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HACKMAN
HULETT &
CRACRAFT LLP

January 27, 2009

VIA HAND DELIVERED

Ms. Brenda A. Howe
Secretary
Indiana Utility Regulatory Commission
101 W. Washington Street
Suite 1500 E
Indianapolis, IN 46204

RECEIVED

JAN 27 2009

INDIANA UTILITY
REGULATORY COMMISSION

Re: Utility Center, Inc. / 30-Day Filing (**Replacement**)

Dear Ms. Howe:

Utility Center, Inc. d/b/a Aqua Indiana, Inc. located in Allen County is hereby filing, in triplicate, a request to modify the Rules and Regulations applicable to its water and / or sewer customers. **This request is being submitted for consideration and approval under the Commission's 30-Day filing procedure (170 IAC 1-6) and supersedes and replaces those previously submitted to the Commission for approval.** Utility Center hereby withdraws the versions previously submitted for approval. The proposed modifications are permitted by 170 IAC 1-6-3(2) or (3).

The proposed modifications entail adding two Supplements to its current Rules and Regulations for water service and a similar two Supplements to its current Rules and Regulations for sewer service. The first of the proposed Supplements implements new rules and regulations for Water Main Extensions or Sewer Main Extensions. These first Supplements should only affect persons requesting a main extension in order to receive service from Aqua. The second of the proposed Supplements implements rules and regulations for a Water System Loan Program or Sewer System Loan Program. These second Supplements should only affect persons requesting a new single-family residential service connection or requesting a main extension for single-family residential service. The second Supplements also may affect an existing residential customer who incurs certain eligible costs described in the second new Supplements. The proposed modifications are needed in order to improve Utility Center's ability to extend its water utility and/or sewer services to new and existing customers.

In addition to the proposed Rules and Regulations that Utility Center is seeking to have considered and approved, enclosed is a Verified Statement describing the efforts Utility Center has made in accordance with 170 IAC 1-6-5 (a)(5) to notify its customers of the proposed modifications to its Rules and Regulations. Also, since the proposed modifications to Utility Center's Rules and Regulations will not affect its existing rates and charges, no changes to Utility

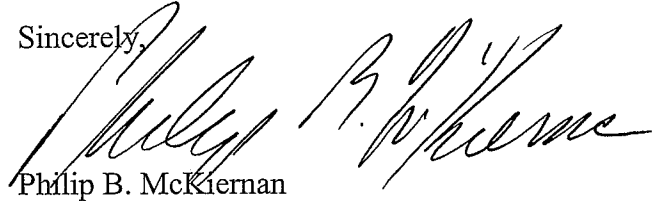
Center's schedules of rates and charges are enclosed and no work papers are submitted in support of the proposed modifications.

If you have any questions, please do not hesitate to contact:

William L. G. Etzler
Vice President and Regional Manager
Utility Center, Inc. b/b/a Aqua Indiana, Inc.
2200 W. Cook Road
Fort Wayne, IN 46818
260- 489-1502 (telephone)
260- 489-3913 (fax)
WLEtzler@aquaamerica.com

Thank you in advance for your consideration of Utility Center's request.

Sincerely,



Philip B. McKiernan

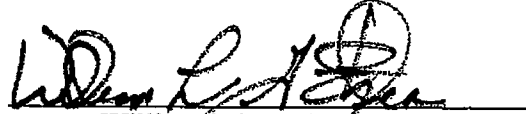
Cc (w/encl.): Indiana Office of Utility Consumer Counselor

VERIFICATION

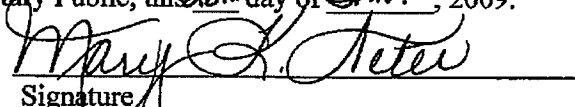
STATE OF INDIANA)
)
COUNTY OF ALLEN) ss:

The undersigned, William L. G. Etzler, under penalties of perjury and being first duly sworn on his oath, says that the representations set forth below are true and correct to the best of his knowledge, information and belief.

1. I am a Vice President for Utility Center, Inc. d/b/a Aqua Indiana, Inc. ("Utility Center"). I currently have, and have had since entering the employ of Utility Center in July 1999, overall responsibility for Utility Center's management and operation, including without limitation responsibility for policy-formulation, planning and compliance with regulatory requirements imposed by state and local governmental agencies.
2. I am familiar with Utility Center's intention to file with the Indiana Utility Regulatory Commission pursuant to 170 IAC 1-6 a request to modify the Rules and Regulations applicable to the operation of its water utility and sanitary sewage disposal systems and the utility services it provides to the public (the "30-Day Filing").
3. Customers of Utility Center have been notified of Utility Center's intention to make the 30-Day Filing by posting notice of the same in a public place at Utility Center's customer service office in Allen County, Indiana and in an obvious place on Utility Center's website. Utility Center also has published notice of its intention to make the 30-Day Filing in at least one (1) newspaper of general circulation in Allen County, Indiana. Attached are copies of the written notices provided by Utility Center and related to of the 30-Day Filing.


 William L.G. Etzler
 Vice President and Regional Manager
 Aqua Indiana, Inc.

Subscribed and sworn to before me, a Notary Public, this 26th day of Jan., 2009.


 Signature
MARY K. TETER
 Printed Name

My Commission Expires: 10/1/1016
 My County of Residence: ALLEN

Notice of Modification of Sewer Rules and Regulations

On or about January 26, 2009, Utility Center, Inc. d/b/a Aqua Indiana, Inc. ("Aqua") will file a request with the Indiana Utility Regulatory Commission (the "Commission") for authority to modify the Rules and Regulations applicable to the operation of its sanitary sewage disposal system and the sewer utility service it provides to the public. The proposed modifications are limited to adding two Supplements to its current Rules and Regulations. One of the proposed Supplements implements rules and regulations for Sewer Main Extensions, and should only affect persons requesting a main extension in order to receive service from Aqua. The other proposed Supplement implements rules and regulations for a Sewer System Loan Program and should only affect persons requesting a new single-family residential service connection or requesting a main extension for single-family residential service. The second Supplement also may affect an existing residential customer who incurs certain single costs described in the second new Supplement. Aqua's filing will not modify its existing rates and charges for sewer utility service.

Aqua will make its request to implement the new Rules and Regulations under the Commission's rules governing 170 IAC 1-5. Objections to Aqua's filing must be submitted to the Secretary, Indiana Utility Regulatory Commission, 101 W. Washington Street, Suite 1500E, Indianapolis, Indiana 46204, with a copy sent to the Indiana Office of Utility Consumer Counselor, 115 W. Washington Street, Suite 1500S, Indianapolis, Indiana 46204. Under 170 IAC 1-5.7, the objection must be:

- (1) filed in writing;
- (2) signed and sworn;
- (3) based on a statement that at least one of the following applies to Aqua's filing:
 - (A) it is a violation of applicable law;
 - (B) a prior Commission order or rule;
 - (C) information in the filing is inaccurate;
 - (D) the filing is incomplete; or
 - (E) prohibited under 170 IAC 1-5.4.

The Commission will notify Aqua of any objections it receives in connection with the filing.

Notice of Modification of Water Rules and Regulations

On or about January 26, 2009, Utility Center, Inc. d/b/a Aqua Indiana, Inc. ("Aqua") will file a request with the Indiana Utility Regulatory Commission (the "Commission") for authority to modify the Rules and Regulations applicable to the operation of its water system and the water utility service it provides to the public. The proposed modifications are limited to adding two Supplements to its current Rules and Regulations. One of the proposed Supplements implements rules and regulations for a Water System Loan Program and should only affect persons requesting a main extension in order to receive service from Aqua. The other proposed Supplement implements rules and regulations for a new single-family residential service connection or requesting a main extension for single-family residential service. The second Supplement also may affect an existing residential customer who incurs certain single costs described in the second new Supplement. Aqua's filing will not modify its existing rates and charges for water utility service.

