

(Decision No. 55263)

BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF COLORADO

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IN THE MATTER OF RULES AND )  
REGULATIONS GOVERNING WATER )  
UTILITIES. )  
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CASE NO. 5190

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November 1, 1960  
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Appearances: Karl R. Ross, Esq., Colorado  
Springs, Colorado, for South  
Suburban Water Company;  
Gunnar Alenius, Esq., Colorado  
Springs, Colorado, for Broad-  
moor Water and Power Company;  
Jack Rouse, Evergreen, Colorado,  
for Colorado Central Power  
Company;  
Barry and Boyle, Esqs., Denver,  
Colorado, by  
John R. Barry, Esq., Denver,  
Colorado, for Northwest  
Utilities Company;  
Edwin R. Lundborg, Esq., Denver,  
Colorado, for the Staff of the  
Commission.

S T A T E M E N T

By the Commission:

On August 17, 1960, the above-styled proceeding was in-  
stituted by the Commission, on its own motion.

Said matter, pursuant to prior setting, after appropriate  
notice to all parties in interest, was heard at the Hearing Room of  
the Commission, 532 State Services Building, Denver, Colorado, com-  
mencing at ten o'clock A. M., September 15, 1960, and at the conclu-  
sion of the hearing, said matter was taken under advisement.

At the hearing, all of the parties stipulated that they  
had received copies of the Rules and Regulations, as proposed by the  
Staff of the Commission; that they had participated in conferences  
and discussions in the formulation of these said proposed Rules and

Regulations with members of the Staff of the Commission, and that they had adequate opportunity to become fully advised as to the contents of said Rules and Regulations.

The proposed Rules and Regulations were introduced into evidence and examined by all parties. All participating parties had the opportunity to criticize all of said Rules and Regulations, and to make suggestions thereon.

Several suggestions were received into the record from various participating parties, and comments by counsel or interested participants were allowed.

After reviewing all of the proposed Rules and Regulations, the comments thereon by interveners, and reviewing the suggestions of all participating parties for changes in said Rules and Regulations, and being fully advised in the premises,

#### F I N D I N G S

##### THE COMMISSION FINDS:

That the Rules and Regulations hereto annexed as "Exhibit A," and incorporated herein as fully as if the same were recited in words and figures, are just and reasonable, and compatible with the public interest, and should be adopted by the Commission. It is to be noted that these Rules and Regulations differ in several particulars from Rules and Regulations as originally proposed by the Staff of the Commission, taking into consideration changes that were suggested by intervening parties, which the Commission deems to be salutary. Principally, among these changes is a rule permitting the Commission, on good cause shown, to allow deviations.

#### O R D E R

##### THE COMMISSION ORDERS:

That the Rules Regulating the Service of Water Utilities, annexed hereto as "Exhibit A," be and become the Rules of The Public Utilities Commission of the State of Colorado, regulating the service

of Water Utilities within the State of Colorado.

This Order shall become effective January 1, 1961.

THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF COLORADO

*Joseph F. Regier*  
*Ralph C. Horton*  
*Henry E. Paulings*  
Commissioners.

Dated at Denver, Colorado,  
this 1st day of November, 1960.

mls

THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF COLORADO

RULES REGULATING THE SERVICE OF WATER UTILITIES

Effective January 1, 1961

RULE 1.

Application of Rules:

(a) The following rules shall apply to any person, co-partnership, firm, corporation, their lessees, trustees, or receivers appointed by any court, now or hereafter engaged in the business of a public utility furnishing water to domestic or commercial customers, operating under the jurisdiction of the Public Utilities Commission of the State of Colorado.

(b) The adoption of these rules shall in no way preclude the Commission from altering or amending the same in whole or in part or from requiring any other additional service, equipment, facility or standard, either upon complaint or upon its own motion, or upon the application of any utility. In special cases for good cause shown, not contrary to Statute, the Commission may permit deviation from these rules insofar as it may find compliance therewith to be impossible, impractical or unnecessary. If, for good cause shown, any utility is permitted a deviation from any of these rules, such modified rule (s) as authorized by the Commission shall be set forth in the filed tariffs of the utility. These rules shall in no way relieve any utility from any of its duties under the laws of this state.

