward the costs of the line extension which do not meet the special utility service criteria.

(f) Requirement for Extension Deposit Agreement: Where an extension of facilities is not fully funded by the Company pursuant to (a) of this Section, the execution by the applicant of an Extension Deposit Agreement for customer contribution or advance shalt be a condition of extending the facilities. Upon notice that the Company is prepared and able to go forward with the work, the applicant will deposit with the Company the amount specified in the Extension Deposit Agreement.

(g) Size and Type of Line: The Company shall have the exclusive right to determine the type and size of lines to be installed and the other facilities required to render adequate service. Where the Company decides, however, to install a pipe larger than necessary to render extension of adequate service to the applicant, estimated or actual cost figures in the Extension Deposit Agreement shall include only the material and installation cost for a pipe the size and type of which is necessary in the Company's judgement to provide adequate service to the applicant. Any incremental costs of a larger pipe will be the responsibility of

RULES AND REGULATIONS

Sec. 23 —Main Extensions, cont.

the Company. All estimated or actual cost figures referred to in the Extension Deposit Agreement shall include a reasonable allowance for overhead costs and an allowance for taxes as appropriate and applicable. The minimum size for main extensions shall be six (6) inches pursuant to Commission regulation at 52 Pa, Code § 65,17(b).

(h) Determination of Extension Length: In determining the length of any extension, the terminal point of such extension shall be at that point in the curb line which is equidistant from the side property lines of the fast lot for which water service is requested, A Company service connection will be provided only for customer service lines that extend at right angles from the curb line in a straight line to the premises to be served.

(i) Cost True-ups: At the conclusion of the line extension project there shall be a reconciliation of the actual costs incurred to the amount of extension deposit that has been paid by the customer. If the actual cost exceeds the deposit, the applicant shall be responsible for payment to the Company of the difference in a manner specified by the Company. If the deposit exceeds the actual cost, the Company shall refund the difference.

RULES AND REGULATIONS (C)

FORM OF EXTENSION DEPOSIT AGREEMENT

THIS AGREEMENT entered into this ___ day of _____, 20__, by and between the Water Bureau of the City of Lancaster, (hereinafter called the "UTILITY") and _____ (hereinafter called the "DEPOSITOR").

WHEREAS, the Depositor desires extension of the water mains of the Utility, as hereinafter described:

NOW, THEREFORE, this agreement WITNESSETH:

FIRST: The Utility contracts and agrees to lay the water main(s) (and other facilities, if any), as shown in red on the diagram hereto attached and made a part hereof described and located as follows:

SECOND: It is expressly understood and agreed that, if the Utility shall be delayed or prevented from installing the water main (a) (and other facilities, if any), hereinbefore described because of its failure to secure pipe or construction materials, or for any other causes beyond its control, such failure or delay in performance shall be excused; provided, however, if such failure or delay in performance shall extend for a period of more than one (1) year from date hereof, the Depositor shall have The right to cancel and terminate this Agreement on thirty (30) days' written notice to the utility, and thereafter both parties shall be relieved of all duties and obligations arising hereunder. But this right to cancel and terminate by the Depositor shall not be invoked if the Utility has received the construction material and the Depositor has made the deposit as hereinafter required, in which event the Utility shall have the obligation to prosecute the work diligently to its completion.

THIRD: In an extension involving a bona fide service customer, the Depositor hereby agrees to deposit with the Utility, upon notice from the Utility, that it is prepared and able to go forward with the work provided in Paragraph FIRST hereof, an amount of cash equal to (a) the estimated cost of the extension, including the estimated cost of said main(s) and the estimated cost of any other facilities, including but not limited to facilities necessary to render special utility service, which the Utility shall have decided are required to render adequate service, but excluding the cost of public fire hydrants and hydrant laterals and the necessary meters and street service connections, less (b) a credit equal to the amount of the Utility's investment attributable to the number of bona fide service applicants who will be served directly by said extension. Upon such written notice, a Preliminary Memorandum, in the form attached, shall be prepared and signed by both parties showing the deposit required in accordance with the foregoing provisions. Upon the completion of the installation of the extension, a Final Memorandum, in the form attached, shall be prepared and signed by both parties, showing the deposit required based on (a) actual cost of the extension, including the actual installation cost of the mains and other facilities, Less (b) the appropriate, credit allowance based on actual cost, If the deposit shown to be due on the Final Memorandum differs from that shown on the Preliminary Memorandum, the Depositor will deposit any additional amount shown to be due or the Utility will refund to the Depositor any excess amount shown to have been deposited, it being the intent of this agreement that the deposit required shall be based on the actual installation cost.

FOURTH: In any extension involving any applicant other than a bona fide service applicant, the Depositor hereby agrees to deposit with the Utility, upon notice from the Utility that is prepared and able to go forward with the work provided in Paragraph FIRST hereof, an amount of cash equal to the estimated cost of the extension, including the estimated cost of main(s), and the estimated cost of any other facilities including, but not limited to, facilities necessary to render special utility service, which the Utility shall have decided are required to render adequate service, including the cost of fire hydrants and hydrant laterals where application for public fire hydrants is made by the applicant and not by public authority, and the Cost of street service connections, but excluding the cost of necessary meters. The same provisions for the preparation of Preliminary and Final Memoranda and the adjustments of estimated and actual costs of the extension, as outlined in Paragraph THIRD, shall apply to this extension.

(C) Indicates Change

RULES AND REGULATIONS (C)

FORM OF EXTENSION DEPOSIT AGREEMENT, cont.