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Aqua will make its request to implement the new Rules and Regulations under the Commission's rules appearing at 170 IAC 1-6. Objections to Aqua's request must be submitted to the Secretary, Indiana Utility Regulatory Commission, 101 W. Washington Street, Suite 1500E, Indianapolis, Indiana 46204, with a copy sent to the Indiana Office of Utility Consumer Counselor, 115 W. Washington Street, Suite 1500S, Indianapolis, Indiana 46204. Under 170 IAC 1-6-7, the objection must be:

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 - (B) electronic format.
- (2) Based on a statement that at least one (1) of the following applies to Aqua's filing:
 - (A) It is a violation of:
 - (i) applicable law;
 - (ii) a prior Commission order; or
 - (iii) a Commission rule.
 - (B) Information in the filing is inaccurate.
 - (C) The filing is:
 - (i) incomplete; or
 - (ii) prohibited under 170 IAC 1-6-4

The Commission will notify Aqua of any objections it receives in connection with the filing.

Notice of Modification of Water Rules and Regulations

On or about January 26, 2009, Utility Center, Inc., d/b/a Aqua Indiana, Inc. ("Aqua") will file a request with the Indiana Utility Regulatory Commission (the "Commission") for authority to modify the Rules and Regulations applicable to the operation of its water system and the water utility service it provides to the public. The proposed modifications are limited to adding two Supplements to its current Rules and Regulations. One of the proposed Supplements implements rules and regulations for Water Main Extensions and should only affect persons requesting a main extension in order to receive service from Aqua. The other proposed Supplement implements rules and regulations for a Water System Loan Program and should only affect persons requesting a new single-family residential service connection or requesting a main extension for single-family residential service. The second Supplement also may affect an existing residential customer who incurs certain eligible costs described in the second new Supplement. Aqua's filing will not modify its existing rates and charges for water utility service.

Aqua will make its request to implement the new Rules and Regulations under the Commission's rules appearing at 170 IAC 1-6. Objections to Aqua's request must be submitted to the Secretary, Indiana Utility Regulatory Commission, 101 W. Washington Street, Suite 1500E, Indianapolis, Indiana 46204, with a copy sent to the Indiana Office of Utility Consumer Counselor, 115 W. Washington Street, Suite 1500S, Indianapolis, Indiana 46204. Under 170 IAC 1-6-7, the objection must be:

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 - (ii) a prior Commission order; or
 - (iii) a Commission rule.
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 - (C) The filing is:
 - (i) incomplete; or
 - (ii) prohibited under 170 IAC 1-6-4

The Commission will notify Aqua of any objections it receives in connection with the filing.

RULES AND REGULATIONS

OF

UTILITY CENTER, INC.

d/b/a

AQUA INDIANA, INC.

**2200 West Cook Road
Fort Wayne, Indiana 46818**

SEWER

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ADOPTION

The following Rules and Regulations for the operation of the sanitary sewage disposal system of **UTILITY CENTER, INC., d/b/a AQUA INDIANA, INC.** and its successors and assigns, have been adopted, subject to subsequent amendment, addition, deletion and changes as may be necessary, from time to time, to meet the needs of the Company and shall be a part of any contract with every person who uses the sanitary sewage disposal service supplied by said Company in any of its sanitary sewage disposal service areas, and every such person, by accepting such service, shall be conclusively presumed to have knowledge thereof and to have expressed his consent to be bound thereby.

NOTICE

A copy of the schedule of rates and charges and of the Rules and Regulations of **UTILITY CENTER, INC., d/b/a AQUA INDIANA, INC.** shall be on file in the principal office of the Company and the Gas/Water/Sewer Division of the Indiana Utility Regulatory Commission, available for public inspection at such places.

DEFINITIONS

The following words, as used in these Rules and Regulations have the following respective meanings:

COMPANY means **UTILITY CENTER, INC. d/b/a AQUA INDIANA, INC.**, an Indiana corporation, having its general offices at 2200 West Cook Road, Fort Wayne, Indiana, 46818, its successors and assigns, said Company being engaged in the business of rendering sanitary sewage disposal service to the public.

CUSTOMER means any person, firm, corporation, association, municipality or other

government agency which has agreed, orally or otherwise, to pay for sewage disposal service rendered, or caused to be rendered, by the Company; provided that pursuant to certain limitations of the Rules and Regulations of the Indiana Utility Regulatory Commission, the word "customer" might be limited to mean persons who have agreed to pay for such service exclusively for residential purposes.

DISCONNECTION means the termination or discontinuance of sewage disposal service.

LATE PAYMENT CHARGE means the one time penalty assessed by the Company upon all current bills at such time as they become delinquent.

COMMISSION means the Indiana Utility Regulatory Commission.

LATERAL SEWER means sewerage pipe owned, operated or maintained by the Company which is used to transport sewage, but does not include "service pipe".

SERVICE PIPE means the pipe which runs from the customer's premise to the lateral sewer and which receives sewage from the customer's premises.

PREMISES means a tract of land or real estate, including buildings and other appurtenances thereon.

A TAP means a fitting owned by the Company and inserted in the lateral sewer to which the service pipe is connected.

SEWAGE DISPOSAL SERVICE means any utility service whereby liquid and solid waste, sewage, night soil and industrial waste (except as limited by the Rules and Regulations of the Commission) of any single territorial area is collected, treated, purified and disposed of in a sanitary manner, and includes all sewage treatment plant or plants, main sewers, submain

sewers, local and/or lateral sewers, intercepting sewers, outfall sewers; force mains, pumping stations, ejector stations and all other equipment and appurtenances necessary or useful and convenient for the rendition of such service.

The pronoun **HIM** includes "her", and where appropriate, the singular includes the plural; the plural includes the singular. The masculine includes the feminine and neuter. Where applicable HIM includes any corporation, partnership or other entity constituting a customer.

CONTRACT

Rule 1. A contract for sewage disposal service in the form prescribed by Company may be required to be executed by customer before Company renders service to the customer, or Company may allow each customer to request service by means of a telephone call to the office in lieu of a contract. Thereafter, the customer executing such contract shall be liable for and shall pay for all sewage disposal service rendered under the terms of said contract, unless and until Company shall release him from the terms thereof. All charges for sewage disposal service are the personal liability of the customer and his moving from one property or location to another does not in any manner affect or limit his liability for charges incurred at a previous location. The Company may discontinue any customer's service for failure to pay any unpaid charges transferred from a previous location.

Rule 2. No promises, agreements or representations of any agent, employee or authorized representative of the Company shall be binding upon the Company unless the same shall have been incorporated in all copies of a written consent before such contract is signed by Company.

Rule 3. Unless a contract for sewage disposal service has been executed, or a customer authorization by telephone has been received, sewage may not be emitted from the premises into Company's system. Anyone violating this rule shall be required to pay Company its monthly service charge for any month, or fraction thereof, that sewage was emitted from said premises into Company's system and to reimburse Company for all expenses incurred by it in terminating such unauthorized use of its system.

Rule 4. The sewage service furnished under any contract between Company and customer is for the use of the customer on his designated premises, and shall not be resold or extended by customer to serve additional lots, premises or improvements.

Rule 5. Sewage disposal service shall be rendered to all customers of Company on a nondiscriminatory basis in accordance with the rates and charges attached hereto, made a part hereof and filed with the Indiana Utility Regulatory Commission, or such rates in effect at the time such service is rendered. No change shall be made in the said rates or charges until after such charge has been approved by the Indiana Utility Regulatory Commission.

Rule 6. Any contractor, builder or developer shall be liable for the minimum monthly charge from time of connection until notification of occupancy, if such contractor, builder or developer fails to notify Company of such occupancy.