RULE 2.

(a) The word "utility" as used in these rules shall be construed to mean any person, co-partnership, firm, corporation, whether privately owned or otherwise, when subject to the jurisdiction of this Commission, their lessees, trustees, or receivers, appointed by any court whatsoever, that may now or hereafter be engaged as a public utility in the business of furnishing water to domestic and/or commercial customers in the State of Colorado.

(b) The word "Commission" as used in these rules shall be construed to mean The Public Utilities Commission of the State of Colorado.

(c) The word "Customer" as used in these rules shall be construed to mean any person, co-partnership, firm, corporation, their lessees, trustees, or receivers appointed by any court, supplied by any utility with water for domestic or commercial use.

RULE 3.

Operating Schedules and Interruptions of Service:

(a) Each utility shall adopt an operating schedule, and shall report the same, or any changes therein, to this Commission, indicating in any case where service is not rendered continuously, the time at which service is commenced, and the time at which it is discontinued. Any changes in such operating schedules shall be made only with the approval of this Commission.

(b) Each utility shall keep a record of all interruption of service upon its entire system or major division thereof, including a statement of the time, duration and cause of any such interruption.

(c) The record of interruptions of service and a statement of the operating schedules of the utility shall be open at all times to the inspection of the duly authorized representatives of this Commission.

#### RULE 4.

##### Inspection of Plant and Equipment:

Each utility shall inspect its plant and distributing equipment and facilities in such manner and with such frequency as is in accord with good practice, in order that the same may be maintained in proper condition for use rendering safe and adequate service.

#### RULE 5.

##### Testing Facilities:

(a) Each utility shall provide such laboratory, meter testing shop, and other equipment and facilities as may be necessary to make the tests required of it by these rules or other orders of this Commission. The apparatus and equipment so provided shall be of a form acceptable to this Commission, and it shall at all times be available for the inspection and use, on the premises of the utility, of the authorized representatives of this Commission.

(b) Each utility shall make such tests as are prescribed under these rules with such frequency and in such manner and at such places as may be approved by this Commission.

#### RULE 6.

##### Records of Tests and of Meters:

(a) A complete record of the tests made under these rules of the quality and condition of service shall be kept by each utility. The record so kept shall contain full information concerning each test, including the date, and the place where the test was made, the name of the employee conducting the test, the result of the test, and such other information as may be required by these rules, or as this Commission may from time to time direct, or as the utility making the test may deem desirable.

(b) Whenever any service meter is tested, the original test record shall be preserved, including the information necessary for identifying the meter, the reason for making the test, the reading of the meter if removed from service, and the result of the test, together with all data taken at the time of the test in sufficiently complete form to permit the convenient checking of the methods employed and the calculations made.

(c) A record shall also be kept indicating for each meter owned or used by any utility, the date of purchase, manufacturer's serial number, record of the use, and tests to which it has been subjected, and its present location.

#### RULE 7.

##### Accidents:

(a) Each utility shall, as soon as possible, report to this Commission each accident happening in connection with the operation of its property, facilities or service, wherein any person shall have been killed or seriously injured, or whereby any serious property damage shall have resulted. Such report to this Commission shall describe in detail:

- (1) Date, time, place, location
- (2) Extent of injuries and other damage
- (3) Names of all parties involved
- (4) Type of accident

In addition to the above, all utilities shall immediately upon the setting of any formal investigation of the accident, notify the Commission of the date,

time and place of such investigation.

(b) All accident reports submitted to the Commission by the utility shall be treated by the Commission, its staff and employees as confidential and shall not be made available to the public.

#### RULE 8.

##### Complaints:

Each utility shall make a full and prompt investigation of all complaints made to it by its customers, either directly or through the Commission, and it shall keep a record of all written complaints received, which shall show the name and address of the complainant, the date and character of the complaint, and the adjustment or disposal made thereof. This record shall be open at all times to the inspection of the duly authorized representatives of this Commission.

