Southgate Water Company

NAMING RATES FOR

Water Service

At

Benton County, Washington

And

CONTAINING RULES AND REGULATIONS

GOVERNING SERVICE

Issued November 1, 1997 Effective December 11, 1997

Issued by Southgate Water Company

By Jerry Manuel Title President

Address 2324 Wainwright Place, Walla Walla, WA 99362

Telephone Number (509) 529-2500 Fax Number ____________________
**INDEX PAGE**

<table>
<thead>
<tr>
<th>Schedule No.</th>
<th>Sheet Title</th>
<th>Sheet No.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>COVER SHEET</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>INDEX PAGE</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>RULES AND REGULATIONS</td>
<td>5-14</td>
</tr>
<tr>
<td></td>
<td>SERVICE AREA</td>
<td>20</td>
</tr>
<tr>
<td>2</td>
<td>METERED RATE SERVICE</td>
<td>22</td>
</tr>
<tr>
<td>3</td>
<td>READY TO SERVE SERVICE</td>
<td>23 (N)</td>
</tr>
<tr>
<td>10</td>
<td>SERVICE CONNECTION CHARGE</td>
<td>30</td>
</tr>
<tr>
<td>20</td>
<td>ANCILLARY CHARGES</td>
<td>40</td>
</tr>
</tbody>
</table>

**Issued** February 16, 2010  
**Effective** May 15, 2010

Issued by Southgate Water Company  
By [Signature]  
Title President
WATER SERVICE
RULES AND REGULATIONS

Rule 1 - Adoption of Rules of Regulatory Authorities

The rules regulating water service prescribed by the Washington Utilities and Transportation Commission, after this called the Commission, are adopted and by this reference are made a part of this tariff.

Rule 2 - Schedules and Conditions

The schedules and conditions specified in this tariff for water service are subject to change according to the public service laws of the State of Washington. The amount of water furnished is subject to the Department of Health required standards of quantity and quality. All schedules for water service apply to applicants for or customers receiving water service from the utility.

Rule 3 - Application and Agreement for Service

Each prospective customer desiring water service will be required to sign the utility’s standard form of application before service is supplied.

An application for service is notice that the prospective customer desires water service from the utility and represents agreement to comply with the utility’s rules and regulations on file with the Commission and in effect at the time service is furnished. In the absence of a signed application for water service, the delivery of water by the utility through a standard connection and the taking thereof by the customer will constitute an agreement by and between the utility and the customer for the delivery and acceptance of service under the applicable rates schedule(s) and these rules and regulations.

Issued November 1, 1997  Effective December 11, 1997

Issued by Southgate Water Company

By Jerry Manuel  Title President
WATER SERVICE
RULES AND REGULATIONS

Rule 4 - Definition of Service

Service will be supplied as described in these rules and under the applicable rate schedule(s). Service will be supplied only to those who secure their source of water exclusively from the utility, unless otherwise provided under written contract. Water service will be used only for the purpose specified in the service agreement and applicable rate schedule(s). A customer will not sell or permit others to use such service, unless authorized to do so under written contract with the utility.

Discontinuance of service by a customer - Customer shall be required to give notice to the utility of their intention to discontinue service.

The customer will not increase demand or use of services as stated in the application for service without giving prior notice of such increase. In the event of such increase, the customer is required to pay the utility's regularly published rates for the increased service from the date of connection and use of the service.

Whenever the customer wants to permanently discontinue the use of water through any fixtures mentioned in the original application, the customer must cause the fixture to be removed and the branch pipe or service supplying the same to be capped or plugged and must notify the utility in writing before any reduction in charge will be made.

Rule 5 - Reconnection Charge

A reconnection charge, as specified in Schedule 20, will apply for any reconnection of the customer's service to the utility's distribution system. Such charge is to apply only in cases where service has been discontinued for non-payment of delinquent account, request of the customer (seasonal reconnection), refusal to make proper repairs, or similar cause. No charge will be made for reconnection of service if the shut-off was made for the convenience of the utility in making repairs, changes, etc.

---

Issued November 1, 1997 Effective December 11, 1997

Issued by Southgate Water Company

By Jerry Manuel Title President
WATER SERVICE
RULES AND REGULATIONS

Rule 6 - Installation of Meters and Service Pipe

Southgate Water Company provides a meter at its water main, and the customer provides his own service pipe from there and construction of the water service.

