

TERMS OF PAYMENT:

The rate for service under the rates of the Company shall be billed bi-monthly. The Bill for water service shall be due on the date of the Bill. The Bill for water service shall be past due on the 31st day following the date of the Bill. Services disconnected during the billing period will be billed the monthly minimum for the entire month. Fees and other charges for late payment shall be in accordance with the Tariff, Rules and Regulation of the Company.

Note that the Little Prospect Bulk Tap is considered to be the equivalent of 8 billing units.

Footnote: Terms of Payment section was moved from Third Revised Sheet No. 1 to Third Revised Sheet No. 1a due to change in rate for unmetered/broken meter charges resulting from Decision No. C13-1465 in Proceeding No. 13A-0291W.

To account for the Company's costs of water for maintenance purposes, line loss, and/or bleeding lines that are not otherwise covered by customers' bills, the Company will true-up the Resource Cost-pass-through for the period between May 1, 2015 and August 31, 2015 as follows.

Calculation of Purchased True-Up Charge

The Company will calculate the amount it has billed/collected from customers under the Customer Usage Charge over this period (the "Customer Billed Amount"). The difference between the amount paid to the Town of Estes for purchased water over the period ("Purchased Water Amount") and the Customer Billed Amount shall then be calculated. ("True-up Amount"). The Total Purchased Water True-Up Charge will be determined by dividing the True-up Amount by the number of customer connections during the True-Up Period. The Company will charge each customer half of the Total Purchased Water True-Up Charge ("Purchased Water True-Up Charge") for this billing cycle at the beginning of November 2015 and January 2016.

For Period of May through August 2015:

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|--|-------------|
| Purchased Water Amount | \$34,017.93 |
| Customer Billed Amount | \$24,160.18 |
| True-up Amount | \$9,857.75 |
| Total Purchased Water True-Up Charge | \$76.71 |
| Purchased Water True-Up Charge | \$38.36 |

Accordingly, customers will be charged \$ 38.36 on November 10, 2015 and January 1, 2016.

Advice Letter
Number

Decision Number

Daniel A. Hepner, Ch. 7 Trustee

Daniel A. Hepner

Chapter 7 Trustee for Prospect Mountain Water Company

Issue Date Oct. 27, 2015
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