



**THE ISLAND REGULATORY AND
APPEALS COMMISSION**
Prince Edward Island
Île-du-Prince-Édouard
CANADA

Charlottetown
Prince Edward Island
Canada

PRINCE EDWARD ISLAND MUNICIPAL WATER & SEWERAGE UTILITIES GENERAL RULES & REGULATIONS

(Office Consolidation)
—April 6, 1993—

☞ NOTICE ☜

This edition is prepared for convenience only.
For accurate reference, recourse should be made to the
official versions published in the Royal Gazette

These Rules and Regulations are made and approved by The
Island Regulatory and Appeals Commission under authority of the
Water and Sewerage Act, R.S.P.E.I. 1988, Cap. W-2

**These Rules and Regulations do not apply to municipal
utilities operating in Charlottetown, Summerside, Cornwall
or Stratford. These utilities are exempt from the
jurisdiction of the Commission.**

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Part 1 Application

- 1.1** As required by the *Water and Sewerage Act*, Section 16, the following Rules and Regulations have been approved by The Island Regulatory and Appeals Commission for application by all municipal water and sanitary sewerage utilities.
- 1.2** These Rules and Regulations are subject to the *Water and Sewerage Act* as well as to directives of and special contracts approved by The Island Regulatory and Appeals Commission.

Part 2 Interpretation

- 2.1** In these Rules and Regulations, unless the context otherwise requires, the expression:

Commission means The Island Regulatory and Appeals Commission.

Customer means a person, firm or corporation who or which requests or is supplied with water or sewerage or water and sewerage service at a specific location or locations.

Domestic Service means the type of water or sewerage or water and sewerage service supplied to the owner or his authorized agent or to the occupant or tenant of any space or area occupied for the distinct purpose of a single-family house, each unit of a multiple dwelling, individual apartment, flat and the like, furnished with separate kitchen facilities provided with running water.

Due Notice means the requirement that forty-eight (48) hours written notice be given by the utility to a customer before any action is taken against the customer for failure to comply with any of these Rules and Regulations.

General Service means any type of water or sewerage service other than domestic service, fire protection service and municipal service.

Municipality means the corporation into which the residents of an area have been incorporated as a municipality.

Service means water or sewerage or water and sewerage service.

Shall in the context of these Rules and Regulations means the imperative and that an act must be done.

Utility means the water and sewerage utility of a municipality.

Part 3 General

3.1 Disputes

If any dispute arises between the Utility and a customer over the interpretation or application of these Rules and Regulations, either party may refer the matter to the Commission for decision, and the Commission may, notwithstanding anything contained in these Rules and Regulations, make such order as it may deem appropriate.

3.2 Application for Service

The Utility may, before rendering service, require an application form signed by a prospective customer.

3.3 Plumbing Permit

In the case of an owner of an existing building or premises applying for service, no service shall be provided until the Utility has been provided with a Certificate of Approval issued by the Plumbing Inspector.

3.4 Plumbing to be Satisfactory

All plumbing, pipes, fittings, vents, fixtures and other devices for conveying, distributing, controlling or utilizing water or sewerage which are used by a customer and are not the property of the Utility shall be installed according to the requirements of the current edition of the **Canadian Plumbing Code**. Except for construction or testing purposes, the water shall not be turned on until the applicant for service has satisfied these requirements. The supply of water may be refused or discontinued to any customer at any time, if, in the opinion of the Utility, the plumbing, pipes, fittings, vents, fixtures and other devices are herein before mentioned, or any of them, fail to comply with the above requirements, or if any part of the water or sewerage system of such customer is in any unsuitable, dirty, unsanitary or inaccessible place. Service shall not be re-established until such condition is corrected to the satisfaction of the Utility.

3.5 Refusal of Service

Service shall be refused or suspended to any customer who has failed to discharge any of his liabilities to the Utility.

3.6 Condemned Premises

Services shall be immediately discontinued to any property condemned under any Federal or Provincial statute or municipal bylaw.