The utility may meter any flat rate service at its discretion. The utility’s metered service rates will become effective after the customer has received 30 days’ written notice.

A meter will be installed upon any flat rate service at the request of the customer, provided that the actual cost of the meter installation is paid by the customer at the time of installation and before the water is turned on. All meters will be installed and maintained by the utility.

Rule 7 - Distribution Main Extension

Utility Allowance - Where elevation and construction conditions allow and one or more bona fide prospective permanent customers within the Southgate Water Company permitted service area request a main extension, the utility will construct and pay for the same, if the utility has sufficient capacity available to meet Department of Health standards of quantity and quality.

Customer ProRata Share - The cost of main extension must be paid by the prospective customers in advance.

Construction Contract - Water main extensions and/or fire hydrants will be installed at the customer’s expense after contracts have been approved by the Washington Utilities and Transportation Commission pursuant to WAC 480-80-335 and 480-110-066.

Issued _______ November 1, 1997  Effective _______ December 11, 1997

Issued by ___________________________ Southgate Water Company

By ___________________________ Jerry Manuel  Title _______ President
WATER SERVICE
RULES AND REGULATIONS

Rule 8 - Responsibility for and Maintenance of Services

The point at which water will be delivered to and received by the customer will normally be at the utility’s mainline (Point of Delivery) at a point designated by the utility. The utility will install its meter or other connection device at the Point of Delivery, except, at its option. The utility may install its meter at some other agreed point on the property of the customer, provided that in such event the point of connection to the utility’s mainline will nevertheless be deemed the Point of Delivery.

The customer will assume all responsibility after Point of Delivery for water supplied by the utility. The utility will be exempt from all liability for loss or damage caused by leakage or escape of water furnished by the utility after water has passed the Point of Delivery.

All service pipes and fixtures on the customer’s side of the Point of Delivery shall be provided and must be maintained and protected from freezing at the customer's expense. Where there are leaking or defective pipes or fixtures, the water may be turned off at the option of the utility until properly repaired. The utility may require any service to be equipped with a stop and waste cock to be used during freezing weather instead of permitting water to run continuously from faucets.

Rule 9 - Access to Premises

The utility's regularly authorized agents or employees will have access to the premises of the customer at reasonable hours for meter reading inspection, connection, disconnection, repair or removal of the utility's property. Where the meter has not been read, a minimum bill will be rendered and adjusted when the next succeeding meter reading is available.

__________

Issued November 1, 1997

Effective December 11, 1997

Issued by Southgate Water Company

By Jerry Manuel Title President
Rule 10 – Interruption to Service

The utility will make a diligent effort to render uninterrupted service and supply of water. In cases where shut-off is necessary for repair, reconstruction, damage prevention or similar cause, the utility will give one day advance notice to its customers of such scheduled shut-off. However, the utility will not be responsible for any damage that may result from any cessation of services such as above outlined nor for failure to give notice of shut-off when circumstances are such that it is impossible to give notice as stated above.

Rule 11 – Payment of Bills

All bills are due and payable upon receipt and are considered delinquent no less than fifteen (15) days after the date mailed. Bills will be deemed received upon personal delivery to customer or three (3) days following the deposit of the bill in the United States mail to the customer's last known address. Where the meter has not been read, a minimum bill will be rendered and adjusted when the next succeeding meter reading is available.

A Late Payment Charge as specified in Schedule 20 is applied to the unpaid balance and added to each account for each month the bill is unpaid. The late payment charge will not be applied to any disputed amount unless such amount remains unpaid for more than fifteen (15) days after the dispute has been resolved.

Rule 12 – Deposits

The utility may require a deposit in situation where a customer's service has been disconnected for nonpayment of amounts owed to the utility or when a customer is unable to establish or maintain credit with the utility.

The deposit will not be more than an average two-twelfths of estimated annual billing (for customers billed monthly).
WATER SERVICE
RULES AND REGULATIONS

Rule 12 - Deposits (cont'd)

The utility does not currently require deposits. If deposits should be required in the future, interest on deposits will be accrued at the rate calculated as a simple average of the effective interest rate for new issues of one year treasury bill, computed from December 1 of each year continuing through November 30 of the following year. Interest is computed from the time of deposit to the time of refund and is compounded annually.