#### RULE 9.

##### Information for Customers:

(a) Each utility shall at any time, on request, give its customer such information and assistance as is reasonably possible in order that customers may secure safe and efficient service. Each utility shall inform each customer of any change made or proposed to be made in any condition as to its service as would affect the efficiency of the service or the operation of the appliances or equipment which may be in use by said customer.

(b) Each utility supplying metered service shall adopt some means of informing its customers as to the method of reading meters, either by printing on its bills a description of the method of reading meters, or a notice to the effect that the method will be explained upon application.

#### RULE 10.

##### Meter Readings and Bill Forms:

(a) Each service meter shall indicate clearly the units of service in cubic feet or gallons for which charge is made to the customer. In cases where the dial reading of a meter must be multiplied by a constant to obtain the units consumed, the proper constant to be applied shall be clearly marked on the face or dial of the meter.

(b) Each utility shall, upon written request of any customer, cause the meter reader reading the meter installed upon the premises of such customer, to leave upon such meter a card or slip showing the date and time such reading was taken and either the total reading expressed in the units of service, cubic feet or gallons, recorded by the meter read, or showing the position of the hands upon the dial of such meter at the time the reading was taken.

(c) All bills rendered periodically to customers for metered service furnished shall show, in addition to the net amount due, the dates on which the readings were taken, the meter readings at the beginning and end of the period for which the bill is rendered, when requested by the customer or deemed necessary by the utility, and all other essential facts upon which the bills are based.

#### RULE 11.

##### Meter Rentals, and Customers' Deposits:

(a) No meter rental, as distinguished from a minimum charge for service, shall be charged by any utility for any service meter installed by it for measurements upon which bills are rendered; provided, however, that in cases where service meters are used as sub-meters to a main meter, a rental charge

for such sub-meter may be established with the approval of this Commission. The utility shall keep such sub-meters in good operating condition, but will not be required to keep a record of the monthly readings of these meters. Sub-metering for resale by a customer, other than another utility or a co-operative, is prohibited.

(b) Any utility may require at any time from any customer or prospective customer, a cash deposit intended to guarantee payment of current bills; such required deposit shall not exceed the amount of an estimated ninety days' bill of such customer, or, in the case of a customer whose bills are payable in advance, it shall not exceed an estimated sixty days' bill for such customer, except that in the event an extension of lines and facilities is required to furnish such prospective customer with service, the deposit may be the amount of the estimated bill for a longer period if so specified in the provisions of the extension policy of the utility. Interest shall be paid by the utility upon such deposits at the rate of five per cent per annum, payable upon the return of the deposit, or annually upon request of the customer, for the time such deposit was held by the utility and the customer was served by the utility, unless such period be less than six months. Interest payments may, at the option of the utility, be made either in cash or by a credit to the customer's account. In computing interest, no consideration need be given to fractional parts of months or dollars.

(c) Each utility having on hand such deposits from customers, or hereafter receiving such deposits from customers, shall keep records to show:

- (1) the name of each customer making a deposit;
- (2) the premises occupied by the customer when making the deposit, and each successive premises occupied while the deposit is retained by the utility;
- (3) the amount and date of making the deposit; and
- (4) a record of each transaction, such as the payment of interest, interest credited, etc., concerning such deposit.

(d) Each utility shall issue to every customer from whom such deposit is received a certificate of deposit.

(e) Each utility shall provide ways and means whereby a depositor who makes application for the return of his deposit or any balance to which he is entitled, but is unable to procure the original certificate of deposit, may not, upon reasonable proof, be deprived of his deposit or balance.

#### RULE 12.

Filing of rate schedules, rules and regulations:

(a) Copies of all schedules of rates or individual contracts for service, forms of routine contracts, charges for service connections and extensions of lines and of all rules and regulations covering the relations of customer and utility shall be filed by each utility in the office of this Commission.

