PUBLIC UTILITY DISTRICT NO. 1
OF DOUGLAS COUNTY

Water Service Policies and Rates

Effective August 18, 2026

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Section 1: PURPOSE
The District's mission is to provide the best possible utility services at the lowest possible cost consistent with sound business principles. It is the intent and purpose of the Water Customer Service Policies to ensure all customers of the District receive uniform and equitable consideration.

Section 2: SCOPE
These Service Policies are a part of all oral or written contracts for delivery of water service, hereinafter referred to as "water service(s)" by the District to its customers. The furnishing of water service(s) by the District and the use of such service(s) by the customer shall constitute a contract. The customer agrees to pay for such water service(s) under the rates, terms and provisions of the District's Water Customer Service Policies. These Service Policies are equally binding on the District and its customers. Copies of these Water Customer Service Policies are available on the District website at(www.douglaspud.org).

Section 3: REVISION
These Service Policies may be revised, amended, deleted, or otherwise changed at any time by action of the District's Board of Commissioners. Such actions shall cancel and supersede all previous Rules and Regulations or Service Policies and be binding on both the District and the customer.

Section 4: APPLICATION FOR WATER SERVICE
Upon application for water service, including hauled water users, the customer requesting water service shall sign the District's standard application for service form and shall provide all required information, including but not limited to: Proof of identity; full name, mailing address, valid phone number, email address, and valid photo identification. Valid photo identification includes, a passport, state driver's license, identification card issued by a state or foreign country or U.S. military ID.

Customers applying for water service who have a previous debt with the District, for any utility service that is collectable in accordance with the statute of limitations will be required to pay the debt in full prior to starting water service.

When an application for water service is received for a service location where water service has been disconnected between occupants, the property owner will be asked to approve connection of water service for the applicant in order to ensure that it is safe to do so. Service will not be started if the owner does not grant approval to connect water service. The District may require the owner to provide proof of ownership or proof of authority to act in this regard

In the absence of a signed agreement or application for service, the delivery of service by the District and its acceptance by the customer shall be deemed to constitute an agreement, and acceptance of the District's Water Customer Service Policies. The customer shall sign the District's standard application for water service form at their earliest convenience.

A new account service charge will be applied to the customer's bill to help offset the costs of processing new applications for water service (see Appendix A).

Section 5: DEPOSIT

At the time a customer applies for water service, the District will assess, and the customer shall be responsible to pay an initial cash security deposit or have the security deposit applied to the first bill, per account, before water service is granted. The District may, at its discretion, waive collection of the security deposit for customers who have previously established appropriate credit as determined by the District. If the security deposit is applied to the first bill, all monies applied to the account will be applied to the deposit first.

The following amounts will apply:

- Residential accounts: $150.00. For those accounts which are not consistently paid on time, the security deposit may increase to $300.00.

Upon termination of water service, the District is expressly authorized to apply the security deposit balance to payment of all outstanding amounts due from the customer to the District. Any remaining balance after such application will be refunded to the customer.

Security deposits will not be maintained in a segregated account, and the District may commingle such deposits with other funds. Security deposits will not accrue interest to the customer.

If a customer files a bankruptcy petition, the customer's existing account(s) will be closed and a new account(s) established. If any of the customers' accounts are delinquent at the time of such bankruptcy filing, the District may require a new or increased security prepayment or other adequate assurance of future payment pursuant to 11 USC Section 366. Payment of the security prepayment or other assurance of future payment will be required within thirty (30) days of the date of the order for relief.

Section 6: BILLING

Bills will be issued every month or at the discretion of the District and are due and payable on receipt. Bills are delinquent if unpaid within sixteen days. All bills will be computed to the nearest whole dollar; if the amount ends in fifty cents or greater, the bill will be rounded up to the whole dollar. If the amount ends with forty-nine cents or less, the bill will be rounded down to the whole dollar. It shall be the customer's responsibility to notify the District of the failure to receive a bill. Failure to receive a bill will not release the customer from obligation of payment. Meter reads for final billing will be performed within two working days of the time requested by the customer.

Payments will be applied based on the aging priority of the account balance, therefore a balance in the 90-day category will always be paid before a balance in the 60-day category, and so forth.

In the event of an error in billing related to incorrect billing rates, meter malfunctions, inaccurate reads or other account discrepancies, the District will make an adjustment to the billing on the basis of the best evidence available. When an underbilling or overbilling of an account occurs, the District shall provide the customer with notification of the circumstances and a corrected bill.

All adjustments will be for a period of no more than six (6) months from the data the error occurred.