Deposits plus any accrued interest less any amount owed for service rendered will be refunded to the customer: 1) where the customer has for 12 consecutive months paid for service when due or 2) upon termination of service.

In addition, the utility will comply with all provisions of the Commission’s deposit rules, specifically WAC 480-110-051.

Rule 13 - Responsibility for Delinquent Accounts

The utility will not refuse or discontinue service to an applicant or customer who is not in arrears to the utility, even though there are unpaid charges due from the premises occupied by the applicant or a customer due to the unpaid bill of a prior tenant unless there is evidence of intent to defraud.

The utility may not permanently deny service to an applicant because of a prior obligation to the utility.

Issued  November 1, 1997        Effective  December 11, 1997

Issued by  Southgate Water Company

By  Jerry Manuel  Title  President
WATER SERVICE
RULES AND REGULATIONS

Rule 14 - Discontinuance of Service

The utility reserves the right to discontinue a customer's service if the customer:

(a) Fails to maintain his connections, service pipes, or fixtures in good order.

(b) Damages any service pipe, meter, curb stop valve, seal, or other facilities of the utility.

(c) Vacates the premises.

(d) Willfully wastes water through improper or imperfect pipes, fixtures, or otherwise.

(e) Fails to make or renew any required deposits or fails to make payments for water service or any other proper charges accruing under the applicable rate schedules, when due.

(f) Refuses to allow an employee of the utility to have reasonable access to the premises for the purpose of inspecting the facilities or for testing, reading, maintaining, or removing meters.

(g) Makes fraudulent use of service.

(h) Violates any of these rules and regulations.

The right to discontinue service may be exercised whenever and as often as any of the foregoing situations occur, and neither delay nor omission by the utility to enforce this rule any time will be deemed a waiver of its right to discontinue service.

Issued _______ November 1, 1997 ___________ Effective _______ December 11, 1997 _______

Issued by ______________________________ Southgate Water Company

By _______ Jerry Manuel ___________ Title _______ President
Rule 14 – Discontinuance of Service (cont'd)

A minimum of eight (8) working days' written notice will be given a customer before service is discontinued, except in the case of danger to life or property. Before disconnecting service, the utility must also attempt to contact the customer either in person or by telephone. If telephone contact is elected, at least two attempts must be made during regular business hours. If a business or message number is provided by the customer, the utility must try to reach the customer at that number. A log of the attempts must be kept by the utility showing the telephone number called and time of the call. If a notice is left at the customer's primary door instead of telephone contacts, service may not be discontinued before 5 p.m. of the first day following delivery.

If service is not discontinued within ten (10) working days of the date on the notice for disconnection, that disconnection notice will become void and a new notice must be provided before the service can be disconnected. However, if the customer has arranged for payments to avoid disconnection of service, a new notice is not required if the customer fails to keep the payment arrangements.

When a utility employee is dispatched to disconnect service, that person shall be required to accept payment of a delinquent account and disconnection charge as specified in Schedule 20. If amount owing is tendered in cash, utility employee will not be required to dispense change for excess of the amount due and owing. Any excess payment will be credited to the customer's account. The utility will restore service when the cause of the discontinuance has been removed and payment of all proper charges due from customer have been made.
WATER SERVICE
RULES AND REGULATIONS

Rule 15 - Sprinkling and Irrigation

Water used for sprinkling and irrigation must be paid for at the regular prescribed tariff rates for such service. The hours for such use will be as prescribed from time to time by the utility, subject to protest by any customer affected and reviewed by the Commission. During peak use months (May through September) and at such other times when demand may be high, the utility may prohibit or limit sprinkling and irrigation to preserve water for domestic consumption.

Except for Lot 4, lawn irrigation will be limited to 4,000 square feet per residence.

No person will use water for sprinkling or irrigation purposes during any fire in the area, and all sprinkling or irrigation must be stopped immediately when a fire alarm is sounded. Use of water may be resumed after the fire has been extinguished.