(b) ADVICE NOTICES:

Advice Notices, numbered serially, shall accompany each tariff sheet filing with the Commission. This notice shall list all sheets included in the filing by number and showing the sheet, or sheets, if any, being cancelled. The purpose of the filing shall be explained in a brief statement as well as a statement concerning the extent to which customers will be affected by such filing. The Advice Notice shall be in substantially the following form:

NAME OF PUBLIC UTILITY

ADVICE NO. \_\_\_\_\_

DATE \_\_\_\_\_

The Public Utilities Commission  
of the State of Colorado  
State Services Building  
1525 Sherman Street  
Denver 2, Colorado

The accompanying tariff sheet (s) issued  
by \_\_\_\_\_ (name of utility) \_\_\_\_\_ is (are) sent you for  
filing in compliance with the requirements of the  
Public Utilities Law:

Colo. P.U.C. No. \_\_\_\_\_ Water

(tabulate sheets attached as follows):

Colo. P.U.C.	Title of	Cancels Colo. P.U.C.
<u>Sheet Number</u>	<u>Sheet</u>	<u>Sheet Number</u>
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-----	-----	-----
----- ETC. -----		

(Here give purposes to be accomplished by the filing and direct attention generally to the changes being made; also, state the amounts, if any, by which the utility's revenues will be affected. If customers are not adversely affected, so state).

It is desired that this filing shall become effective on statutory (30 days) notice. (If special short-term authority has been sought, pursuant to Rule 17 B(2) of the Commission's Rules of Practice and Procedure, appropriately change language).

\_\_\_\_\_  
(Name and title of issuing officer)

(c) REVISED TARIFF SHEETS:

Each tariff sheet, not an original, shall be designated 1st revised sheet No. \_\_\_\_\_ cancels original sheet No. \_\_\_\_\_ or 2nd revised sheet No. \_\_\_\_\_ cancels 1st revised sheet No. \_\_\_\_\_, etc. shall direct attention to the changes contained therein by the use of suitable symbols in the right margin. These symbols may be "I" increase, "D" decrease, "C" Change in text, "N" new text., etc. On a contents or index page the utility shall show the meaning of the symbols used by it to point out changes contained in its revised tariff filings.

If a tariff sheet is issued under a specific authority or decision of this Commission, each sheet so affected shall show the correct number in the space provided at the foot of the sheet.



(d) NUMBER OF COPIES TO BE FILED:

An original and one copy of each advice letter and tariff sheet shall be filed. The copy will be stamped as filed and returned to the utility.

NOTE: The utility may file as many additional copies as it wishes which will also be stamped and returned.

(e) Schedules of rates, forms of contracts and rules and regulations as filed with the Commission and available in the territory concerned shall also be on file in the local office of the utility and shall be open to inspection by the public.

(f) If the reasonableness of any charge, rule, regulation, or practice of any utility with reference to service connections or extensions, or of any rule covering the relations between customer and utility, is challenged, the Commission may, upon complaint and investigation, prescribe the proper charge, rule, regulation or practice which shall thereafter be followed.

RULE 13.

Discontinuance of Service:

(a) No utility shall discontinue the service of any customer for violation of any rule of such utility except upon written notice of at least five days, advising the customer in what particular such rule has been violated for which service will be discontinued. This rule shall not apply where a by-pass is discovered on a customer's service meter, or in the event of the discovery of dangerous leakage on a customer's premises, or in the case of a customer utilizing the service in such a manner as to make it dangerous for occupants of the premises, thus making an immediate discontinuance of service to the premises imperative.

(b) Delinquency in payment for service rendered to a previous occupant of the premises to be served and unpaid charges for services or facilities not ordered by the present or prospective customer shall not constitute a sufficient cause for refusal of service to a present or prospective customer, provided, however, the utility may decline to furnish service at the same premises for the use of a delinquent customer by subterfuge in any manner.

RULE 14.

Reports to the Commission:

Each utility shall make special reports at such time and in such form as the Commission may from time to time require.