Rule 7. The Company shall not be obligated to receive for treatment or disposal any material except sewage defined in the Rules and Regulations of Service for Utilities Rendering Sewage Disposal Service in Indiana of the Commission.

DEPOSITS

Rule 8. The Company may require a reasonable deposit from the customer to

secure payment of charges for services if Company determines that customer or applicant does not meet the criteria for creditworthiness set forth in the Rules and Regulations of the Commission.

Rule 9. The Company shall determine the creditworthiness of an applicant or customer in an equitable and nondiscriminatory method without regard to the economic character of the area (or any part thereof) where the applicant resides and shall determine the creditworthiness solely upon the credit risk of the individual without regard to the collective reputation of the area in which he lives.

Rule 10. Such deposit, if required, may not exceed an amount equal to 1/6 of the expected annual billings for the customer at the address at which service is rendered. In the event the required deposit is in excess of \$70.00, the Company shall advise the customer that he may make such deposit in equal installment payments over a period of up to eight (8) weeks, except where such deposit is required as a result of a disconnection for nonpayment, in which case, full payment of the deposit may be required prior to reconnection.

Rule 11. If the Company denies service or requires a cash deposit as a condition of providing service, then it shall immediately notify the applicant in writing, stating the precise facts upon which the Company based its decision and provide the applicant with an opportunity to rebut such facts and show other facts demonstrating his creditworthiness.

Rule 12. Deposits held more than twelve (12) months shall earn interest from the date of deposit at the rate of six (6) percent per annum or at such rates as the Commission may prescribe. The deposit shall not earn interest after the date it is mailed or personally delivered to the customer or otherwise lawfully disposed of.

Rule 13. Any deposit and accrued interest shall be refunded promptly along with a statement accounting for each transaction involving the deposit and interest, without request by the customer, upon satisfactory payment by the customer for a period of nine (9) successive months or ten (10) out of any twelve (12) consecutive months; provided the customer did not make late payments for any two consecutive months, or upon the customer demonstrating his creditworthiness.

Following a customer requested termination of service, the Company shall apply the deposit plus accrued interest to the final bill or upon the specific request of the customer, the Company shall refund the deposit plus accrued interest within fifteen (15) days after payment of the final bill. Each customer shall be provided a written receipt from the Company at the time his deposit is paid in full or when he makes a cash partial payment. Refund of the deposit and interest shall be made upon surrender of the deposit receipt or, in case the receipt is lost, by the execution by the depositor or proper representative of an affidavit sufficient to show that he is the person entitled to the deposit and interest.

BILLING

Rule 14. Bills shall be rendered by the Company monthly and such bills shall contain the following information:

- (1) The amount of the bill.
- (2) The previous balance, if any.
- (3) The sum of the amount of the bill and the late payment charge, if any.
- (4) The date on which the bill becomes delinquent and on which a late

payment charge will be added to the bill.

- (5) A statement informing the customer of the seventeen (17) day non-penalty period.
- (6) An explanation of all the codes and/or symbols.

Rule 15. A sewage disposal service bill which has remained unpaid for a period of more than seventeen (17) days following the mailing of the bill shall be a delinquent bill. Failure to receive a bill shall not excuse a customer from paying the minimum monthly sewage rate.

Rule 16. The billing period for sewage disposal service shall be monthly, and any unused portion of the quantity of service allowed for the minimum charge may not be transferred or refunded.

Rule 17. The bill shall be rendered as a net bill. If the net bill is not paid within seventeen (17) days after the bill is mailed, it shall become a delinquent bill and a late payment charge may be added in the amount of ten (10) percent of the first three (3) dollars and three (3) percent of the excess of three (3) dollars.

Rule 18. Payment shall be made directly to the Company or an authorized agent of the Company. Payment to any other person or entity does not constitute payment.

Rule 19. There will be no abatement of charges in whole or in part by reason of the extended absence of a customer or for any other cause, unless the Company has been notified in writing at its principal office to discontinue service no less than 72 hours before such service is to be discontinued.

Rule 20. The Company may estimate the bill of any customer whose sewage bill is based on metered water service pursuant to a billing procedure approved by the Commission or for other good cause, including but not limited to: inclement weather; labor or union disputes; inaccessibility of a customer's meter if the Company has made a reasonable attempt to read it; and other circumstances beyond the control of the Company, its agents and employees.

METERS

Rule 21. The Company shall have the right to furnish sewage disposal services to all residents in its service area for residential purposes, on an unmetered basis, but it reserves the right to meter the flow from any residence if it suspects that waste from sources other than residential, or sources not covered by a service contract are being allowed to enter Company's system. For all customers other than residential, Company shall have the right to install a sewage meter and collect monthly sewage disposal charges, based on the volume of sewage emitted monthly. Where Company's sewage customers purchase water from other utilities on a metered basis, and agreement has been reached with such utility company for the use of such meter, to determine monthly sewage flow, customer shall make such meter available for reading on a regular basis.

Rule 22. When meters are used, they will be set or changed on the customer's premises after customer had caused the installation of a meter vault, in accordance with plans and specifications approved by Company. Such vault shall include an access hatch no smaller than 24" square with a locking device. Any refusal by customer to agree to a meter or

meter vault installation or the location thereof, shall, at the option of the Company, be sufficient reason to refuse sewage disposal service to such customer until such requirements are met. When used, the meter will be furnished by the Company and shall remain the property of the Company at all times.

Rule 23. Ordinary repairs to meters and remotes will be made by the Company without expense to the customer. Repairs to meters made necessary because of customer's negligence shall be made by Company, but the cost of such repairs shall be charged to the customer, and his failure to pay therefor shall subject him to the penalties provided herein for failure to pay service charges.

Rule 24. When metering devices are used to determine sewage flows, Company reserves the right of type and brand selection.

Rule 25. Company, at its option, and with the approval of the Commission, may measure the flow of sewage by the use of:

- (1) water meter of another utility, or
- (2) the installation of its own water meter for such purpose.

Rule 26. All meters shall be protected from frost by customer and shall be kept readily accessible for inspection and reading by Company's representatives.

Rule 27. Properly identified Company personnel shall have access to customer's premises at all reasonable times to read meters, to inspect Company's property, to check for unsafe conditions, and for all other purposes connected with rendering sanitary sewage disposal service.

Rule 28. In the event the customer's service is interrupted for a reason other than the act of the customer or the condition of customer controlled equipment, and the service remains interrupted for more than two (2) days after being reported or found to be out of order, appropriate adjustments or refunds shall be made to the customer.

Rule 29. All other billing errors, including incorrect tariff applications, may be adjusted to the known date of error or for a period of one year, whichever period is shorter.

DISCONNECTION OF SERVICE

Rule 30. The customer shall notify the Company at least three (3) days in advance of the day disconnection is desired. The customer shall remain responsible for all service used and the billings therefore until the service is disconnected pursuant to such notice. The customer shall not be liable for any service rendered to such location after the expiration of those three (3) days.

Rule 31. The Company may disconnect service without request by the customer and without prior notice only

- (a) if a condition dangerous or hazardous to life, physical safety or property exists; or
- (b) upon order by any court, the Commission or other duly authorized public authority; or
- (c) if fraudulent or unauthorized use of sewage disposal service is detected and the Company has reasonable grounds to believe the affected customer is responsible for such use.