FIFTH: The Utility hereby agrees to refund to the Depositor during the period of ten (10 years from the actual date of the deposit an amount equal to a per customer amount for each additional bona fide service applicant from whom a street service connection shall be directly attached to such main extension, as distinguished from extensions or branches thereof; provided, however, that the total amount refunded shall not exceed the original deposit, without interest, and that all or any part of the deposit not refunded within said ten (10) year period shall become the property of the Utility And shall be treated as Contributions-in-Aid of Construction for ratemaking purposes. The per customer refund amount shall equal the Utility's investment attributed to each bona fide applicant as calculated in the formula contained in the Utility's tariff. For non-bona fide applicants, the refund amount shall be equal to the utility's average per customer investment in mains and accessories as shown on the utility's books of accounts.

SIXTH: The Depositor may request refunds under Paragraph FIFTH, once in each calendar quarter, furnishing the Utility, at such time, a listing of additional customers attached to the main(s) covered by this agreement; however, a failure on the part of the Depositor to make such request shall not constitute a waiver of any rights hereunder or relieve the Utility of the obligation to make refunds with reasonable promptness.

SEVENTH: The ownership of the water main(s) laid hereunder shall at all times be in the Utility, its successors and assigns.

EIGHTH: This agreement shall be valid and binding on the Utility only when executed by an authorized Utility representative.

NINTH: This agreement shall be binding upon the heirs, executors, administrators, successors, and assigns of the respective parties.

TENTH: Any notice given hereunder shall be deemed sufficient if in writing and sent by certified mail to the Utility at Bureau of Water, City Half, Lancaster, Pennsylvania, and to the Depositor at _____ _____ _____.

ELEVENTH: This agreement is entered into pursuant to the legally established Rules and Regulations of the Utility contained in its tariff; as may be amended from time to time, and the words, phrases, and terms hereof are to be understood and interpreted in conformity with said Rules and Regulations which are incorporated herein by reference.

Executed in triplicate by the parties hereto on the date first above written:

WITNESS: By: CITY OF LANCASTER
BUREAU OF WATER

_____ _____

WITNESS: By: DEPOSITOR

_____ _____

(C) Indicates Change

RULES AND REGULATIONS (C)

PRELIMINARY MEMORANDUM

This Preliminary memorandum is executed by the parties hereto under and pursuant to the provisions of Paragraphs THIRD and FOURTH of a certain agreement in writing between the parties entered into on the ____ day of _____, 20__, for the installation by the Utility of a certain water main(s) therein described. It is, therefore, agreed and stipulated:

		Bona Fide Service Applicants	All Other Applicants
(a)	Estimated Cost of Mains	____	____
(b)	Estimated Cost of other facilities Services	None	____
	Fire Hydrants	None	____
	Other	____	____
(c)	Total	_____	_____

(d) Credit Allowance

The Utility's investment where X equals the Utility's investment attributable to each bona fide service applicant,

X = [AR - OM) divided by[I + D], and;

AR = the Company's annual revenue

OM = the Company's operating and maintenance costs

I = the Company's current debt ratio multiplied by the Company's weighted long-term debt cost rate

D = the Company's current depreciation accrual rate

(e) Amount of deposit (e) (d) _____ _____

This Preliminary memorandum shall be attached to the original agreement in accordance with the provisions of Paragraphs THIRD and FOURTH thereof.

Dated_____
(Date of Deposit)

WITNESS: By: CITY OF LANCASTER
BUREAU OF WATER

_____ _____

WITNESS: By: DEPOSITOR

_____ _____

(C) Indicates Change

RULES AND REGULATIONS **(C)**

FINAL MEMORANDUM

This Final memorandum is executed by the parties hereto under and pursuant to the provisions of Paragraphs THIRD and FOURTH of a certain agreement in writing between the parties entered into on the ____ day of _____, 20__, for the installation by the utility of a certain water main(s) therein described. It is, therefore, agreed and stipulated:

		Bona Fide Service Applicants	Developer
(a)	Actual Cost of Mains	____	____
(b)	Actual Cost of other facilities		
	Services (_____ x _____)		
	No. Unit Cost	None	____
	Fire Hydrants	None	____
	Other	____	____
(c)	Total	_____	_____
(d)	Credit Allowance	_____	

The Utility's investment where X equals the Utility's investment attributable to each bona fide service applicant,

X = [AR - OM) divided by[I + D], and;
AR = the Company's annual revenue
OM = the Company's operating and maintenance costs
I = the Company's current debt ratio multiplied by the Company's weighted long-term debt cost rate
D = the Company's current depreciation accrual rate

(e)	Amount of Final Estimate of Deposit (c) (d)	____	____
(f)	Amount of Preliminary Estimate of Deposit	____	____
(g)	Adjustment of Deposit		
	(a) Balance Owing Applicant	____	____
	(b) Balance Owing Utility	____	____
(h)	Basis of Refund - (See Paragraph FIFTH)		
	(a) Each Additional Bona Fide Customer (I) x (If)		
	(b) Add Unit Cost of Service Connection &Advanced by Developer	None	____

(C) Indicates Change

RULES AND REGULATIONS **(C)**

This Final Memorandum shall be attached to the original agreement in accordance with the provisions of Paragraphs THIRD and FOURTH thereof.

Dated_____

WITNESS: By: CITY OF LANCASTER
BUREAU OF WATER

_____ _____

WITNESS: By: DEPOSITOR

_____ _____

(C) Indicates Change

[Reserved for Future Use] **(C)**

(C) Indicates Change

[Reserved for Future Use] **(C)**

(C) Indicates Change

[Reserved for future use] **(C)**

(C) Indicates Change