3.7 Season for Laying Pipe

The Utility shall not, on application or otherwise, lay any pipe at any season of the year which, in the opinion of the Utility, is deemed unsuitable for such construction.

3.8 Access to Customer's Premises

Representatives of the Utility shall have the right of access to a customer's property or premises at all reasonable hours for the purpose of inspecting any water or sewerage pipes or fittings, or appliances, or for the purpose of installing, removing, repairing, reading or inspecting water meters. The Utility shall have the right to suspend service to any customer who refuses such access.

3.9 Prohibited Appliances

Service may be refused or suspended by the Utility to any customer who installs or uses any device or appurtenance, as for example: booster pumps, quick-opening or quick-closing valves, water-operated pumps or siphons, standpipes or large outlets which may occasion sudden large demands of short or long duration, thereby requiring oversize meters and pipe lines, or affect the stability or regulation of water pressure in the Utility's system. A permit to install or use any such device or appurtenance must be obtained from the Utility. The permit shall specify what special arrangements, such as elevated storage tanks, surge tanks or equalizing tanks, etc., must be provided by the customer.

3.10 Interference with Utility Property

No person, unless authorized by the Utility in writing, shall draw water from, open, close, cut, break or in any way injure or interfere with any fire hydrant, water or sewerage pipe or main or other property of the Utility, or obstruct the free access to any hydrant, stop cock, meter, building, etc., provided however that nothing in this section shall be deemed to prevent an officer or member of the Fire Department engaged in the work of such Department, from using any hydrant or other source of water supply of the Utility for such purpose.

3.11 Improper Use or Waste of Water

No customer shall permit the improper use or waste of water nor shall he sell or give water to any person except upon such conditions and for such purposes as may be approved in writing by the Utility.

3.12 Repair of Leaks

Leaks due to broken water or sewerage services, worn tap washers, toilet valves or other causes shall be promptly repaired. If, after being notified, a customer refuses or unduly delays in having the repairs or alterations made, the Utility may suspend the service if, in its opinion, such action is necessary to prevent improper use or wastage of the service.

3.13 Cooling Water

Water shall not be used for cooling purposes by any customer of the Utility except where the system or equipment to be supplied is of the recirculating conservation type with make-up water only being added. In the case of refrigeration equipment, including air conditioning systems, no system having a water consumption rate in excess of 0.50 litres per minute per metric tonne of capacity shall be provided with cooling water. This Regulation shall apply to all new installations and to any existing systems if and when they are to be enlarged, renewed or replaced.

3.14 Suspension of Service for Violation

Whenever, in the opinion of the Utility, violation of any of these Rules and Regulations is existing or has occurred, the Utility may cause the service to be suspended from the premises where such violation is existing or has occurred and may keep the same so suspended until satisfied that the cause for such action has been removed.

3.15 Suspension of Service

In every case calling for a suspension of service, due notice must be given to the customer concerned.

3.16 Liability of the Utility

3.16.1 The Utility shall endeavor to maintain reasonable continuity of service. If the service is interrupted, the cause of such interruption or other condition shall be removed or corrected and normal operating conditions restored as soon as possible.

3.16.2 The Utility shall not be responsible for any damage, direct or consequential, loss or liability that a customer may sustain by reason of interruption of service, variation of pressure or on account of the turning off or turning on of the water for any purpose, drawing a vacuum on the system by fire pumpers, intermittent flow of the sewerage system or flooding of basements as a result of stoppages in the sewerage system unless caused by the negligence of the Utility.

3.16.3 Interruptions in service shall not relieve the customer from any charge for service.

3.17 Jurisdiction of the Utility

The Utility shall have jurisdiction over all services and extensions including those on a customer's premises up to and including the first clean out point immediately inside the premises, in the case of sewerage service, and up to the cellar stop, including meters, where applicable, in the case of water service.

Part 4 Services

4.1 Installation of Shut-off

Every water service to a premises shall have a shut-off valve in an accessible position at the point of entry to the premises.

