Caribou Utilities District
Waterworks Division

Terms and Conditions

Filed December 16, 2011

Second Revision

ELECTRONICALLY TRANSMITTED ON DECEMBER 16, 2011

Proposed Effective Date: January 1, 2012
Effective Date: JAN 0 1 2012
Docket No.: 11 435

Alan Hitchcock, General Manager
# Caribou Utilities District - Waterworks Division
## Terms and Conditions
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[Signature]

Alan Hitchcock, General Manager
TERMS AND CONDITIONS

Caribou Utilities District – Waterworks Division

The following Terms and Conditions made by the Caribou Utilities District – Waterworks Division and filed with the Maine Public Utilities Commission constitutes a contract between the Customer and the Utility. The Customer agrees to adhere to these Terms and Conditions and to take water only for purposes stated in the application and at the established rates.

DEFINITIONS

The word “Commission” refers to the Maine Public Utilities Commission.

The word “Utility” refers to the Caribou Utilities District – Waterworks Division.

The word “Customer” means any person, firm, corporation or governmental division who has applied for and is granted service or who is responsible for payment of the service.

The word “Main” means a water pipe, owned, operated and maintained by the Utility, which is used to transmit or distribute water but is not a water Service Pipe.

The words “Service Pipe” mean the pipe running from the Main to the premises of the Customer.

1. APPLICATION FOR SERVICE. The owner or the owner's agent, or the occupant of the establishment to be served may apply for service on forms provided by the Utility. Any tenant may become a Customer if the tenant assumes responsibility for future service under the conditions set forth in 35-A M.R.S.A. Sec. 706(2), Chapter 660, Sec. 10(l)(2) of the Commission's Rules, and Section 10 below. If a new service connection or other work on the establishment is required, the owner must authorize the Utility to enter the premises to do the necessary work.

2. SEASONAL CUSTOMER. A seasonal Customer regularly takes service for only a portion of the year from either a summer or year-round main. A seasonal Customer will be subject to the rules and charges of seasonal rates in effect. A Customer regularly vacating the premises for three months or less may elect in writing to be classified as an annual Customer subject to annual charges.

3. BILLING PROCEDURES. Annual metered charges are normally billed quarterly. The Utility does reserve the right to render bills monthly if it so desires.

Minimum meter charges for annual metered service shall be billed quarterly in arrears and water used in excess of the minimum will be billed in arrears at the end of the billing quarter. The Utility reserves the right to bill monthly in advance for annual metered service.

Seasonal minimum meter charges will be billed immediately after the meter is set for the season. Bills for water used in excess of the minimum amount will be billed immediately after the final reading for the season. The Utility reserves the right to render bills monthly for excess water used by seasonal Customers.

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Public and private fire protection charges shall be billed in arrears, each year, on a monthly or quarterly basis at the option of the Utility.

All bills shall be payable at the office of the Utility or at any designated collection station. Failure of the Customer to receive his/her bill does not relieve him/her of the obligation of its payment nor for the consequences of non-payment.

4. CREDIT AND COLLECTION PROCEDURES. All credit and collection procedures for residential Customers will be based upon Chapters 660 and 870 of the Commission’s Rules and Regulations. The Utility may demand a deposit from any residential Customer in accordance with Chapter 660. The amount of a deposit shall be in accordance with Chapter 660. The interest rate on Customer deposits shall be the rate set from time to time by the Commission.

All procedures for nonresidential Customers will be based upon Chapters 660 and 870 of the Commission’s Rules and Regulations.

5. TERMS OF PAYMENT. Customers are legally obligated to pay for the services they receive. Bills are payable upon being issued. Failure of the Customer to receive his/her bill does not relieve him/her of the obligation of payment for services received nor for the consequences of non-payment. The due date for payment, in order to avoid the incurrence of late fees or the initiation of collection action, will be 30 days after the bill is mailed or hand delivered. The late payment charge for overdue bills will be no more than the maximum amount allowed under Chapter 870 of the Commission’s Rules, to be determined annually.