Rule 32. The Company, upon providing notice as provided in Rule 42, may disconnect service, subject to provisions of the Rules and Regulations of the Commission, for

the following reasons:

- (1) For vacancy of property.
- (2) For failure to pay any bill or charge when it is due.
- (3) For failure to provide free and non-hazardous access to the property so that representatives of the Company may take meter readings, make all necessary inspections, maintain, replace, or remove any of Company's facilities.
- (4) For placing or permitting any deleterious substance to enter the sewer system that will adversely affect the ordinary treatment of the sewage in the treatment plant after such action has been called to the attention of customer.
- (5) For interfering with, damaging or destroying any sewage disposal facilities belonging to Company.
- (6) For installing new pipe and fittings or altering or removing existing pipe or fittings without a permit from the Company.
- (7) For violation of any of the within Rules and Regulations or any amendments thereof.

Rule 33. Discontinuation of service by order of the Indiana State Department of Health, the Commission or by order of any other agency having jurisdiction over the Company for reasons not under the control of the Company shall not invalidate any contract with a customer and the Company shall have the right to enforce any contract notwithstanding such discontinuance.

PROHIBITED DISCONNECTION

Rule 34. The Company shall postpone the disconnection of service for ten (10) days if, prior to the disconnect date specified in the disconnect notice, the customer provides the Company with a medical statement from a licensed physician or public health official which states that a disconnection would be a serious and immediate threat to the health or safety of a designated person in the household of the customer. The postponement of disconnection shall be continued for one additional ten (10) day period upon the provisions of an additional such medical statement.

Rule 35. The Company may not disconnect service to a customer: (a) Upon his failure to pay for the service rendered at a different metered point, residence or location if such bill has remained unpaid for less than forty-five (45) days; or (b) Upon his failure to pay for services to a previous occupant of the premises to be served, unless the Company has good reason to believe the customer is attempting to defraud the Company by using another name; or (c) Upon his failure to pay for a different form or class of sewage disposal service.

Rule 36. The Company may not disconnect service to the customer if he shows cause for his inability to pay the full amount due (financial hardship shall constitute cause) and (a) the customer pays a reasonable portion (not to exceed \$10.00 or one tenth of the bill, whichever is less, unless the customer agrees to a greater portion) of the bill; and (b) he agrees to pay the remainder of the outstanding bill within three (3) months; and (c) he agrees to pay all undisputed future bills for service as they become due, and (d) he has not breached a similar agreement with the Company made pursuant to this rule within the past twelve (12) months. Such agreement shall be put in writing.

Rule 37. If a customer is unable to pay a bill, which is unusually large due to prior incorrect reading of the meter, incorrect application of the rate schedule, incorrect connection or functioning of the meter, prior estimates where no actual reading was taken for over two (2) months, stopped or slow water meter, or any human or mechanical error of the Company and the customer (a) pays a reasonable portion of the bill, not to exceed an amount equal to the customer's average bill for the twelve bills immediately preceding the bill in question, and (b) agrees to pay the remainder at a reasonable rate, and (c) agrees to pay all undisputed future bills for service as they become due, providing such agreement is reduced in writing.

Rule 38. The Company shall not add to the outstanding bill referred to in the preceding rule any late fee.

Rule 39. If a customer proceeds with a review pursuant to the Rules and Regulations of the Commission, the Company will disconnect only as provided by the Rules and Regulations of the Commission.

Rule 40. The Company shall disconnect service only between the hours of 8:00 a.m. and 3:00 p.m., prevailing local time. Disconnections pursuant to Rule 31 are not subject to this limitation.

Rule 41. The Company shall not disconnect service for nonpayment on any day on which the Company office is closed to the public, or after 12:00 noon of the day immediately preceding any day when the Company office is not open to the public.

Rule 42. Except as otherwise provided by these rules, service to any residential customer shall not be disconnected for a violation of any rule or regulation of the Company or

for the nonpayment of a bill, except after seven (7) days prior written notice to the customer by either

- (a) mailing the notice to such residential customer at the address shown on the records of the Company; or
- (b) personal delivery of the notice to the residential customer or a responsible member of his household at the address shown on the records of the Company. No disconnect notice for nonpayment may be rendered by the Company prior to the date on which the account becomes delinquent.

Rule 43. The language of a disconnect notice must be clear, concise and easily understandable to a layman and shall state in separately numbered large type or printed paragraphs:

- (1) The date of the proposed disconnection.
- (2) The specific actual basis and reason for the proposed disconnection.
- (3) The telephone number of the Company office at which the customer may call during regular business hours in order to question the proposed disconnection or seek information concerning his rights.
- (4) A reference to the pamphlet or the copy of the rules furnished to the customer for information as to the customer's rights.

Rule 44. Immediately preceding the actual disconnection of service, the employee of the Company designated to perform such function shall make a reasonable attempt to identify himself to the customer or any other responsible person then upon the premises and

shall make a record thereof to be maintained for at least thirty (30) days.

Rule 45. The employee shall have in his possession information sufficient to enable him to inform the customer or other responsible person of the reason for the disconnection, including the amount of any delinquent bill of the customer, and shall request from the customer any available verification that the outstanding bill has been satisfied or is currently in dispute pursuant to review under the Commission's rules. Upon the presentation of such credible evidence, service shall not be disconnected.

Rule 46. The employee shall not accept payment from the customer or other responsible person in order to prevent the service from being disconnected. The customer shall make payment to the Company at its office in order to prevent the service from being disconnected, and the customer shall be so informed.

Rule 47. When the employee has disconnected the service, he shall give a responsible person on the premises, or if no one is at home, shall leave at a conspicuous place on the premises, a notice stating that service has been disconnected and stating the address and telephone number of the Company where the customer may arrange to have the service reconnected.

RECONNECTION

Rule 48. The Company will charge a reasonable reconnection charge, not to exceed the charge approved by the Commission in the Company's tariffs, to compensate the Company for the costs of disconnecting and reconnecting the service. If the Company disconnects service in violation of the rules of the Commission, the service shall immediately

be restored at no charge to the customer.

Rule 49. If the conditions, circumstances or practices which caused the disconnection have been corrected, and the payment of all delinquent and reconnection charges owed the Company by the customer and any deposit required by these rules have been made, the Company shall reconnect the service to the customer as soon as reasonably possible, but at least within five (5) working days after requested, if conditions permit. Reconnection will occur only when a responsible person is on the premises.

Rule 50. Customer shall give Company access to the premises during the regular and customary business hours for the purpose of reinstalling a service, and Company shall not be required to perform such work at other than customary business hours.

COMPLAINTS AND REVIEW

Rule 51. (1) A customer may complain at any time to the Company about the amount of any bill, security deposit, disconnection notice, or any other matter relating to its service and may request a conference thereon provided there is no bill which is delinquent at that time. Such complaints may be made in person, in writing, or by completing a form available from either the Commission or from the Company at its business offices. A complaint shall be considered filed upon receipt by the Company, except mailed complaints shall be considered filed as of the postmark date. In making a complaint and/or request for conference, the customer shall state at a minimum, his name, service address, and the general nature of this complaint.

(2) Upon receiving each such complaint or request for conference, the Company:

- (a) Shall promptly, thoroughly and completely investigate such complaint, confer with the customer of the results of its proposed disposition of the complaint after having made a good faith attempt to resolve the complaint.
- (b) Such written notification shall advise the customer that he may, within seven (7) days following the date in which such notification is mailed, request a review of such proposed disposition by the Commission.

Rule 52. (1) If the customer is dissatisfied with the Company's proposed disposition of the complaint, he may request the Commission in writing within seven (7) days following the date on which such notification is mailed, to informally review the disputed issue and the Company's proposed disposition thereof. Such request shall certify that the customer has also sent a copy of his request for review to the Company. Upon receiving a copy of such request, the Commission shall provide an informal review within twenty-one (21) days. The review shall consist of not less than a prompt and thorough investigation of the dispute and shall result in a written decision to be mailed to the customer and the Company within thirty (30) days after its receipt of the customer's request. Upon request by either party or the Commission, the parties shall be required to meet and confer to the extent and at such place as the Commission may consider to be appropriate.