4.2 Individual Service

Except with the special written approval of the Utility, each separate residential building or premises, not including multiple apartment buildings exceeding two (2) units, shall have a separate water service with a curb stop and a separate sewerage connection directly to the sewerage main.

4.3 Security Deposits

Each applicant for service may be required to deposit with the Utility a sum of money equal to the estimated charges for four (4) month's service. The deposit shall be held by the Utility as collateral security for the payment of its bills. When this deposit is held, at the option of the Utility, for a period in excess of one (1) year, simple interest at a rate based on the nearest one-half percent (1/2%) of the bank's prime lending rate as of the first (1st) banking day of each year shall be credited to the account when refunded. The deposit, less any amount owed the Utility, shall be returned to the customer after service has been discontinued and upon the surrender of the deposit receipt.

4.4 Deposits on Custom Work

Whenever a customer requests that the Utility do work for which such customer is required to pay, and the Utility agrees to do the work, the Utility may require, before the work is started, a sum of money equal to the Utility's estimate of the probable cost of the said work. When the actual cost is determined, an adjustment in payment shall be made. Service shall not be established or continued by the Utility until all charges are paid.

4.5 Non-Negotiable Cheques

A charge of ten dollars (\$10.00) may be made for each non-negotiable cheque.

4.6 Service Pipes

Upon receipt of an application for service to any premises located on any portion of a street within the service area of the Utility, which is served by a main water pipe or a main sewerage pipe, and which premises are not already provided with service, the Utility shall install or permit to be installed a water service pipe or a sewerage connection which it considers to be of a suitable size and capacity. The customer may engage an independent contractor to install connections which the Utility considers to be of a suitable size and capacity. No water pipe smaller than 19 mm in diameter shall be laid for any water service and no sewerage pipe less than 100 mm in diameter shall be laid for any sewerage connection. Any work carried out by an independent contractor for the customer shall be under the inspection and supervision of the Utility. An inspection fee of twenty dollars (\$20.00) shall apply to work installed by an independent contractor.

4.7 Cost of Service Pipes

In cases where mains are existing, the cost of supplying and laying a 19 mm water service pipe and fittings and a 100 mm sewerage connection pipe between the main and the property line of the property to be served shall be paid by the Utility. From the property line to the premises, the cost shall be paid by the customer.

4.8 Cost of Oversized Service Pipes

In cases where mains are existing, for water services larger than 19 mm and sewerage connections larger than 100 mm the whole cost shall be borne by the customer, less the cost of a 19 mm service from the main to the property line in the case of water service, and less the cost of a 100 mm pipe connection from the main to the property line in the case of a sewerage connection.

4.9 No Water Service Without Sewerage Service

Water service shall not be extended to a premises unless sanitary sewer facilities are also installed or are presently available to the premises in question.

4.10 Relocation of Service

After service has been installed by the Utility, no relocation of, or alteration to, the portion of the service installed shall be made except at the expense of the customer or other persons requesting such removal or alteration.

4.11 Multiple Service Connections

In the event of more than one (1) service being required to the same property, such as a sprinkler system connection or an additional general service connection or connections, the full cost of the additional services to the system mains, any necessary repairs and maintenance to the additional services between the main and the customer's premises and any necessary repairs and replacement to any portion of the streets or sidewalks of the municipality damaged in providing such additional services shall be paid by the customer. The decision as to the necessity of the additional services shall be made by the Utility.

4.12 Duplicate Municipal Servicing

In the case of adjacent municipalities, there shall be no duplication of service. Streets which form the borderline between such municipalities shall be serviced by one (1) water utility and one (1) sewerage utility only. In every case where service is to be provided by another municipality, approval shall be obtained in writing from the municipality in which the customer is located and further approved by the Commission before construction is commenced.

4.13 Service Outside Municipal Limits

Provided Utility service is available, customers outside municipal limits may be supplied with service. The complete cost for service from the existing main shall be at the customer's expense.