6. CHARGE FOR RETURNED CHECKS. As provided in Chapter 870 of the Maine Public Utilities Commission Rules, the Utility charges $5.00 per account to which the check is applied or the amount the bank charges the Utility, not to exceed $15.00 for each check returned for nonpayment by a bank. If the Utility charges more than $5.00, the Utility shall furnish the customer with proof of the bank charge.

7. CHARGE FOR ESTABLISHMENT OF SERVICE. The Utility will charge $10.00 to establish water service if it is not necessary for the Utility to visit the premises to connect the service. If it is necessary for the Utility to visit the premises to connect the service, the Utility will charge $20.00 during the normal business hours 7:30 a.m. to 4:00 p.m., Monday through Friday. The charge during holidays and other than normal business hours is $38.00.

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8. **CHARGE FOR RESTORATION OF SERVICE.** The Utility will charge a Customer a reconnection fee to restore services at the Customer's premises if service was disconnected for any reason allowed by Chapter 660, including but not limited to, a Customer's request. The reconnection charge is **$20.00** for each resumption of service made during the normal business hours of 7:30 a.m. to 4:00 p.m., Monday through Friday. The charge during holidays and other than normal business hours is **$88.00**.

9. **COLLECTION TRIP FEE.** If Utility personnel visit the Customer's premises to disconnect service for non-payment and in lieu of actual disconnection the Customer pays or makes a payment arrangement for the entire past due balance, the Utility will charge a collection fee of **$20.00**.

10. **DISCONNECTION OF LEASED OR RENTED PROPERTY.** Before disconnecting a leased or rented residential property, the Utility shall comply with the notice requirements of Chapter 660 of the Commission’s Rules and Regulations, and must offer the tenant the right to take over responsibility for future payments.

10.1 **LEASED OR RENTED SINGLE-METER, MULTI-UNIT RESIDENTIAL PROPERTY.** Pursuant to Chapter 660, in addition to the above, before disconnecting a leased or rented single-meter, multi-unit residential property, the Utility shall:
   
   A. Apply any existing deposit to the current account balance, and

   B. Assess, against the landlord, a collection fee of **$75.00** in addition to any applicable reconnection fee set forth in Section 8 of these Terms and Conditions.

10.2 **SEPARATE METERING.** At the Utility's option, the Utility may separately meter each dwelling unit within the property at the landlord's expense, and

11. **CHARGE FOR DISCONNECTION REQUESTED BY CUSTOMER.** The Utility will charge a fee of **$20.00** to disconnect water service at the Customer's request during the normal business hours of 7:30 a.m. to 4:00 p.m., Monday through Friday. The Customer will be responsible for clearing snow, ice, or any obstacles to the shut-off valve and/or meter when requesting a disconnection. If the Customer does not fulfill this responsibility, he/she will be charged for the Utility to perform this service at the following rates: **$35.00** per man-hour during the normal business hours of 7:30 a.m. to 4:00 p.m., Monday through Friday. During holidays and other than normal business hours, a two hour minimum charge of **$88.00** will apply, with each additional hour above the minimum billed at **$41.00** per hour.

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[Signature] Alan Hitchcock, General Manager
12. **Unauthorized Use of Water.** No person shall tamper with or bypass any meter, nor restore service without Utility authorization, nor unreasonably interfere with utility service. In the event of such unauthorized use of water, the Customer shall be subject to immediate disconnection. In addition, the Customer may be subject to the criminal and/or civil penalties then in force.

13. **Maintenance of Plumbing.** A Customer must maintain the plumbing and fixtures within his/her own premises in good repair and protect them from freezing or from heat damage. If damage does occur, the Customer is liable for any expenses incurred.

14. **No Tampering With Utility Property.** No person may tamper with Utility property. No valve, shut-off, hydrant or standpipe that is the property of the Utility will be opened or closed or otherwise operated by other than persons authorized by the Utility.

15. **Access to Premises.** Customers shall provide access to employees of the Utility having proper identification, at all reasonable hours to permit the inspection of plumbing and fixtures, to set, remove or read meters, to ascertain the amount of water used and manner of use, and to enforce these Terms and Conditions.