Section 7: CHANGE OF OCCUPANCY

It is the responsibility of the customer to notify the District when they have moved from the service location, are no longer using water service at that location, or have experienced a change in legal responsibility for the water account.

The customer will give notice of change of occupancy or legal responsibility to the District as soon as possible, when such change of occupancy or legal action affects service being provided by the District. Should the District become aware of a change in occupancy or legal responsibility, actions will be taken to confirm the change and begin the process of updating the District's account records. The District may, at its discretion, require proof of the change of occupancy and the legal right to occupy the service location prior to initiating service. Acceptable documentation includes but is not limited to a valid rental or lease agreement, property deed or power of attorney.

The District will read or disconnect the meter within one week of the date requested by the customer. A prorated closing bill will be issued to the outgoing customer. The outgoing customer is responsible for prorated water services during the one week period before disconnection or water service is placed in a new customer name, whichever occurs first.

Disputes between landlords and tenants must be resolved between those parties. The District does not mediate such disputes.

Section 8: DISCONNECTION OF WATER SERVICE

Disconnection by the District

The District may disconnect water service to enforce its Customer Service Policies, including but not limited to the following:

- Violation of District's service requirements or regulations (including this Policy), rate schedules, contracts, or failure to comply with water codes;
- The customer fails to pay charges per this Policy;
- The customer fails to contact the Customer Service Department prior to the termination date indicated on the customer's termination notice;
- The customer issues a check that is not honored by the bank;
- The customer refuses to accept a certified letter regarding delinquent charges;
- Failure to provide a safe, clear access and entry to customer premises to District employees and agents for service-related work;
- Theft or illegal water diversion
- Use of the water system in such a manner that affects other Customers.

Except in cases where a hazardous condition exists that endanger life or property, the District will attempt, prior to disconnecting the water service under this section, to provide the customer with notice of the District's intent to disconnect service. It is a general policy of the District that the Customer Service Department shall make every effort to arrange a reasonable and feasible payment arrangement for the customer prior to disconnecting water service.

Arrangements for deferred payment may not be available to customers who have not fully and satisfactorily complied with a previous payment arrangement or to customers who have repetitive credit problems with the District.

Customer-Requested Disconnection

Customers requesting water service disconnection must contact the District. The District requires a minimum of 24-hour notice for all customer-requested reconnects, disconnects, or transfers of water service.

If the District has reason to believe or has been notified that the water service is being provided to a non-billed customer, the District will make a good-faith and reasonable effort to provide written or posted notice to the service location of pending disconnection at least five (5) days in advance. The purpose of this notice is to provide any affected non-billed customer an opportunity to resolve any issue with his or her landlord or to arrange for continued service. If requested, the District will provide water service to the affected non-billed customer on the same terms and conditions as other District customers, provided the non-billed customer is able to timely meet the requirements of establishing a new account.

Extreme Heat Law

Washington State House Bill 1329 prevents the termination of water service to any residential user due to lack of payment on any day for which the National Weather Service has issued or has announced that it intends to issue a heat-related alert, such as an excessive heat warning, a heat advisory, an excessive heat watch or a similar alert, for the area in which the residential user's address is located.

If a residential service has been disconnected for lack of payment prior to a heat related alert event the customer may request reconnection of service on any day that a heat related event occurs. The utility will make a reasonable attempt to reconnect service during regular business hours. To be reconnected under this law you must:

1. Request reconnection with the Customer Service Department by calling 509 884-7191 on any day for which the national weather service has issued or has announced that it intends to issue a heat related event.

2. Bring to the Customer Service Department your most recent IRS W-2 form for income certification.

3. Enter and maintain a payment plan that is designed both to pay the past due bill by the following May 15th, or as soon as possible after May 15th and to pay for continued utility service. You will not be required to pay more than an amount equal to six percent (6%) of your certified monthly income. Should you enter such a payment plan and fail to pay as agreed, your service will be disconnected. Any balances, service charges and deposit will be collected before your service is restored.

Special Consideration

The District shall notify customers on the termination notice that customers who desire special consideration must register in person with the Customer Service Department if they are 62 years of age or older, handicapped, or if termination of service would jeopardize their health or the health of a member of the household.

When the District becomes aware of such customers, the information will be entered in a permanent record within the Customer Service Department. Registered customers who are not able to pay their bills shall be referred to an appropriate social service agency for assistance. The termination process shall be postponed for 48 hours to allow the agency to review the matter and to propose an acceptable solution. If no acceptable solution is reached, termination will proceed in accordance with this policy.

Registered customers who are only able to pay their bill in installments may apply for a deferred payment plan. The plan is available for residential customers who are not paying previous delinquencies on a deferred basis.