RULE 15.

Purity of Water Supply:

(a) All water furnished by any utility for human consumption and general household purposes should be free from disease-producing organisms, injurious chemical or physical substances and agreeable to the sight and smell.

(b) Water which never shows the presence of the "B Coli Group" and which has a reasonably low "Bacterial Count" under the usual standard test methods, will ordinarily be considered safe from the standpoint of disease producing organisms. The rules and tests of the Sanitary Division of the State Board of Health will govern in this matter.

RULE 16.

Chemical and Bacteriological Analyses:

(a) Each utility furnishing water for human consumption or household purposes shall take a sample monthly, or as much oftener as this Commission or

the State Board of Health may require, from the source of supply or any point in the service designated by this Commission or the State Board of Health, in accordance with the rules for sampling water as prescribed by the Division of Sanitary Engineering of the State Board of Health, and such samples shall be forwarded to that Department for tests and analysis. Such test and analysis shall be made free of charge. The result of such test and analysis shall be recorded in triplicate; one copy will be furnished to the utility, one copy to be retained by the State Board of Health, and the other copy to be furnished to this Commission whenever the results show that remedial action is necessary.

(b) The Commission reserves the right to require, under its supervision, an extended bacteriological as well as physical and chemical examination when deemed advisable for any particular water furnished.

(c) The results of all tests made by the Division of Sanitary Engineering of the State Board of Health shall be kept on file and available for public inspection for a period of at least two years. The records must indicate when and where and by whom each test was made. The standard methods of water analysis recommended by The American Health Association, except as hereinbefore provided, should be followed as regards chemical, physical, and bacteriological examinations and collection of water, and any departure therefrom should be specifically stated.

(d) Whenever tests made by the Division of Sanitary Engineering of the State Board of Health, or by any other authorized agency, that discloses the presence of bacillus coli, or such a bacterial count as may be considered unsafe, the utility shall employ all reasonable means to make its water supply safe for human and domestic purposes.

#### RULE 17.

##### Operation of "Dead Ends":

"Dead Ends" in the distributing mains should be avoided as far as possible. Where such "dead ends" exist, they should be flushed at least once each week. To insure compliance with this requirement, it is suggested that, where feasible, all "dead ends" be equipped with hydrants.

#### RULE 18.

##### Adequate Pressure Required:

Every effort shall be made to maintain a steady pressure which will not at any time fall below the adequate minimum for domestic service. In addition to furnishing commercial service, each utility furnishing fire hydrant service must be able, at any time within reasonable notice, to supply added fire service in accordance with the best standard practice covering service to local fire fighting equipment and facilities.

When the foregoing pressure requirements are outlined in a reasonable manner by the ordinances under which the utility operates, they should be complied with as set forth therein.

#### RULE 19.

##### Pressure Surveys:

Each utility furnishing water service in cities of 250 customers or more shall maintain a graphic recording pressure gauge at its plant, downtown office, or at some central point in the distributing system or each subdivision thereof, where continuous records shall be made of the pressure in the mains at that point.

Utilities operating in areas or communities of five thousand or more inhabitants shall equip themselves with one or more graphic recording pressure

gauges in addition to the foregoing, and shall make frequent records, each covering intervals of at least 24 hours' duration, of the water pressure at various points on the system. All records or charts made by these meters shall be identified, dated, and kept on file, available for inspection for a period of at least two years.

#### RULE 20.

##### METERS:

##### Allowable Error:

Customers' meters should at all times register as nearly correct as is commercially possible, but whenever an installation is made of a new or repaired meter, or tests are made periodically or otherwise, and a meter is found to register more than 103 per cent, or less than 97 per cent, of the water passed, when tested in the manner indicated below, it must be replaced or adjusted so as to register as nearly 100 per cent as possible.