4.14 Unauthorized Extensions, Additions or Connections

No person shall, without the written consent of the Utility, make or cause to be made any connection to any pipe or main or any part of the water or sewerage system of the Utility or in any way obtain or use water therefrom in any manner other than as set out in these Rules and Regulations.

4.15 Cross Connections Prohibited

Connections of any customer's installation served by the Utility to any other source of water supply is prohibited, except with the written permission of the Utility with the terms and conditions of interconnection clearly defined. Failure to comply with this Regulation shall entitle the Utility to suspend the service.

4.16 Contaminated Interconnection

No connection shall be permitted to any installation, equipment or source in such a manner as may allow any contamination to pass from such installation, equipment or source into the Utility's water supply system. If any such connection exists the Utility may discontinue the supply of water to such customer.

4.17 Repairs to Service lines

If a leak, stoppage or other trouble occurs on a water or sewerage line, it shall be repaired as soon as possible.

The following work shall be carried out at the expense of the Utility:

(i) Repairs necessitated by a leak or other trouble occurring between the water or sewerage main and the property line.

(ii) Repairs necessitated by a leak or other trouble occurring between the property line and the customer's premises which has been caused by the installation having insufficient grade or as a result of poor workmanship.

(iii) Repairs necessitated by tree roots occurring between the water or sewerage main and the property line.

The following work shall be carried out at the expense of the customer:

(i) Repairs necessitated by normal wear and tear occurring between the property line and the customer's premises.

(ii) Repairs necessitated by any stoppage attributable to the improper use of the water or sewerage facilities occurring between the main and the customer's premises.

(iii) Repairs necessitated by tree roots occurring between the property line and the customer's premises.

4.18 Private Fire Protection

Fire protection lines within buildings shall be accessible for inspection, and no connection for any purpose other than fire protection shall be made thereto. No fire protection line shall be connected in such a way as to be served through a customer's metered service without the written permission of the Utility.

4.19 Water for Construction

The Utility may furnish water to persons requiring a supply thereof for the construction of buildings or other works. Such persons shall deposit with the Utility such sum as may be determined by the Utility as sufficient to defray the cost of making the necessary connection to the service mains, together with the cost of any meter to be installed to measure the water consumed. Upon completion of the work and return of the meter to the Utility, an adjustment shall be made after deducting the cost, if any, of repairing the meter and of testing the same, and after determining the base and connection charges and the consumption rates in respect to such installation.

4.20 Sewerage Line Check Valve

In the case of a building so located that any plumbing fixture in the building is below street level or so as to be affected by a back flow on the sewerage line, such premises shall be provided with a suitable check valve. The complete cost of the check valve shall be borne by the customer. A utility shall give notice on an annual basis to all customers of the necessity of installing a sewerage line check valve. If, after the issuance of such notice, the customer chooses not to install a check valve and a backup occurs in the customer's premises, the customer shall be responsible for any damages sustained.

4.21 Prohibited Sewage

No person shall discharge or permit or cause to be discharged directly or indirectly into any sanitary or combined sewer any of the following:

- (i) Storm water, surface water, ground water, roof run-off, surface drainage or the like.
- (ii) Matter having a temperature of more than 66°C.
- (iii) Gasoline, benzene, naphtha, fuel oil, motor oil, grease, acetone, solvents or other flammable or explosive matter.
- (iv) Ashes, cinders, sand, mud, straw, shavings, metal, glass, rags, feathers, tar, plastics, wood, cellulose, garbage, excluding properly shredded garbage, or other solids of a type or quantity capable of causing obstruction to the flow in sewers or other interference with the proper operation of pumping facilities or sewage treatment equipment.

(v) Matter having a pH lower than 5.5 or higher than 9.5 or where the pH becomes lower than 5.5 or higher than 9.5 if the matter is diluted by any liquid.

(vi) Matter that may cause the death or injury to any person or capable of causing damage or hazard to structures, equipment or personnel of the sewage works.