Failure of a customer to pay as agreed shall be cause for termination of service upon 24-hour notice delivered to the service address.

- **General Provisions** - The District shall not terminate any customer's water service on Friday, Saturday, Sunday, a national holiday, or the day before a national holiday.
- **Declaration of Customer Bankruptcy** - The District will not alter, refuse or discontinue service to or discriminate against the customer solely on the basis of his or her commencement of a case under 11 USG 101, et seq., or solely on the basis that a debt owed by the customer to the District for service rendered before the order or relief was not paid when due. However, the District, at its discretion, may alter, refuse or discontinue service if neither the customer nor his or her representative, within twenty days after the date of the order for relief, furnishes adequate assurance of payment, in the form of a deposit or other security, for service after that date.

Section 9: TAX ADJUSTMENT

The amount of any tax levied by the county in accordance with the Laws of the State of Washington, will be added to the amount otherwise computed for water sold within the limits of such county.

Section 10: CUSTOMER'S WATER SERVICE EQUIPMENT

The customer's water service equipment shall be installed and maintained in accordance with applicable state and local requirements. The District is not responsible for the actions of the state inspector or any other private or governmental entity or individual.

The District reserves the right to refuse or discontinue service to customer's equipment where, in the opinion of the District, such equipment is not in conformity with industry recommended practices, lawful codes, and/or local regulations.

The customer shall be solely responsible for the maintenance and safety of his or her equipment and the District shall not in any way be liable for accident or damage occurring to the customer or to third parties because of contact with or failure of any portion of the customer's installation.

Where the customer's use of water equipment results in an interference with the quality of the customer's service or that of other customers, or where the customer requires special regulating equipment, the District may require the customer to provide, at the customer's expense, such special or additional equipment as is required. This may apply to cases of extreme imbalance of water pressures or backflow.

Nothing in this policy shall be construed as placing upon the District any responsibility for the condition maintenance or safety of customers' equipment; and the District shall not be responsible for any loss or damage resulting there from.

Section 11: CUSTOMER'S RESPONSIBILITY FOR DISTRICT'S PROPERTY

It shall be the responsibility of the customer to take all reasonable and proper precautions to prevent damage to District property on the customer's premises. Unauthorized modifications or attempts to modify District provided water service or facilities, or changes to the customer's side of the service that result in damage to the District's equipment or threatens the safety of District is extremely dangerous and is a violation of RCW 9A.61 (Defrauding a Public Utility) and is punishable by law. Unauthorized modifications or tampering shall include but not limited to removal, reinstallation or bypassing of meters, meter vaults, instruments, services, connections and any other equipment installed by and remaining the property of the District.

If meter modifications or tampering is identified, disconnection of water service may immediately occur if the tamper has resulted in an unsafe condition of District or customer equipment. If disconnection occurs, the water service will not be reconnected until repairs have been made and District staff have completed an inspection and determined it is safe to reconnect.

The account holder may be responsible for paying the actual costs of damage and costs incurred by the District to investigate and restore the water service but at a minimum will be charged a tamper fee (see Appendix A).

If water service is interrupted, unsatisfactory, or if the customer becomes aware of a hazardous condition related to District facilities the customer should promptly notify the District.

Section 12: RIGHT OF ACCESS

By receiving water service, the customer grants all necessary permission to enable the District to install and maintain its facilities on the customer premises. The District, through its authorized employees or designees, shall have access to District owned equipment on customer's premises at all reasonable times for the purpose of meter reading, pruning or removing trees/vegetation near District equipment, and for testing , repairing, replacing, inspecting or removing of such equipment. The District requires 24-hour access to all its facilities for emergency repairs and system operations.

Customer shall keep the meter vault free from structures, vehicles, equipment and plantings, including trees, and shall permit access for any excavation or other work needed for maintenance of District's water facilities without payment for any damage caused by such excavation or work. In order for the District to maintain access rights to District owned equipment the customer shall execute an easement if requested by the District.

When the District encounters an obstruction to District property or equipment, the District may notify the customer and request correction; however, the District may take the necessary steps to obtain immediate access to its equipment without providing prior notification to the customer.

If the obstruction is not corrected within the time specified in the notice, the District may correct the obstruction, and the customer may be obligated to reimburse the District for all costs and expenses incurred in correcting the obstruction. If the District is unable to correct the obstruction, it reserves the right to disconnect water service until corrections are made.

Section 13: SYSTEM DISTURBANCES

Water service(s) shall not be utilized in such a manner as to cause severe disturbance, pressure or capacity fluctuations to other customers of the District.