All meters shall be tested at three rates of flow, and it is required that meters larger than one inch (1") be tested at three or more rates according to the following table, the average of these tests to determine the per cent error:

Allowable Range Test Flow Gallons Per Minute			Recommended Test Rate Flow Gallons Per Minute		
	Min.	Max.	Min.	Med.	Max.
5/8"	* 1	20	5		20
3/4"	* 2	34	5		34
1"	3	53	5	25	53
1 - 1/2"	5	100	5	40	100
2"	8	160	10	100	160
3"	16	315	* 15	150	315
4"	28	500	* 15	250	500
6"	48	1000	* 20	500	1000

\*A meter which does not register 95 per cent of the water which passed those rates marked \* should not be installed without correction.

It is suggested that all meters purchased conform to the Standard Specifications for Cold Water Meters, as adopted by the American Water Works Association, and that the rules for tests and requirements of meters follow as closely as possible the specifications of the Association.

After all necessary repairs, adjustments and final tests have been made so that the meter registers correctly, such meter shall be sealed.

#### RULE 21.

##### Periodical Tests:

Accuracy in registration of meters shall be insured by periodical tests, the frequency of such tests to be determined by local conditions, but under average conditions the following intervals between tests should not be exceeded for disc or current (turbine) type of meters:

1" or less at least once every five years,  
 1-1/4", 1-1/2", and 2", at least once every four years.  
 3" at least once every three years,  
 4" at least once every two years,  
 6" and larger at least once every year,

Ordinarily, meters of the current and compound type shall be cleaned at least once each year, except in the case of filtered or exceptionally clear water, the intervals between cleanings may be increased.

#### RULE 22.

##### Request Tests:

Each utility furnishing metered water service shall make a test of the accuracy of any service water meter free of charge, upon the request of the customer, provided that the meter has not been tested within the twelve months period prior to such request, and provided that the customer will agree to accept the result of such test as a basis for the adjustment of the difference claimed. The customer requesting the test may be present or have a representative present when the test is made, if he so desires. A written report giving the result of such request test shall be made to the customer requesting same, the original record being kept on file at the office of the utility for a period of at least two years.

#### RULE 23.

##### Tests by Commission:

(a) Any service water meter will be tested by an employee of the Commission upon written application of the customer for such test. For such test a fee shall be forwarded to the Commission by the customer when making application, which fee shall be refunded to the customer by the utility if the meter be found fast, beyond the limits prescribed in Rule 24. The schedule of fees for Commission tests of water service meters is as follows:

For each meter not exceeding 1 inch capacity . . . . .	\$2.50
For each meter exceeding 1 inch but not exceeding 2 inch capacity . . . . .	\$4.00
For meters exceeding 2 inch capacity . . . . .	\$8.00

(b) Upon written application to the Commission by any water utility, the Commission will make a test on any of the utility's service meters upon payment of the scheduled fee.

#### RULE 24.

##### Adjustment of Bills for Meter Errors:

(a) If on test of any service water meter, made upon the request of the customer, by either the utility or the Commission, it is found to be more than three per cent fast, additional tests shall be made to determine the average error of the meter.

(b) Average Error: The average error of a water meter in tests made by the Commission or the utility at the request of the customer shall be defined as one-third of the algebraic sum of the errors when tested in accordance with Rule 20.

(c) When a meter is found to have a positive average error--that is, is fast--in excess of three per cent on tests made at the request of the customer by either the Commission or the utility, the utility shall refund to the customer, an amount equal to the excess charged for the water incorrectly metered for a period equal to one-half of the time elapsed since the last previous test, provided that this period does not exceed six months.

(d) When a water meter is found to have a negative average error--that is, is slow--in excess of three per cent in tests made at the request of the customer, by either the Commission or the utility, the utility may make a charge to the customer for the water incorrectly metered for a period equal to one-half of the time elapsed since the last previous test, provided that this period does not exceed six months.

(e) If a meter is found not to register for any period, the utility shall estimate a charge for the water used by averaging the amounts registered over similar periods preceding or subsequent thereto, or over corresponding periods in previous years.

#### RULE 25.

##### Meter Testing Equipment:

Each utility furnishing metered water service in cities of 1,500 or more inhabitants shall maintain suitable water meter testers and keep same in proper adjustments so as to accurately register the condition of the meters at all times.