16. **Liability.** The Utility will only be liable for any damages arising from claims to the extent liability is provided in the Maine Tort Claims Act, as set forth in Title 14, Chapter 741 of the Maine Revised Statute Annotated. The Utility makes no representations or warranties about the suitability of the water for any particular purpose.

17. **Service Interruption.** The Utility will provide notice of any planned shut-off to affected Customers at least twenty-four hours in advance of the interruption of service. The Utility will give notice of any unplanned shut-off in accordance with Chapter 660. If a Customer requests, the Utility will make a pro rata reduction in the Customer's minimum bill if service is interrupted for longer than forty-eight hours and the interruption is not the Customer's fault.

18. **Winter Construction.** No new service or extension of Mains will be installed for the convenience of a Customer during winter conditions that increases the cost of the work for the Utility unless the Customer assumes all extra expense over ordinary construction costs.

19. **Stop Valve.** Every service must be provided with an operable stop valve located inside the building near the service entrance, easily accessible, and protected from freezing. All plumbing must be installed to prevent back-siphoning and to permit draining whenever necessary.
20. **CROSS CONNECTIONS.** No cross connection between the public water supply system and any other supply will be allowed unless properly protected in accordance with the directives and rules of the State Bureau of Health, and no new cross connection may be installed without the approval of the Bureau and the Utility. In addition, no connection capable of causing back flow between the public water supply system and any plumbing fixture, device or appliance, or between any waste outlet or pipe having direct connection to waste drains will be permitted. If the owner of such a connection fails or refuses to break or properly protect the connection within a time limit specified by the Utility, the Utility may disconnect the service according to Chapter 660 of the Commission's Rules. The Utility's cross connection rules are on file at the Utility office.

21. **FLUCTUATION OF PRESSURES BY CUSTOMER'S APPARATUS.** A Customer may not install or use any device that will affect the Utility's pressure or water quality without prior Utility permission.

22. **SAFEGUARDING DIRECT PRESSURE WATER DEVICES AND SYSTEMS SUPPLIED BY AUTOMATIC FEED VALVES.** Customers must install vacuum, temperature and pressure relief valves or cutouts to prevent damage to a direct pressure water device or secondary system supplied by an automatic feed valve.

23. **JOINT USE OF SERVICE PIPE TRENCH.** Normally, water Service Pipes will not be placed in the same trench with other Utility facilities. Where possible, a horizontal separation of ten feet will be provided. Where extenuating, unusual or special circumstances are encountered, a lesser separation of joint use of trench may be allowed if all parties agree, provided that the installation complies with all applicable laws, rules and regulations.

24. **UTILITY JOBBLING.** A Customer must complete a written application before a Utility will provide unregulated Utility service. The Customer must pay a deposit equal to the Utility's estimated costs. Unless the work is done on a flat rate basis, the Utility will return any excess deposit upon completion. If the final cost exceeds the deposit, the Customer must pay the additional amount upon completion.

25. **METERING POLICIES**

**A. Separate Metering of Buildings.** No Customer shall supply water to another, nor use it for purposes not mentioned in his/her application without prior written Utility approval. At its discretion, the Utility reserves the right to require separate piping and a separate meter and shut-off for each building as a condition of service.

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Alan Hitchcock, General Manager
25. METERING POLICIES (continued)

B. **Metering of Multi-Unit Buildings.** Except as provided in Chapter 660 of the Commission's Rules, where there is more than one occupant of a building supplied with water, the Utility may require the owner to arrange the plumbing to permit separate connections with shutoffs and meters in locations acceptable to the Utility for each place of business or abode. In the case of a condominium, each unit owner may be required to have a separate meter and shutoff in locations acceptable to the Utility.

C. **Submetering.** Additional or auxiliary meters for showing subdivision of water use must be furnished, installed, read and maintained at the Customer's own expense.