(vii) Hydrogen sulphide, carbon bisulphide, ammonia, trichloroethylene, sulphur dioxide, formaldehyde, chlorine, bromine, pyridine or any other matter that has or may cause an offensive odour or is capable of creating a public nuisance.

(viii) Any matter in which the BOD exceeds three hundred (300) parts per million.

(ix) Animal wastes such as hair, wool, fur, feathers, intestines or stomach casings, paunch manure, intestinal contents, hides or parts thereof, hooves, toenails, horns, bones and fleshings.

(x) Matter containing a toxic or poisonous substance in sufficient quantity to injure or interfere with any sewage treatment process or constituting a hazard to humans or animals. Included in this category are waters or wastes containing metals or chemicals such as cyanide, hexavalent chromium, phenols, copper whose concentrations are more than:

Chromium as Cr (hexavalent)	3 ppm
Cyanide as HCN	2 ppm
Phenol equivalents (primary treatment)	50 ppb
Phenol equivalents (secondary treatment)	100 ppb
Copper as Cu	1 ppm

Part 5

Billing and Metering

5.1 Payment of Bills

Unless otherwise ordered by the Commission and subject to anything else in the Rules and Regulations, bills for all classes of service shall be rendered to each customer at intervals of one (1), two (2) or three (3) months, at the option of the Utility. Unmetered customers shall be billed in advance. All bills shall be payable within thirty (30) days after the date rendered and if not so paid shall be deemed to be in arrears.

5.2 Prorating of Rates

In the case of a customer not receiving service for a full billing period, the flat rate or base charge shall be computed on a pro-rata basis for the period involved.

5.3 Number of Billings

No customer shall be billed more than twelve (12) minimum charges in any twelve (12) month period.

5.4 Suspension of Service for Non-Payment of Bills

The Utility may suspend service to unmetered customers whose bills remain unpaid for more than sixty (60) days and metered customers whose bills remain unpaid for more than thirty (30) days after the date rendered, provided that due notice is given.

5.5 Curb Stop Charge

In all cases where service has been discontinued by means of a curb stop for non-payment of bills or on account or for violation of any section of these Rules and Regulations, service shall not be restored until all arrears, together with a twenty dollar (\$20.00) charge, have been paid. If turn-off and turn-on is carried out during normal working hours at a customer's request, a twenty dollar (\$20.00) charge will be made, and if not paid, shall be included in any subsequent bill for service. If turn-off or turn-on of service is requested to be carried out after normal working hours, the charge for such call out shall be based on normal charge-out rates for time and equipment involved, but shall not exceed a three (3) hour charge-out for any one (1) call.

5.6 Delayed Payment Charge

All bills shall be computed according to the rates fixed by the Commission, and if any bill is not paid within thirty (30) days after the date rendered, as indicated by the postmark, or such date as may be clearly shown upon the bill, whichever is the later, it shall be subject to a delayed payment charge.

The following charges apply:

- (i) For customers of the Charlottetown Water Commission and the Town of Summerside Water and Sewerage Utility, the charge shall be equal to five percent (5%) of the amount

of such bill, but in no case shall the amount of the penalty be less than twenty-five cents (\$0.25).

(ii) For customers of other utilities, the charge shall be equal to two percent (2%) per month of the amount of such bill, but in no case shall the amount of the penalty be less than twenty-five cents (\$0.25).

5.7 Owner of Premises Billed

At the option of the Utility, charges for service may be billed to the owner of the premises.

5.8 Rates During Vacancy

In the case of a premises being vacant, the owner shall be billed for the period until the new tenant becomes responsible for the service.

5.9 Multiple or Joint Use Premises

Billing of multiple or joint use premises may be carried out either by billing each individual customer according to the applicable rate schedule or by metering the total premises, at the option of the Utility.

5.10 Water to be Supplied by Meter

Except when water is used for construction purposes from a hydrant, under the supervision of the Utility, and except as otherwise provided in these Rules and Regulations, all service other than that for Domestic Service and Fire Protection Service shall be metered.