Rule 16 - Rates

Rates for water service and supply are those published in the utility's tariff on file with the Commission. Unless otherwise stated in this tariff, the rates apply to a single service, to one customer at one premises. Where two or more families with separate housekeeping establishments occupy the same or separate dwellings, each family using water is considered a separate customer. Each separate housekeeping establishment or business using water service will each be considered a customer.

When conditions require that more than one customer be supplied through one meter (Accessory Dwelling Units), each customer will be charged the minimum charge as provided by the schedule of rates. If the consumption as shown by the meter exceeds the allowance for the minimum charge multiplied by the customers, the excess consumption charge will be computed at the regular rates for one customer and the amount prorated equally to the several customers, or otherwise as may be agreed among themselves. Water service must be subscribed to on an annual basis.

Issued November 1, 1997
Effective December 11, 1997

Issued by Southgate Water Company

By Jerry Manuel Title President
Rule 17 – Account Set-Up Charge/NSF (Non-Sufficient Funds) Charge

An NSF check charge as specified in Schedule 20 will be made for handling customer checks that have been returned by the bank as NSF or account closed. This charge will be applied to the next billing to the customer.

An account set-up charge as specified in Schedule 20 will be made for each new account or change of account responsibility on an existing service. Such charge will be included in the initial billing to the customer. This charge includes the utility dispatching an employee to establish a base meter reading. This account-set-up change does not apply to:

(a) Installation of a new meter.
(b) Temporary or seasonal reconnection.
(c) Owners or agents assuming temporary responsibility for service to vacant premises.

Rule 18 – Water Availability Letter Charge

Any prospective customer seeking a water availability letter or certificate of water availability from the utility must first pay the appropriate charge as specific in Schedule 20 and sign and have notarized a water service agreement as prepared by the utility. The water availability letter will include the date issued and the date of expiration. Water availability letters will be valid for no more than one (1) year or until the expiration of the associated building permit, whichever occurs last.
Rule 19 – Limitations on Liability

(a) General

The company's liability, if any, for its gross negligence, willful misconduct or violation of Chapter 19.122 RCW is not limited by this tariff. With respect to any other claim or suit, by a customer or by any others, for damages associated with the installation, provision, termination, maintenance, repair or restoration of service, the company's liability, if any, shall not exceed an amount equal to the proportionate part of the monthly recurring charge for the service for the period during which the service was affected. This liability shall be in addition to any amounts that may otherwise be due the customer under this tariff as an allowance for interruptions. THERE SHALL BE NO LIABILITY FOR CONSEQUENTIAL OR INCIDENTAL DAMAGES.

(b) Disclaimer

THE COMPANY EXPRESSLY DISCLAIMS ALL WARRANTIES, EXPRESS OR IMPLIED, EXCEPT THOSE EXPRESSLY SET FORTH IN THIS TARIFF, INCLUDING, BUT NOT LIMITED TO, IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

(c) Relation for Charges

The charge for services rendered under this tariff are expressly based on the limitations on damages and disclaimer of warranties set forth above.
Southgate Water Company

WATER SERVICE
SERVICE AREA

Water System List:

<table>
<thead>
<tr>
<th>System Name</th>
<th>County</th>
<th>DOH WFI#</th>
</tr>
</thead>
<tbody>
<tr>
<td>Southgate Water Company</td>
<td>Benton</td>
<td>563441</td>
</tr>
</tbody>
</table>

Issued November 1, 1997   Effective December 11, 1997

Issued by Southgate Water Company

By Jerry Manuel Title President
SCHEDULE NO. 2

METERED RATE SERVICE

Available

Within the limits of all Water Service Areas and at utility's option and capability to maintain Department of Health standards of quantity and quality.

Applicable

Applicable to domestic residential customers served by the utility on a metered basis.

Conditions

The charge for this service is not subject to cancellation or reduction for seasonal or temporary periods, unless seasonal rates apply per this tariff. This charge will be the monthly minimum bill for this class of service.

Monthly Rates

Each connection or customer Usage Rate/1000 Gallons (or portion thereof)

3/4 inch service base rate per month $45.00 per month (I)

From zero gallons up to 20,000 gallons per month $1.60 per 1,000 gallons (I)

From 20,000 gallons up to 40,000 gallons per month $2.60 per 1,000 gallons (I)

In excess of 40,000 gallons $4.60 per 1,000 gallons (I)

Issued: April 28, 2017

Effective: June 1, 2017

Issued by: Southgate Water System, Inc.