(2) The records of the Commission relating to such review shall be kept in a systematic order.

Rule 53. (1) If the customer is receiving service at the time the complaint and/or request for conference is received by the Company, his service shall not be disconnected, except for nonpayment of his bill, until ten (10) days have elapsed from the date of mailing of the notification of the Company's proposed disposition of his complaint. Provided, however, that if a review by the Commission of the Company's proposed disposition of the complaint is requested by the customer within seven (7) days after the mailing of such proposed disposition of the complaint, the Company shall not disconnect the customer's service until at least three (3) days have elapsed from the date of mailing of the Commission's decision upon and pursuant to such review if the customer who has requested such review has paid and continues to pay all future undisputed bills prior to their becoming delinquent.

(2) In those instances when the customer and the Company cannot agree as to what portion of a bill is undisputed, it shall be sufficient that the customer pay on the disputed bill an amount equal to his average bill for twelve (12) months immediately preceding the disputed bill except in those cases where the customer has received fewer than twelve (12) bills, in which event the customer shall pay an amount equal to 1/12 of the estimated annual cost of service to be rendered to the customer.

Rule 54. The Company shall keep a written record of complaints and requests for conference. Such written records are to be readily available at the office of the Company upon request by the concerned customer, his agent possessing written authorization or the Commission.

INFORMATION PROVIDED BY THE COMPANY TO APPLICANTS AND CUSTOMERS

Rule 55. The Company will publish and distribute, without request, to all applicants for service and to all current customers, a copy of Commission rules if required to do so.

Rule 56. The Company shall supply free of charge a copy of the rate schedules applicable to the types of service available to new applicants for and existing customers of residential service, upon request by the applicant or customer.

Rule 57. The Company whenever it petitions the Commission for a change in any of its base rate schedules shall furnish within forty-five (45) days of such request and prior to the date of the public hearing a notice which fairly summarizes the nature and extent of the proposed changes.

Rule 58. The Company shall maintain up-to-date maps, plans or records of its entire force main and collection systems, with such other information as may be necessary to enable the Company to advise prospective customers, and others entitled to the information, as to the facilities available for serving any locality.

INTERRUPTIONS OF SERVICE

Rule 59. Whenever the service is intentionally interrupted for any purpose, such interruption shall, except in emergencies, be at a time during regular working hours of the Company which will cause the least inconvenience to customers. Customers who will be affected by such interruption shall, to the extent practical, be notified in advance.

SERVICE PIPE CONNECTIONS

Rule 60. (1) Company's Service Pipe. The Company shall install and maintain that

portion of the service pipe from the lateral to the boundary line of the easement, public road, or street, under which such lateral may be located, except as subsequently provided. The customer shall "rod" and otherwise clean the Company's portion of the service pipe serving the customer in the event the same becomes clogged or blocked as a result of debris or waste entering such service pipe from the customer's premises, as a result of the customer's actions.

(2) Customer's Service Pipe. The customer shall install and maintain that portion of the service pipe from the end of the Company's portion into the premises served.

(3) Requirements for Customer's Service Pipe. The customer's service pip and appurtenances shall be constructed of materials approved by the Company and be installed under the inspection of the Company. It shall be the customer's responsibility to maintain his service pipe and appurtenances in good operating condition.

Rule 61. If a customer requests for his convenience or by his actions requires that Company facilities be redesigned, re-engineered, relocated, removed, modified or reinstalled, the Company may require the customer to make payment to it of the full cost of performing such service.

CONNECTIONS TO SYSTEM

Rule 62: No customer shall be allowed to connect to Company's system until after he has obtained a permit to do so from the Company. If any person shall do so, Company shall have the right to disconnect such customer from its system and refuse to connect him to Company's system until the Company had been reimbursed for its expense incurred in

disconnecting such person from its system.

Rule 63. All service lines not constructed by Company and all taps or connections to Company's lateral sewers shall be made only in accordance with plans and specifications approved by Company, and shall include such appurtenances and facilities as Company may require. Any such connection shall be made only under direct authority from, and supervision by, an officer of Company or an employee designated by Company for such purpose. All cleanouts or inspection pipes shall be installed at the expense of the customer; however, any cost incurred as a result of customer not having caused the installation of such facilities shall be borne by the customer.

Rule 64. No person shall do any form of work on or in connection with lines or facilities owned by Company until he has received a permit from Company to do such work.

Rule 65. A maximum of four (4) hour notice to Company will be required prior to making inspection, said inspection to be made during the Company's normal working hours. No underground work shall be covered until Company has inspected and approved same. Company shall have the right to charge the Inspection Fee approved by the Commission in the Company's tariffs, for its services in processing each application and making each inspection. Before requesting an inspection of the making of a tap, the sewer contractor shall have the work in such state that the inspection or tap can be inspected at the scheduled time.

Rule 66. Any repairs or maintenance required to the service line owned by customer is the sole responsibility of customer.

Rule 67. All pipe, tile and equipment furnished by Company, which may at any time

be on or in the customer's premises, shall, unless otherwise expressly provided, be and remain the property of the Company and the customer shall protect property from loss or damage, and no one who is not an agent of Company shall be permitted to remove such property or tamper therewith. All persons are forbidden to cover up or in any way tamper with any manhole or facility owned by Company.

Rule 68. Connections between septic tanks and the Company's sewer lines shall not be permitted.

SEWER RESTRICTIONS

Rule 69: No person shall discharge or cause to be discharged any storm water, surface water, ground water, roof run-off, sub-surface drainage, cooling water or unpolluted industrial process waters into any sanitary sewer. Upon finding any connection to its sewer system in violation of the rule, Company may cause such connection to be disconnected and charge such customer a reasonable fee for its services and expenses in doing so. Failure to pay such charge within fifteen (15) days after the same shall be due shall subject such customer to the same penalties provided herein for failure to pay service charges.

Rule 70. Except as hereinafter provided, no person shall discharge or cause to be discharged any of the following described waters or wastes into any sanitary sewer:

- (1) The Company shall not be obligated to receive for treatment water discharged for sump pumps or footing drains, rain water discharged for roofs, lawns paved area, etc.
- (2) Any liquid or vapor having a temperature higher than 150 degree F.

- (3) Any water or waste which may contain more than (208) parts per million, by weight, of fat, oil or grease.
- (4) Any gasoline, benzene, naphtha, fuel oil, or other inflammable or explosive liquid, solid or gas of any type or nature.
- (5) Any garbage that has not been properly shredded.
- (6) Any ground or shredded garbage where a major portion of the organic loading on the facility would be ground garbage such as from a produce department of a supermarket, restaurant, or similar establishment.
- (7) Any ashes, cinders, sand, mud, straw, shavings, metal, glass, rags, feathers, tar, plastics, wood, paunch manure, or any other solid or viscous substance capable of causing obstruction to the flow in sewers or other interference with the proper operation of the sewage treatment plant.
- (8) Any waters or wastes having a pH lower than (5.5) or higher than (9.0), or having any other corrosive property capable of causing damage or hazard to structures, equipment, facilities and personnel of the sewage treatment plant.
- (9) Any waters or wastes containing a toxic or poisonous substance in sufficient quantity to injure or interfere with any sewage treatment process, constitute a hazard to humans or animals, or create any hazard in the receiving waters of the sewage treatment plant.

- (10) Any waters or wastes containing suspended solids of such character and quantity that unusual attention or expenses are required to handle such materials at the sewage treatment plant.
- (11) Any noxious or malodorous gas or substance capable of creating a public nuisance.