5.11 Meter Size

The Utility shall determine the size and type of meter to be installed in each case.

5.12 Meter Ownership

All billing for metered water shall be through meters owned by the Utility.

5.13 Installation and Removal of Water Meters

Water meters shall be installed and removed only by employees of the Utility, and no other person shall install, alter, change or remove a meter without the written permission of the Utility. The connections for such water meters shall be installed to the required standard of, and without expense to, the Utility.

5.14 Location of Water Meters

The Utility may refuse service to, or suspend the service of, any customer who does not provide a place which, in the opinion of the Utility, is suitable for a water meter.

5.15 Meter Protection

Where the premises of a customer are of such a nature that a water meter cannot be properly installed in a building or if the building is not sufficiently insulated to ensure the safety of the meter, the Utility may require the construction of a suitable insulated enclosure in which the water meter can be installed. Service to such premises may be refused or suspended until such an enclosure is installed.

5.16 Exterior Reading Meters

If a remote or exterior reading meter installation is made, at the option of the Utility, the total cost shall be borne by the Utility. If such an installation is made at the request of the customer, all costs in excess of regular metering shall be borne by the customer.

5.17 Water Meter Readers

Each Meter Reader or Utility Inspector shall be provided with a suitable form of identification issued by the Utility which he shall exhibit upon request.

5.18 Estimated Readings for Billing Purposes

If the Utility is unable to obtain a water meter reading for billing purposes, after exercising due diligence in the usual practice of water meter reading, the bill for that service shall be estimated in accordance with the best data available, subject however to the provision that, in no circumstance, shall an estimated reading be used for more than two (2) consecutive billing periods. If an estimated bill is rendered for two (2) consecutive billing periods, the Utility shall notify the customer by registered mail that arrangements must be made for the Utility to obtain a reading, and failing such arrangements, the Utility may suspend service until such arrangements are made. When such water meter reading has been obtained, the previous estimated bill or bills shall be adjusted accordingly.

5.19 Disputed Water Meter Accuracy

5.19.1 A customer may request that his water meter be tested by the Utility.

5.19.2 The Utility employee shall decide whether the meter will be tested on site or at a testing place.

5.19.3 The Utility may charge the customer the sum of twenty dollars (\$20.00) to defray the cost of removing the meter, replacing it with another meter tested and sealed by the Utility, and testing the meter.

5.19.4 If the water meter, upon testing by the Utility, is within the prescribed accuracy limits of not more than four percent (4%), the Utility shall retain the customer's deposit.

5.19.5 If the water meter is found to be outside the prescribed accuracy limits, the Utility shall return the deposit to the customer and the bill for service rendered to such customer shall be adjusted accordingly for a period not exceeding six (6) months.

5.20 Damage to Utility's Water Meters and Seals

5.20.1 Every customer shall be responsible for any damage to the water meter and seal on his premises resulting from negligence, hot water or steam, the action of frost or from any other cause not the fault of the Utility or its employees. The cost for any repairs or replacement of the Utility's water meter or seal shall be borne by the customer.

5.20.2 The Utility's meter or seal shall not be tampered with or broken by an unauthorized person.

5.20.3 If the Utility's meter or seal has been broken by an unauthorized person in order that an illegal connection can be made, the Utility shall disconnect the customer as soon as possible.

5.20.4 If the Utility's water meter or seal is broken, or the water or sewerage system is tampered with or the water meter does not register correctly, the bill for that service shall be estimated on the basis of past consumption in a corresponding period or on the basis of the best data available.

5.21 Municipal Departments

Water and sewerage facilities used by the municipality for any purpose shall be billed to the municipality by the Utility at the rates and charges established herein and under these Rules and Regulations.

5.22 Fire Protection Service Charge

The Utility shall annually render to the municipality not later than the last day of June an account for fire protection service. Such account shall be calculated in the manner set out in the Utility's Schedule of Rates.