By: RICHARD A. FINNIGAN

Title: Attorney
SCHEDULE NO. 3
READY TO SERVICE

Available

Within the limits of all Water Service Areas and at utility's option and capability to maintain Department of Health standards of quantity and quality.

Applicable

To any property owner who has completed and signed a Water Service Application, paid all applicable fees required for meter service connection, and had Water Service Application accepted in writing by the utility; and for whom the utility has installed the direct connection from the water system to the applicant's property line or as otherwise agreed upon by both the water company and the customer. Applicable to domestic residential customers, where meters have not yet been installed.

Conditions

The charge for this service is not subject to cancellation or reduction for seasonal or temporary periods, unless seasonal rates apply per this tariff. This charge will be the monthly minimum bill for this class of service. At the time water service begins, the customer shall be transferred to Schedule 2, Metered Service. The fee paid by any customer who begins water service will be prorated to reflect the actual number of months ready to serve service was in effect.

Monthly Rates

Each connection or customer $45 per month

Note: The Ready To Serve charge may be discontinued upon receiving written request from the customer or for non-payment of the Ready to Serve charge. Termination of the charge will allow the utility to remove the service line and/or connection. This disconnection or removal will allow the Utility to make that available service capacity to supply other connections on the water system.

After a service line and/or connection has been removed for discontinued service, future service to the property will require a new application for service, payment of service connection charges and will be subject to the availability of service capacity at such time as the future application for service is made.

Issued: April 28, 2017
Effective: June 1, 2017

Issued by: Southgate Water System, Inc.

By: RICHARD A. FINNIGAN Title: Attorney
SCHEDULE 4
CROSS CONNECTION CONTROL

A. Applicable:

To all customers served by the utility for purposes of assessing the presence of cross connections and additional requirements apply to these customers that have cross connections.

B. Rate:

- Site Visit Charge - $40.00
- Premises Inspection Charge - $75.00 per hour prorated for time spent
- Installation of Approved Backflow Prevention Assembly - Time and materials

C. Conditions:

1. This schedule is established pursuant to the requirements adopted by the Washington State Department of Health in WAC 246-290-490, as it now exists or is hereafter amended or replaced. Copies of this regulation are available from the Washington State Department of Health or from the utility.

2. All customers shall be surveyed as to the existence of cross connections pursuant to the definition of cross connections established by the Washington State Department of Health. A second survey shall be sent to those customers who fail to respond to the initial survey. If the customer fails to respond to the second survey, then the following non-response options may be necessary and the customer will be charged pursuant to the rate or rates, as applicable, set forth in section B, above. For new customers, a survey will be required as part of the application prior to accepting the applicant as a customer.
WN U-1                                          Original Sheet No. 25

Southgate Water Company

________________________________________________________________________

SCHEDULE 4
CROSS CONNECTION CONTROL (con't) (N)

Non-Response Options

a. Site Visit letter/appointment for on-site review of cross connection potential, followed by a Site Visit and Premise Inspection for determination of cross connection potential as defined in WAC 246-290-490. The customer will be assessed the charges set forth in section B, above.

b. Installation of Approved Backflow Prevention Assembly at customer's expense or as set forth in section B, above.

c. Notice of disconnection of service per WAC 480-110-355.

3. An on-site inspection is required for every customer meeting any criteria of WAC 246-290-490(4)(b) Table 9. The customer will be assessed the appropriate charges set forth in section B, above.