D. **Meter Pits.** The Utility reserves the right to require a meter pit at the Customer's expense if the Customer does not provide a clean, warm, dry and accessible location for the meter and its appurtenances. The Utility will be responsible for performing all meter pit installations and will do the work during the normal business hours of 7:30 a.m. to 4:00 p.m., Monday through Friday at a charge of $35.00 per man-hour of labor, plus the cost of the necessary materials and equipment rental, if applicable. The Customer will pay a deposit in advance to cover the estimated charge. The Utility will return any excess deposit upon completion. If the final cost exceeds the deposit, the Customer must pay the balance due as a condition of service.

E. **Charges for Repair or Replacement of Damaged Water Meters.** The charges to Customers for costs incurred for the repair or replacement of meter(s) damaged due to improper care by Customers are as follows: $35.00 per hour during the normal business hours of 7:30 a.m. to 4:00 p.m., Monday through Friday, plus the cost of the necessary replacement parts. During holidays and other than normal business hours, a 2 hour minimum charge of $88.00 will apply, plus the cost of the necessary replacement parts. Each additional hour above the minimum will be billed at $41.00 per hour.

F. **Meter Testing.** The Utility will test its water meters according to the schedule and standards in Chapter 620 of the Commission's Rules. Upon Customer request, the Utility will test the Customer's water meter at no charge in the presence of the Customer or a representative, unless the Customer requests more than one test in an 18-month period. If the Customer requests a test more frequently, the Utility may require the Customer to pay a deposit to cover the cost of the test. If a meter tested at the Customer's request does not conform to standards, the Customer's deposit will be refunded and the Utility will adjust the Customer's bill according to the provisions of Chapter 620. If the meter conforms to standards, the Utility may keep the Customer's deposit and continue to use the meter at the Customer's premises.

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26. **Waste of Metered and Unmetered Water.** Customers with private fire protection sprinklers or fire hydrants with flat rates must prevent all unnecessary waste of water. Water will not be supplied on flat rates for any continuous flow device. The Utility will decide what constitutes waste or improper use and will restrict usage when necessary. When necessary to conserve the water supply, the Utility may restrict or prohibit the use of hoses and sprinklers for metered and flat rate Customers.

27. **Fire Hydrants.** Fire hydrants may not be used for any purpose other than to extinguish fires unless prior permission is given by the Utility. Fire hydrants must not be opened by any person other than an agent of the Utility or a duly authorized representative of the municipality or the owner.

28. **Private Fire Protection.** Customers requiring private fire protection must contact the Utility to determine the availability of fire service at their location. Fire service, if available, will be installed at the Customer's expense within the bounds of the public way or right of way. The fire service line, after installation, will be owned and maintained in the public way or right of way by the Utility. Private fire protection charges shall be billed in arrears, each year, on a monthly or quarterly basis at the option of the Utility.

The Utility does not guarantee any quantity of water or pressure available through a fire protection service. The owner of the service shall determine, from time to time, the adequacy of supply through the fire service by conducting tests of his private system. Timely notice must be given to the Utility so a representative of the Utility can be present to observe the test.
29. DISCONNECTION PROCESS FOR OVERDUE COMBINED WATER AND SEWER BALANCES.
The Caribou Utilities District (the "District") may disconnect water service to Customers receiving
sewer service for non-payment of an undisputed balance, if the total amount overdue is $100.00 or
more and more than 90 days old.

29.1 Definitions.
Total Account Balance means the total water and sewer amount owed by a Customer that has been
properly billed.
Total Amount Overdue means the total water and sewer amount billed to a Customer that has not
been paid by the due date of the bill or by a date otherwise agreed upon by the District and the
Customer. Disputed amounts will not be included in the Total Amount Overdue.

29.2 Billing. Bills for the District shall be issued in accordance with applicable sections of Chapter
660, and Chapter 870 of the Commission's Rules and Regulations, and Section 3 of these Terms and
Conditions.

29.3 Disconnection and Reconnection. A 14 day disconnection notice shall be issued when a
Customer does not pay or make a payment arrangement on an undisputed balance, and the Total
Amount Overdue is greater than $100.00 and more than 90 days old.