5.23 Payments Re Adjoining Municipalities

Unless otherwise ordered by the Commission, customers located in one (1) municipality and receiving service from another municipality, shall pay charges in accordance with the rates prescribed for the municipality in which they are located. The utility in the municipality in which such customer is located shall be billed and be responsible for the payment of charges to the adjoining utility for such services as may be provided by that utility.

Part 6

Extension of Services

6.1 Customer Contributions

Unless otherwise ordered by the Commission, property owners or customers shall, in cases where service is not available, contribute towards the cost of extending mains, including service laterals to the property line, on the following basis:

- (i) In the case of water service, ninety percent (90%) of the total cost with the fire protection and sprinkler system components having first been subtracted.
- (ii) In the case of sewerage service, ninety percent (90%) of the total cost.

Such contributions shall, in cases of developed, unserviced land, be based on a property owner's lot frontage in relation to the total frontage of the service extension.

6.2 Customer Contribution Frequency

A customer contribution shall not be made more than once in the case of a water line or of a sewerage line on any frontage. No charge shall be made where service has been provided in the past.

6.3 Corner Lots

In the case of a corner lot, if service is placed on more than one (1) side, the owner shall contribute towards the cost of the longest side only.

6.4 Orderly Extension of Services

The Utility shall provide service facilities to new street extensions or development areas on an orderly and following basis only. If any person is desirous of obtaining service when not available on this basis, such service may be provided to the person by the person paying, in addition to the charges set forth in Regulation 6.1, the full cost of the construction from the existing main to the new street extension or development area.

6.5 Individual Service Extensions

Where extensions of individual services are being provided, the property owner or customer shall be billed only for the size of the mains required to give adequate service to the premises concerned. The Utility shall be responsible for the additional costs incurred.

6.6 Extensions Over Private Property

In cases where service extensions are required over private property to serve other than owners of that property, such extensions shall be subject to separate negotiation and agreement between the Utility, the customer and the property owner.

6.7 Extensions Through Public Rights-of-Way-Intersections

The total cost of service extensions through public rights-of-way or intersections in new development areas shall be allocated in accordance with Regulation 6.1. In other areas, the total cost shall be borne by the Utility.

6.8 Extensions Past Municipal Land

The total cost of service extensions past municipal land in new development areas shall be allocated in accordance with Regulation 6.1, with the Utility's share of the costs charged against the municipality. In other areas, the total cost shall be charged against the municipality.

6.9 Extensions Past Vacant Property—Liens

In situations where service facilities are extended past lots not requiring service at the time of the extension, but capable of being served, the Utility may place a lien against the property and that part of the construction need not be paid until service is provided, the property is sold, or five (5) years have elapsed since the completion of the extension covered by the lien, whichever occurs first.

6.10 Interest on Liens

In cases where the utility charges a lien against a property, interest at a rate of two (2) percentage points above a rate based on the nearest one-half (½%) of the bank's prime lending rate as of the first (1st) banking day of each year shall be charged against the property.

6.11 Contracted Work

Where the Utility does not carry out its own construction, any contract work shall be done for, on behalf of, and with the approval in writing of the Utility.

6.12 Use of Independent Contractors

In a case where construction is to be carried out on behalf of the Utility by an independent contractor, the customer is to be party to any decision relative to accepting any quotation by the Utility, or alternately, the Utility may allow the customer to have plans and specifications prepared, and after being approved by the Utility, an acceptable contractor shall be authorized by the Utility to proceed with construction under its inspection and supervision. An inspection fee of twenty dollars (\$20.00) shall apply to laterals installed by an independent contractor.

6.13 Signed Agreements

Where construction is estimated to cost in excess of one thousand dollars (\$1,000.), a signed agreement shall be entered into between the Utility and the customer. Where construction is estimated to cost less than this amount, the Utility may require a signed agreement between itself and the customer.

6.14 Service Laterals

In the case of service extensions, laterals, from mains to property lines, shall be installed when mains are installed.

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