Rule 71. Grease, oil and sand interceptors shall be provided by customer when, in the opinion of the Company, they are necessary for the proper handling of liquid wastes containing grease in excessive amounts, or any flammable wastes, sand, or other harmful ingredients except that such interceptors shall not be required for private living quarter or dwelling units. All interceptors shall be of a type and capacity approved by Company and shall be located as to be readily and easily accessible for cleaning and inspection. Grease and oil interceptors shall be constructed of impervious materials capable of withstanding abrupt and extreme changes in temperature, they shall be of substantial construction, water tight and equipped with easily removable covers which, when bolted in place, shall be gas tight and water tight.

Rule 72. Where installed, all grease, oil and sand interceptors shall be maintained by the customer, at his sole expense, in continuously efficient operation at all times.

Rule 73. The admission into Company's sewers of any waters or wastes having:

- (1) A five (5) day biochemical oxygen demand greater than (208) parts per million weight, or,
- (2) Containing more than (240) parts per million weight of

suspended solids, or

- (3) Containing any quantity of substance having the characteristics described in Rule 70 or in subparagraph (1) or (2) of this Rule 73, or,
- (4) Having an average daily flow greater than two (2) percent of the average daily sewage flow of the service area, shall be subject to review and approval of the Company.

The customer shall provide, at his sole expense, such preliminary treatment as may be necessary to:

- (1) Reduce the biochemical oxygen demand to (208) parts per millions and the suspended solids to (240) parts per millions by weight, or
- (2) Reduce objectionable characteristics or constituents to within the maximum limited provided for in Rule 70, or
- (3) Control the quantities and rates of discharge of such waters or wastes.

Plans, specifications and other pertinent information relating to proposed preliminary treatment facilities shall be submitted for the approval of the Company and of the Water Pollution Control Commission of the State of Indiana and any other required regulatory agency, and no construction of such facilities shall be commenced until said approvals have been obtained in writing.

Rule 74. Where preliminary treatment facilities are provided for any waters or wastes, they shall be maintained continuously in satisfactory and effective operation, by the customer at his sole expense, according to methods approved by the Company.

Rule 75. When required by the Company, the customer on any property served by a building sewer carrying industrial wastes shall install a suitable control manhole in the building sewer to facilitate observation, sampling and measurement of the wastes. Such manhole, when required, shall be accessible and safely located, and shall be constructed in accordance with plans approved by the Company. The manhole shall be installed by customer at his sole expense, and shall be maintained by him so as to be safe and accessible at all times.

Rule 76. No statement contained in the Rules and Regulations shall be construed as preventing any special agreement, or agreements, between the Company and industrial customer, whereby an industrial waste of unusual strength of character may be accepted by the Company for treatment, subject to payment therefore by the industrial customer of a rate and/or charge to be determined by the Company, with the approval of the Indiana Utility Regulatory Commission.

GENERAL

Rule 77. The Company shall not be held liable for any failure or delay in performing any of the things undertaken by it under any service contract when such failure or delay is caused by strike, acts of God, unavoidable accident, or other contingencies beyond its control, and in no manner due to its fault, neglect, or omission, nor shall Company be liable for

damage caused by interruption in, or failure of service, or by sewage disposal escaping from piping on customer's property.

Rule 78. The Company shall not be liable for the failure, interruption or malfunction, including backup, of its system and service caused by flood, earthquake, high water, war, riot, or civil commotion, vandalism, acts of others, or acts or failure of action of any local governmental authority to enforce or provide proper surface drainage or ditches for surface runoff, or other circumstance over which Company has no control, where the Company has used reasonable care in installing and maintaining its system in accordance with acceptable standards in the sewer utility business.

Rule 79. All laws of the State of Indiana and Rules and Regulations of the Indiana Utility Regulatory Commission applicable to the rendering of sewage disposal service in rural areas are hereby incorporated herein by reference.

Rule 80. Sewer main extensions shall be made in accordance with the attached supplement titled "Sewer Main Extensions".

Rule 81. Loans to an applicant for new single-family residential service connection, an applicant for a main extension, or an existing residential customer of the company for eligible costs shall be made in accordance with the attached supplement titled "Sewer System Loan Program".

Supplements

5.0 MAIN EXTENSIONS

5.1 Definitions

- 5.1.1 **Applicant**: As used in this rule “applicant” means a person requesting the main extension in order to receive sewer utility service from the Company.
- 5.1.2 **Commission**: As used in this rule, “commission” refers to the Indiana utility regulatory commission.
- 5.1.3 **Completion date of the main extension**: As used in this rule, “completion date of the main extension” means the date the Company declares the main extension to be in service and releases it for taps.
- 5.1.4 **Cost of connecting**: As used in this rule, “cost of connecting” means the Company’s cost if provided by the Company for providing the tap, service pipe, and other service line appurtenances and installation thereof or portions thereof.
- 5.1.5 **Cost of the main extension**: As used in this rule, “cost of the main extension” means the cost of installing the main as determined in sections 5.6 through 5.8 of this rule.
- 5.1.6 **Company’s service pipe**: As used in this rule, “company’s service pipe” means that portion of the service pipe from the main to the boundary line of the easement, public road, or street, under which such pipe may be located.
- 5.1.7 **Customer**: As used in this rule, “customer” means a person being supplied with sewer utility service.
- 5.1.8 **Customer’s service pipe**: As used in this rule, “customer’s service pipe” means that portion of the service pipe from the end of the company’s portion into the premises serviced.
- 5.1.9 **Deposit**: As used in this rule, “deposit” means the amount required to be deposited by or on behalf of each applicant or prospective

customer for a main extension prior to the Company commencing construction of the main extension.

- 5.1.10 Estimated annual revenue: As used in this rule, "estimated annual revenue" for an applicant connecting to the main, means the Company's annual revenue per applicant from comparable customers in the calendar year preceding such connections, adjusted to reflect any changes in the applicable rates and charges of the utility for such service.
- 5.1.11 Frontage: As used in this rule, "frontage" means the footage, ten (10) feet minimum length, of a lot or tract (but not an easement) boundary that is parallel to or curvilinear to, and immediately adjacent to a main extension in a public thoroughfare or easement.
- 5.1.12 Immediate revenue allowance: As used in this rule, "immediate revenue allowance" means the amount of three (3) times the estimated annual revenue less the cost of connecting for an applicant.
- 5.1.13 Lot: As used in this rule, "lot" means a parcel of land as platted, or if the area to be served is not platted, the equivalent of a parcel of land as determined in accordance with section 5.5 of this rule.
- 5.1.14 Main: As used in this rule, "main" means a pipe owned by the Company which connects to service pipes for transmitting sewage effluent.
- 5.1.15 Main extension: as used in this rule, "main extension" means the mains and appurtenances installed by the Company to provide the sewer utility service requested by or on behalf of the applicant or prospective customer, including the company's service but not the customers' services pipes. Any facilities installed in connection with main extensions shall be come the property of the Company.
- 5.1.16 Original depositor: As used in this rule, "original depositor" means an applicant or other person who enters into a main extension agreement and makes a deposit for an applicant or prospective customer with the Company.
- 5.1.17 Person: As used in this rule, "person" means an individual, firm, corporation, governmental agency, or other entity.