Each water meter tester must be accompanied by a certificate of calibration, indicating that the volumes or weighing devices used have been referred to proper standards, which standards have been certified by the National Bureau of Standards, or some testing laboratory or other authority of recognized standing.

Meter testers must be located in a large, comfortable working space, easily accessible, and equipped with all necessary facilities and accessories. They must be available for inspection and use at all reasonable hours by the authorized representatives of this Commission.

Meters of the current type can be tested and calibrated more accurately in place.

#### RULE 26.

##### Meter Installation and Maintenance:

All meters used in connection with metered service shall be furnished, installed, and maintained at the expense of the utility, unless special authority to the contrary has been granted by the Commission for good cause. Any appliances furnished at the expense of the utility shall remain its property and may be removed by it at any time after the discontinuance of service.

#### RULE 27.

##### Service Connections:

Upon application by a bonafide applicant for service, the utility will furnish and install service pipe or suitable capacity, including the curb cock and curb box required, from its water mains to the curb line or property line of the property upon a public street, highway, alley, lane, or road along which it has mains, all such facilities to remain the property of and be maintained by the utility. Utilities may require the applicant to bear not over 50 per cent of the total expense incurred in making the service connection as a tap or service charge.

The customer will install that portion of the service inside of curb or property line, the expense of same to be paid by the customer, material and construction to be approved by the utility. The materials furnished by customer in construction of such service extension will at all times be and remain the sole property of the customer, and when necessary shall be maintained and repaired by the customer at his own expense.

RULE 28.

Water Main Extensions:

(a) Free Extensions: If an extension of the utilities distribution system should be necessary to serve an applicant or group of applicants, the utility, upon written request for service by such applicant or applicants, shall make the necessary extension at its own expense to give service, provided the length of the entire extension is not greater than that obtained by allowing one hundred (100) feet or one hundred dollars (\$100.00) per customer, whichever is the lesser.

(b) Extension above Free Limit: If the main extension required in order to furnish service is greater than the free extension specified above in (a), such extension shall be made under the following conditions:

- (1) The utility may require the customer to advance the cost of the extension above the free limit, and in such a case, for each additional customer connecting to the extension, or extension thereto, within a period of ten years from the making of the extension, shall repay to the existing customers on the extension who have made advances, an amount equal to the amount collected, as hereinafter provided, from such new customers. Customers added to these extensions within ten years of the extension shall be required by the utility to pay an amount equal to their pro rata share of the cost of the original and subsequent extensions, plus the amount of the cost of their particular extension over and above the free limit. At no time shall the repayment to a customer exceed his original advance. At the end of ten years, or when all existing customers on the extension have been repaid, no further repayment need be used by the utility, nor shall any amounts be collected from new customers attaching to the extension within the free limit. Where two or more customers are applicants above the free extension limit, any repayments to them, upon the addition of new customers, shall be prorated between them according to the amount of their original advance.

(c) The utility, may at its option, file with the Commission an extension policy other and different than stated in (a) and (b) above, subject to the approval of the Commission.

(d) The distance of the applicant from the nearest main shall be used in determining whether the applicant is entitled to a free extension, and the cost of extending the nearest existing main shall be used as a basis in determining the amount of deposit necessary in case the extension is above the free limit.

(e) The utility shall not be obliged to make the extension as required by this rule unless the applicant shall furnish a suitable guarantee that he will use the service for at least three years, or unless the owner of the property served by such extension, or some responsible party, shall guarantee that the service will be used for that time.

(f) The utility may, at its option, construct extensions having more than sufficient capacity to meet particular requirements, in which case such additional capacity will be constructed without obligation to customers. This refers particularly to anticipated future extensions to the extension requested.

(g) If an extension is of such length and/or the prospective business which may 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 investment, such a case will be classed as "special" and the fact reported to the Commission for investigation and determination as to the reasonableness of such extension, and such action as may be considered necessary.