29.4 Collection Action. Subsequent collection actions, including disconnection and reconnection,
shall be in accordance with the Commission's Chapters 660 and with these Terms and Conditions.

29.5 Payment Allocation. In the event that a payment is received by the District that does not clearly
indicate whether the payment is for water or sewer, the District shall attempt to ascertain the intentions
of the Customer. When such intentions cannot be determined, money received shall be applied first to
the oldest basic service.

29.6 Payment Arrangement. The District shall continue to serve a Customer who cannot pay the
Total Account Balance provided satisfactory payment arrangements are made in accordance with the
Commission's Rules and Regulations and with these Terms and Conditions.

29.7 Dispute Resolution. The District shall resolve disputes in accordance with the Commission's
Rules and Regulations.

29.8 Annual filings: The Utility shall file a report annually with the Commission according to Title 35-
A, MRSA 6111-C & Chapter. 660.

29.9 Assistance Programs: Pursuant to Title 35-A, MRSA 6111-C and Chapter 660, the Utility shall
provide information regarding financial assistance to Customers who receive disconnection
notices.

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Alan Hitchcock, General Manager
30. **Adjustment of High Water Bills**

30.1 The Caribou Utilities District recognizes that from time to time certain customers may receive a higher than normal water bill based on a significant increase in consumption. Whenever it can be determined that the fault lies with District equipment, an adjustment will be made to reflect this at no cost to the customer. However, if the fault lies with the customer's own fixtures or water piping, such as a leaking toilet or other source of running water, the customer is responsible. In order to mitigate this occasional situation, the District may adjust a customer's high water bill, which is determined to be the customer's responsibility, at the request of the customer.

30.2 Adjustments will be considered only if the consumption for the subject billing period is at least 100% higher than the average of the corresponding billing periods in the preceding three years, or three previous billing periods if a three year history is not available.

30.3 The average consumption of the three previous annual billing periods, which correspond to the period in question, will be used as a basis for adjustment. The difference between the high consumption and the average above will be divided into two parts. The District will absorb one half and the customer will be charged for the other half.

30.4 If there is not sufficient billing history to go back three years, then the consumption of the three previous billing periods will be averaged for a basis of adjustment. The difference will be divided and distributed as in 30.3 above.

30.5 Adjustments will be made on a one-time basis for any customer at the same location within a three-year period. Any further adjustments will be made only at the discretion of the District.

30.6 If consumption for at least three previous billing periods in the past three years has been below the minimum consumption rate established in the District's rates, credit may be given for the difference between actual and minimum consumption. Credit may be granted for any billing period within the preceding three years, which has consumption below the minimum. Credit will be allowed only for a bill (over 100%) of previous periods.
December 15, 2011

Karen Geraghty, Administrative Director
Maine Public Utilities Commission
18 State House Station
Augusta, Maine 07333

Dear Ms. Geraghty:

Allowed to go into effect by the Director of Technical Analysis through Delegated Authority pursuant to 35-A M.R.S.A. § 107, Sub-§ 4 JAN 01 2012

Attached please find a second revision of the Terms and Conditions for the Caribou Utilities District, Waterworks Division. This document replaces the Terms and Conditions filed under Docket # 2009-387 and Docket #2010-212. This document replaces, in whole, all prior versions of the District’s Terms and Conditions. We are also sending by mail six signed copies of this document for your use.

The Revisions do not include any rate changes or any fee changes. The primary changes have been made to comply with the recently enacted Chapter 660. References to Chapter 81 and Chapter 86 have been removed and now refer to Chapter 660. We have also added Section 30 which allows an adjustment for high water bills.

We hope this information meets your needs. If you or your staff should have any questions, please feel free to contact us at 207-496-0911.

Please note that this is a revision of the previous submittal on November 23, 2011. We look forward to your approval of this document.

Sincerely,

Alan Hitchcock
General Manager

Attachments

ELECTRONICALLY TRANSMITTED ON DECEMBER 16, 2011