- 5.1.18 Prospective customer: As used in this rule, “prospective customer” means a person who is not an original depositor, but whose lot or frontage directly abuts the main extension between its original beginning and its original end point.
- 5.1.19 Public thoroughfare: As used in this rule, “public thoroughfare” means a road, street, or way which has been dedicated for use by the public and accepted by the appropriate governmental authority.
- 5.1.20 Refund: As used in this rule, “refund” means the subsequent connector’s fees, subsequent connector’s revenue allowances, and revenue allowances from depositor-authorized connections of lots included in the original depositor’s main extension agreement that must be paid by the Company to the original depositor for ten (10) years after the completion date of the main extension.
- 5.1.21 Revenue allowance from depositor-authorized connection: As used in this rule, “revenue allowance from depositor-authorized connection” means the amount of three (3) times the estimated annual revenue less the cost of connecting that the Company may refund to original depositor for connections for lots or unplatted areas owned, controlled, or designated by the original depositor and does not include an immediate revenue allowance.
- 5.1.22 Service pipe: As used in this rule, “service pipe” means a sanitary sewer line leading directly from the premises to the main adjacent to such premises.
- 5.1.23 Subsequent connector: As used in this rule, “subsequent connector” means a person who was not an original depositor but subsequently applies for sewer service and who connects to the main within ten (10) years after the completion date of the main extension.
- 5.1.24 Subsequent connector’s fee: As used in the rule, “subsequent connector’s fee” means the cash fee equal to the cost per lot of the main extension determined in accordance with section 5.7 of this rule, multiplied by the number of lots for which service is requested.
- 5.1.25 Subsequent connector’s revenue allowance: As used in this rule, “subsequent connector’s revenue allowance” means three (3) times

the estimated annual revenue for the subsequent connector less the cost of connecting.

5.1.26 Tap: As used in this rule, "tap" means a fitting owned by the Company and inserted by it into a main to which a service pipe is attached.

5.1.27 Total required deposit: As used in this rule, "total required deposit" means the amount by which the cost of the main extension exceeds the immediate revenue allowances applicable.

5.2 Free extension

The Company, upon written request for service by an applicant, shall extend a main and connect the applicant free of charge to provide the service requested if:

5.2.1 The cost of the main extension does not exceed the immediate revenue allowance for the applicant; and

5.2.2 The applicant agrees to take service within nine (9) months following the completion date of the main extension.

5.3 Main extension: exception to commission approval

If the cost of the main extension is greater than the free extension cost provided in section 5.2, of this rule, that extension shall be made, upon receipt by the Company of a signed main extension agreement and a deposit from the applicant, without specific approval of the agreement by the commission.

5.4 Main extension route

5.4.1 The Company shall use good engineering and sewer utility practices in determining the route for all main extensions.

5.4.2 Mains will be extended at locations acceptable to the Company only on public ways, alleys or easements that have been dedicated in such a manner as to clearly provide the Company with the perpetual right to own, operate and maintain a sanitary sewer system therein and in which grades have been established.

- 5.4.3 The Company shall determine the total length of the extension from its existing main to the end of the lot or frontage of the most remote applicant to be served.
- 5.4.4 If the lot or frontage is a corner lot or frontage abutting an intersecting street in which no main is located, the end of the new extension may not extend beyond the intersecting street corner of that lot.
- 5.4.5 If the street in which the main is to laid dead ends in a cul-de-sac or appears to be permanently dead ended against a railroad, creek, river, or other major physical or natural barrier, the end point of the main extension, if serving the most remote lot or frontage, shall be the point of the most remote service pipe connection. This connection point shall be at least ten (10) feet beyond the lot line.

5.5 Number of lots served by main extension

A determination shall be made of the number of lots to be served by the main extension. The determination may include only lots which directly abut the main extension between its original beginning and its original end point. If any part of the main extension is located within an area platted or to be platted, the number of lots shown within the plat to be served shall be included in the determination. If any part of the main extension is located in an unplatted area, the number of lots to be included shall be determined by dividing the total frontage of the main extension within the unplatted area on either or both sides of the public thoroughfare or easement in which the main is located by one hundred (100) feet and rounded to the nearest whole number of lots, provided either or both sides are available for future development and not restricted against usage because of limited access or other reasons. Lots or frontage that are adjacent to and can be served by an existing main shall be excluded from the determination. The determination of the number of lots for a particular extension may include a combination of platted and unplatted lots as defined in this section. Any further main extension subsequently connected to the original main extension shall, for all purposes under this rule, constitute a separate main extension.

5.6 Main extension costs

- 5.6.1 The cost of the main extension may, as determined by the Company, be either:

- 5.6.1.1 The estimated cost of the extension: or
- 5.6.1.2 The actual cost of a developer-installed extension.
- 5.6.2 The cost of the main extension may include but not be limited to engineering, easements, labor, equipment, material, supervision, permits, accounting and other overhead expenses.
- 5.6.3 For any special construction, or for any other facility involved in a main extension, the cost shall be the Company's best estimate of the cost of the main, special construction, or related facilities based upon current available information.
- 5.6.4 If the Company's future extension plans require a larger main than is reasonably necessary to serve the applicants and prospective customers, the difference in the cost for the larger main size and increased material and installation cost, if any, shall be borne by the Company.
- 5.6.5 The estimated cost shall be adjusted to the actual cost by the Company, in which event the actual cost as finally determined shall constitute the cost of the main extension. If the main extension agreement provides for the adjustment of the estimated cost of the main extension to the actual cost, the adjustment shall be made upon completion of the main extension. If the actual cost of the extension is less than the estimated cost, the Company shall refund the difference to the original depositor as soon as the actual cost has been determined. If the actual cost of the extension exceeds the estimated cost, then the utility shall bill the original depositor for, and such depositor shall pay, the difference between the estimated cost and the actual cost.

5.7 Cost per lot

The cost per lot shall be determined by:

- 5.7.1 The total number of lots to be served by the main extension divided into the cost of the main extension; or
- 5.7.2 The cost of the main extension shall be divided proportionately on the basis of respective lot frontage for all lots to be served by the main extension.

5.8 Cost options

For the main extension, the original depositor shall be allowed the option of paying the cost of the main extension and full gross-up state and federal taxes associated with the cost of the main extension, and receiving rights to immediate revenue allowances and refunds as provides in section 5.11 of this rule, or paying the cost of the main extension exclusive of the tax associated with the main extension, and forfeiting all rights to immediate revenue allowances and to refunds, except for subsequent connector's fees.

5.9 Total required deposit

- 5.9.1 In the case of a commercial or industrial real estate development, immediate revenue allowance may not be deducted from the cost of the main extension in determining the amount of the total required deposit, except where building construction has commenced and pertinent data, such as customer types, service pipe, metering arrangements, and sewer demands, have been furnished to the Company, to allow the Company to determine the estimated annual revenue from that development.
- 5.9.2 The main extension may be installed by the developer or the developer's contractor according to the extension and installation policies of the Company, and the actual cost of the developer-installed extension shall be considered the total required deposit (including cost of easements).
- 5.9.3 The original depositors may allocate the total required deposit on the basis of the number of lots, the respective lot frontage, or any other basis mutually acceptable to the original depositors.

5.10 Subsequent connector fee

- 5.10.1 Within ten (10) years after the completion date of the main extension, the Company shall not permit a subsequent connector to connect to a main extension until after the subsequent connector has paid the required subsequent connector's fee to the Company.
- 5.10.2 Applicants for service connections for lots in subdivision and tract developments which are included in the original depositor's main

extension agreement are not required to pay a subsequent connector's fee, unless otherwise specifically provided for in the main extension agreement.

5.10.3 If a prospective customer with frontage land that was unplatted on one (1) or both sides of the street at the time a main extension was installed later subdivides this frontage prior to the expiration of the ten (10) years after the completion date of the main extension in such a manner that some or all lots will not require service directly from the main extension, the customer is considered to have requested another extension from the original main extension to serve the customer's land. The Company in that case shall collect from the prospective customer prior to installing the requested second extension, a subsequent connector's fee for each equivalent lot of the frontage land used in determining the original main extension cost per lot and which will not be served directly by the original main extension.

5.11 Refunds

5.11.1 Refunds shall be paid for a period of ten (10) years after the completion date of the main extension to the original depositor in proportion to the respective deposits, unless the original depositor for the main extension forfeited all rights to refunds, except subsequent connector's fees, as provided in Section 5.8 of this rule.