4. If a cross connection is detected or is reported by the customer, then the utility will determine the appropriate remedy and notify the customer of the remedy, options, and dates for compliance. If an Approved Backflow Prevention Assembly is required, the utility will determine the type of Approved Backflow Prevention assembly that must be installed, and must provide the customer with a date by which the device must be installed. Installation will be the customer's responsibility and sole expense. The customer may choose to have the Approved Backflow Prevention Assembly installed through any contractor acceptable to the utility. If the customer does not install the appropriate Approved Backflow Prevention Assembly within thirty days of notification, the utility may take appropriate action to correct. This may include the utility installing an Approved Backflow Prevention Assembly at customer's expense if tariffed or may result in the utility providing a notice of disconnection of service by the date specified in the notice. The Approved Backflow Prevention Assembly will be installed on a customer's side of the service connection.
SCHEDULE 4
CROSS CONNECTION CONTROL (con't)

5. If the customer has an Approved Backflow Prevention Assembly installed, the assembly must be tested annually by a certified Backflow Assembly Tester (BAT) specialist. The utility will maintain a list of certified BAT specialists that are acceptable to the utility and the customer may choose from any such BAT specialist on the utility's list. The customer will provide a copy of the acceptable annual report from the BAT specialist. If the annual report is not provided within thirty days of the anniversary date of the installation of the Approved Backflow Prevention Assembly, then the utility will provide a notice of disconnection pursuant to WAC 480-110-355. If a copy of the annual report is not received by the date for disconnection as specified in the notice, the utility will disconnect customer's service.

6. No less often than every three years, the utility shall re-survey its customers concerning the existence of cross connections. If the customer does not respond to the initial survey, a second survey will be sent. If the customer does not respond to the second survey, then non-response options listed in paragraph 2 will apply.

7. For each customer meeting any criteria of WAC 246-290-490(4)(b) Table 9, no less than every three years, the utility shall conduct a site visit, premises inspection and shall assess the customer the charges set forth in section B, above.

8. When necessary, the utility will provide notices of disconnection as required in WAC 480-110-355(3)(a).

9. The utility may immediately shut off water if a public health emergency exists, including when a backflow is occurring or an unprotected cross connection with sewage exists.
**SCHEDULE NO. 10**

**SERVICE CONNECTION CHARGE**

<table>
<thead>
<tr>
<th>Size of Service Connection</th>
<th>Service Connection Charge</th>
</tr>
</thead>
<tbody>
<tr>
<td>3/4-inch service</td>
<td>$750</td>
</tr>
<tr>
<td>Larger than 3/4-inch service</td>
<td>Labor and Material</td>
</tr>
</tbody>
</table>

1. A charge will be made the first time a customer's service pipe, 3/4-inch or smaller, is connected to the utility's main. The charge for a larger connection will be the cost of labor and materials. This charge does not include the cost of a meter or its installation. A meter will be furnished, installed, and maintained by the utility without direct cost to the customer.

2. The utility owns and maintains all materials involved in making a service connection. When a meter is damaged as a result of the customer's actions, the meter will be replaced by the utility at the customer's expense.

3. The service connection charge must be paid before the water is turned on.

4. Meter will be placed in a suitable meter box located at the Southgate Water Company main line. This will generally be located at the customer's property line, except when it is not practicable. The customer is responsible for obtaining necessary easements from intervening landowners for its service line extension.

5. Service Connections will be installed within seven (7) days from payment, unless prior arrangement in writing is agreed upon by both the customer and the utility.

6. The service connection charge for customers outside Tripple Vista Estates will be the cost of labor and materials plus $10,000 for water rights.

---

Issued November 1, 1997  Effective December 11, 1997

Issued by Southgate Water Company

By Jerry Manuel  Title President
Southgate Water Company

**SCHEDULE 20**

**ANCILLARY CHARGES**

<table>
<thead>
<tr>
<th>Rule</th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>Reconnection Charge</td>
<td>$30</td>
</tr>
<tr>
<td>11</td>
<td>Late Payment Charge</td>
<td>Rate: 1.5%/month&lt;br&gt;Minimum charge: $1.00 (N)</td>
</tr>
<tr>
<td>14</td>
<td>Disconnect Visit Charge</td>
<td>$20</td>
</tr>
<tr>
<td>17</td>
<td>NSF Check Charge</td>
<td>$25</td>
</tr>
<tr>
<td></td>
<td>Account Set-up Charge</td>
<td>$20</td>
</tr>
<tr>
<td>18</td>
<td>Water Availability Letter Charge</td>
<td>$25</td>
</tr>
</tbody>
</table>

**Issued:** September 30, 2013  
**Effective:** November 1, 2013

**Issued by:** Southgate Water System, Inc.  
**By:** RICHARD A. FINNIGAN  
**Title:** Attorney