Section 14: INTERRUPTION OF SERVICE

The District will use reasonable diligence to provide an adequate and uninterrupted supply of water service at reasonable pressure and volume. However, if the supply is interrupted without notice for any cause, such failure shall not constitute a breach of the District's agreement for service.

The District shall have the right to temporarily suspend water service(s) for the purpose of making repairs or improvements to the system, but in such cases, when practicable, public notice shall be given and every effort will be made to make such interruptions as short as possible.

The District shall not be liable for any consequential damages resulting from the interruption, restorations, or reduction of water service(s) from any cause, including but not limited to failure of pumping equipment and water distribution systems, inadequacy of energy supply, implementation of emergency plans or temporary disconnections for repairs and maintenance or failure to pay for service rendered. During an emergency declared by appropriate civil authority the District may be required to curtail or disconnect water service(s).

Section 15: ADDITIONAL LOAD

In the event a customer desires to add additional volume of water use to an existing service, the customer shall notify the District sufficiently in advance so that the District may, if economically feasible and if additional water is available, provide the facilities required. In the event the customer fails to notify the District of any of the above changes and as a result the District's equipment is damaged or fails to perform properly thereafter, the customer shall be liable for the cost of such damage or corrections to the equipment.

Any change in meter and distribution pipe size shall be considered a water line extension and Section 26 shall apply.

Section 16: CUSTOMER WATER SERVICE INTERRUPTIONS

If a customer experiences a disruption in their water service, the customer is encouraged to first check for issues such as leaks, breaks, or other problems or malfunctions with their own equipment before contacting the District. If District representatives or contractors of the District respond to a service call,

at the customer's request — whether during business hours or after-hours — and it is discover that the problem originates from the customer's equipment, the customer may be billed the actual costs incurred, including labor, transportation and overhead expense.

Section 17: POINT OF DELIVERY

The point of delivery is that point on the customer's premises (or other agreed point) where the water facilities of the District and customer are connected. This point of interconnection shall be at the District's meters and metering equipment, all piping and water equipment beyond this point of delivery shall be installed and maintained by the customer. It shall be the responsibility of the customer or their contractor to advise the District of their service equipment requirements in advance of installing the service equipment and to make sure that the location is acceptable to the District.

The use of District supplied water upon the premises of the customer is at the risk of the customer, and the District's liability shall cease at the point of delivery.

Section 18: METER LOCATIONS AND OTHER REQUIREMENTS

GENERAL

All new or replaced customer-controlled service lines installed to the District's meter shall be a minimum of three feet deep beyond the District's meter.

CUSTOMER'S RESPONSIBILITY TO PREVENT BACKFLOW

Present State and national laws provide that there shall be no cross-connection, open or potential, between a system furnishing potable water and a system furnishing no-potable water. Construction shall be such as to prevent backflow of contaminated water into potable water system. Backflow prevention devices of a type approved by the Washington State Department of Social and Health Services shall be installed by the customer when deemed necessary by the District. All devices shall remain in the customer's ownership and be his/her responsibility.

Also, any sprinkler system or agricultural standpipe connected to the District's system shall have an approved backflow prevention device. Inspection of such devices may be made periodically by a District representative. It shall be the customer's responsibility at all times to maintain this cross-connection control device or backflow preventor in a fully functioning condition.

There shall be no cross-connections between the District's service and any other source or water such as a well other than a District well or another water system.

Section 19: METER READING

Meters shall be read monthly or at the District's discretion. The District will, as nearly as possible, read meters on a constant cycle date each month; however, due to weekends, holidays and variations in the length of months, readings may vary by up to five (5) days. If for any reason a reading cannot be obtained for any period, the billing may be based on an estimated water consumption, in which case it will be subject to later correction.

Most meters will be read electronically or remotely, which promotes accurate and cost effective reads. New or existing customers moving to a new location are required to have electronically read meters. If

electronic meter reading devices fail, the District shall have the right to use the actual or estimated energy usage for billing.

Section 20: METER TESTS

The District shall, at its own expense, conduct all tests and inspections as required for accuracy. Upon a customer's request, the District will, at its own expense, perform a meter test, provided that such meter has not been tested during the preceding two-year period. Additional tests at the request of customer will be conducted. If a meter is found to register with two (2) percent plus or minus, the customer shall pay a test fee (see Appendix A). If the meter is determined to exceed the allowable two percent limit plus or minus, no testing fee will be charged, and the bill may be adjusted accordingly for the preceding six-month period.