5.11.2 The refunds shall be paid annually or more frequently at regular intervals at the discretion of the Company.

5.11.3 Total refunds to any original depositor shall not exceed the amount of the original deposit plus applicable revenue allowances from depositor-authorized connections and subsequent connectors' revenue allowances.

5.11.4 The refund shall be made by mailing the payment to the original depositor's last know address as shown on the books and records of the Company. Any refund distribution which cannot be returned to an original depositor after the refund becomes due and payable must be reported as required by IC 32-9-1-42.

5.12 Basis for costs

If the applicant is required to make any payment, the Company shall, upon request, make the following available to the applicant:

5.12.1 The information used to establish the basis for the cost of the main extension.

5.12.2 The information used to establish the basis for the estimated annual revenue for a period of three (3) years to be realized by the Company from permanent and continuing customers on main extensions as required by this rule.

5.13 Extension exception

The Company shall not be required to make extensions as described in this rule unless the applicants to be initially served by those extensions contract to use the service for a period of three (3) years. A bond may be required of the applicant in this situation.

5.14 Special contract

5.14.1 The Company may require a special contract when:

5.14.1.1 The requested main extension is of such length and the prospective business to be developed by it is so meager as to make it doubtful whether the business from the extension would ever pay a fair return on the Company's investment involved in such extension;

5.14.1.2 The prospects are that the patronage and demand will not be of such permanency as to warrant the capital expenditure involved;

5.14.1.3 There are industrial installations requiring extensive sewer utility investment and where the demand for sewer service is expected to be slight, irregular, or of unknown quantity; or

5.14.1.4 There are other abnormal or extraordinary circumstances.

5.14.2 The Company and the applicant requesting the extension may enter into a special contract establishing the terms and conditions on which the extension will be made. In the event they are unable to agree on the terms and conditions, the matter, including the contract embodying the terms and conditions, shall be submitted to the commission for a determination.

5.15 Prohibition exception

This rule does not prohibit the Company from making free extensions of lengths greater than specified in this rule or from providing a method of return of deposits for extensions more favorable to original depositors, so long as discrimination is not practiced among applicants or original depositors whose service requirements are similar.

6.0 SEWER SYSTEM LOAN PROGRAM

6.1 Loan Terms and Conditions

An applicant for new single-family residential service connection, applicant for a main extension under section 5.0 or single-family residential service, or an existing residential customer of the Company may apply for a loan from the Company to cover Eligible Costs (as defined herein). Any such loan shall be subject to the terms and conditions set forth in this Rule.

6.1.1 To be eligible for a loan, an applicant must (a) own and live in a single-family residence that will take sewer service from the Company; (b) demonstrate an intent to be the continuing customer of the Company at the residence; (c) enter into a financing agreement; (d) not have either a defective Customer sewer lateral or connection.

6.1.2 For purposes of this Rule, Eligible Costs include actual costs for (a) a Collection sewer main extension in accordance with section 5.0; (b) the Customer sewer lateral; (c) back flow devices; (d) alterations of or additions to plumbing within the customer's residence necessary to permit the customer to take sewer service from the Company; (e) any other facilities necessary to permit the customer to take sewer service from the Company; or (f) plumbing system modifications approved by the Company, including, but not limited to, back-flow devices or installation of Overhead Plumbing, needed to prevent wastewater flooding of the Customer's premises. The maximum principal balance for a loan made under this Rule will be \$10,000.

6.1.3 Any such loan shall be subject to the following terms and conditions.

6.1.3.1 The existence of a loan made under this Rule does not alter the responsibility of the customer for maintenance or replacement of the Customer sewer lateral or any other facilities as determined by the applicable provisions of the Company's Rule(s).

6.1.3.2 The initial principal balance of the loan shall be the amount of Eligible Costs which the customer elects to

borrow from the Company. The principal balance of the loan plus interest will be repaid to the Company through a fixed surcharge added to the customer's regular monthly bill for sewer service. The surcharge will be reflected as a separate service type for the customer's account.

6.1.3.3 The customer will enter into a financing agreement with the Company which specifies, among other things, the initial principal balance of the loan, the applicable interest rate determined in accordance with subsection of this Rule, the term of the loan and the amount of the monthly surcharge. The Company in its sole discretion will determine whether a financing agreement should be established for a loan related to facilities owned and maintained by the customer under the applicable provisions of the Company's Rules. The customer will agree to repay the loan over a term selected by the customer, which is no less than three years (36 months) or greater than 10 years (120 months).

6.1.3.4 Through the surcharge, the customer will make equal monthly installments over the loan term to pay the principal amount of the loan together with daily simple interest on the unpaid balance of the principal amount from time to time outstanding at the applicable rate of interest determined in accordance with subsection 6.1.3.4 of this Rule. The customer's payment schedule will amortize the unpaid balance over the loan term. Daily simple interest means that interest is charged each day after applying any payment the customer has made. All payments will be applied to service charges first, interest that is due next and finally to principal.

6.1.3.5 The interest rate will be fixed for the term of a loan. For loans issued from December 31 of a year through June 29 of the following year, the interest rate will be the Posted Short-Term Debt Rate as of December 31. For loans issued from June 30 to December 30, the interest rate will be the Posted Short-Term debt rate as of June 30. The Posted Short-Term Debt will be the LIBOR rate as reported in the Wall Street Journal as of the date of posting plus 100 basis points.

- 6.1.3.6 Notwithstanding the provisions of subsection (3)(d), the interest rate shall not exceed 9% per annum. In the event that the Posted Short-Term Debt Rate as calculated pursuant to subsection 3(d) would, except for the provisions of this subsection 3(e), exceed 9% per annum, the Company shall have the option to suspend the making of loans under this Rule.
- 6.1.3.7 A customer account that includes a loan payment surcharge will not be transferred to any tenant or non-owner occupant of the residence for which a loan is made. During the loan term, the owner of the residence will remain the customer in whose name the bill for sewer service will be issued. If the residence is sold, a new owner who demonstrates intent to be the continuing customer of the Company at the residence may elect in writing on a form provided by the Company to assume responsibility for the loan payments, subject to the terms of the financing agreement. A copy of the election form will be returned to the Company prior to sale of the residence. If the new owner does not elect in writing on a form provided by the Company to assume responsibility for the loan payments or does not demonstrate intent to be the continuing customer at the residence, the loan and accrued interest shall become immediately due and payable upon sale of the premises.
- 6.1.3.8 The loan surcharge reflected on customer bills will be collected by the Company, subject to all provisions regarding billing for sewer service, terms of payment, late-payment charges and discontinuance of sewer service for non-payment.
- 6.1.4 For accounting purposes, the Company will establish subaccounts in which loan payments shall be recorded. In one subaccount, the Company will record amounts applied to principal and interest for the portion of the loan, if any, which relates to facilities owned and maintained by the Company under the applicable Rules. In another subaccount, the Company will record amounts applied to principal and interest for the portion of the loan, if any, which relates to facilities owned and maintained by the customer under the applicable Rules. Loan payments shall be allocated between the two subaccounts based upon the relative initial cost of the

facilities covered by that subaccount as compared to the total amount of the loan. For each subaccount, amounts received as loan payments will be first applied to interest that is due and then to principal and other charges.

- 6.1.5 If a loan becomes uncollectible, the unpaid principal balance of the portion of the loan, if any, which relates to facilities owned and maintained by the Company will be recorded as a debit to Contributions-In-Aid-Of-Construction, and as a credit to Accounts Receivable. The unpaid balance of interest with respect to such portion of the loan (as of the time of the debit) shall be recorded as an uncollectible account. The unpaid balance of principal and interest for the portion of a loan, if any, which relates to facilities, owned and maintained by the customer, shall be recorded as a non-utility expense.
- 6.1.6 The Company's capital structure used for rate-making purposes will not include short-term debt issued by the Company to finance loans under this Rule.