Section 21: RESALE OF WATER

No purchaser of District water service shall connect their service to that of any other person, resell, rebill, or supply to any other person or premises through their water service connection.

Section 22: RELOCATION OF EQUIPMENT AT CUSTOMER REQUEST

If a customer requests relocation of service to an existing structure, the District may, at no additional costs to the customer, remove and reconnect its service.

If a customer requests their delivery point and/or other facilities be relocated to a new location and the District does not have water distribution facilities of sufficient capacity available within the normal 100 foot service distance, the customer shall reimburse the District for the cost of relocating the facilities required.

If a customer requests a water meter moved to a new location (e.g., water meter in the way of a proposed new driveway), the District will do so provided the water meter as relocated is feasible from an engineering point of view, and further provided that the customer must pay in advance an amount sufficient to reimburse the District for all costs.

Before relocation of any water meters or equipment, the customer will provide the necessary signatures on easement forms prepared by the District and will furnish such easements to the District.

In the event that conditions not defined in this section occur, then the principles and policies as outlined in this section and in the Extension Policy shall be applied.

Section 23: EXTENSION POLICY

A water service extension shall be considered any expenditure of District funds necessary to provide permanent service to a proposed customer. Within the means and ability of the District, it is the declared policy to extend service to new customers for permanent residential, commercial and industrial service in all areas within or adjacent to territory now being served by existing facilities of the District. The District will make extensions from each of its water distribution systems at locations where adequate water capacity is available. Each extension will be subjected to a study as to feasibility, permanence, desirability and action deemed necessary. In addition to requirements as herein stated,

the District shall have sole discretion to determine if the proposed extension is permanent and/or feasible. Normally, a permanent service is expected to be of 15 years or longer duration.

The District will require a Contribution-in-Aid-of-Construction equal to one hundred percent of the estimated cost of the extension., Said contribution must be paid prior to construction of the extension.

A developer requesting installation of new water facilities for service to a residential development will be required to pay the estimated total cost of all water facilities necessary to serve every lot in the area, including main line extensions, services, meters, valves, vaults, pumps, etc.

The design of all new or extended water systems will be subject to the approval of the District, and ownership of water distribution systems and services shall remain with the District except as provided above. The owner or developer shall provide property corner stakes and final grade information necessary for the District to determine trench locations and trench excavation depths prior to trench excavation. The District shall not be responsible for lost or removed markers.
Any changes to the water system required in the District's opinion because of changes in final grade or property lines shall be at the expense of the owner or developer.

The customers or developer will be held responsible for damage to any water equipment resulting from any dig-ins on his property.

Applications on one continuous line may be grouped if to the mutual advantage of all applicants for service.

The customer will obtain signatures on easement for line extensions on forms provided by the District.

Cost estimates shall be revised if construction is delayed by the customer for thirty days or more and related payment and extension agreements will be revised accordingly.

Section 24: APPEALS AND INFORMAL CONFERENCE/HEARINGS

A customer has the right to appeal decisions made by the District concerning these policies, rate schedules or interconnection and service agreements negotiated per Section 14. The informal conference may be conducted by telephone or in person with the District's Customer Service Supervisor. The customer may present any information which the customer deems relevant to the matter. If the issue at hand cannot be resolved via this discussion, the customer may request a hearing with the District's designated Hearing Officer (Auditor). The hearing may be conducted by telephone or in person and will be scheduled at a mutually convenient time and the Hearing Officer shall render his or her decision in writing as soon as practical.

Section 25: RATES

The rates of the District area based upon the policy of supplying water to the customer at the lowest possible cost consistent with sound business principles. All rate schedules are based on a single service to the premises of one customer through one meter. For residential service, when more than one residence or apartment is served through one meter, the basic monthly charge and the minimum monthly charge are multiplied by the number of residences or apartments on the meter. Service may

be supplied to customers not coming within the scope of the regular rate schedules of the District; provided that such service shall be covered by a separate contract and shall be approved by the Commissioners of the District.

Appendix A – SCHEDULE OF ADMINISTRATIVE CHARGES

Service charges are based on District cost, and include, but are not limited to labor and labor overhead, transportation and transportation overhead, materials and materials overhead, and other costs normally incurred in performing services to the customer.

DESCRIPTION	CHARGE(S)
Account Setup	$10.00
Door Hanger Notice	$35.00
Advanced Meter Opt-Out	$80.00
Non-Payment Disconnect	$183.00
Reconnect Following Disconnect for Non-Payment	$183.00
After-Hour Reconnect Following Disconnection for Non-Payment	$366.00
Non-Sufficient Funds (NSF)	$20.00
Meter Test	$183.00