

RULES AND REGULATIONS  
FOR WATER AND SEWER SERVICE CONNECTIONS  
AND PENALTIES FOR VIOLATIONS

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PRINCEVILLE UTILITIES  
COMPANY, INC.  
Princeville, Kauai, Hawaii

PUCI Tariff No. 1  
Original Title Sheet

RULES AND REGULATIONS  
FOR WATER AND SEWER SERVICE CONNECTIONS  
AND PENALTIES FOR VIOLATION

PRINCEVILLE UTILITIES COMPANY, INC.

PRINCEVILLE, KAUAI, HAWAII

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Issued: May 27, 1988

Effective: ~~May 27, 1988~~

By Thomas W. Giles, Vice-President

APR 11, 1994

CHECK LIST SHEET

<u>Sheet</u>	<u>Revision</u>
1	Third
2	Second
3	Original
4	Original
5	Original
6	Original
7	First
8	First
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10	First
11	First
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14	Original
15	Second
16	Original
17	Original
18	Original
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22	First
22A	Original
23	First
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PRINCEVILLE UTILITIES  
COMPANY, INC.  
Princeville, Kauai, Hawaii

PUCI Tariff No. 1  
Second Revised Sheet 2  
Cancels First Revised Sheet 2

CHECK LIST SHEET

<u>Sheet</u>	<u>Revision</u>
33	Original
34	Original
35	Original
36	Original
37	Original
38	First
39	First
40	Third

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Issued: December 5, 1997

Effective: December 15, 1997

By Michael Y. M. Loo, President

F O R E W O R D

These Rules and Regulations have been adopted to establish uniform practices governing water services and to define the obligations of PUCI to consumers and of consumers to PUCI.

It is the policy of PUCI to render adequate and satisfactory service to all consumers and encourage courtesy to the public by all its employees. PUCI desires to cooperate with consumers to eliminate water waste and thus minimize charges to the consumer.

Consumers are advised to obtain information from PUCI on the availability of water, pressure conditions to assure satisfactory service, and other pertinent data.

SYMBOLS

When a change in tariff sheet is filed with the Commission, attention shall be directed to such change by a symbol along the right-hand margin of the tariff sheet utilizing the following symbols as appropriate:

- (C) To signify change in wording of text which may result in change in rate, rule or condition.
- (D) To signify discontinued material, including listing, rate, rule or condition.
- (I) To signify increase.
- (L) To signify material relocated from or to another part of tariff schedules with no change in text, rate, rule or condition.
- (N) To signify new material including listing, rate, rule or condition.

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Issued: May 27, 1988

Effective: May 27, 1988

By Thomas W. Giles, Vice-President

- (R) To signify reduction.
- (T) To signify change in wording to text but not change in rate, rule or condition.

RULES AND REGULATIONS - PART I

RULES OF ADMINISTRATIVE PRACTICE AND PROCEDURE

SECTION I - PUBLIC INFORMATION

1. The public may obtain information from PUCI by inquiring at the Princeville Development Corporation office located in Princeville, Kauai. Copies of rules and regulations shall be made available to the public at a price of \$5.00 to cover mailing and publication costs. Submittals or requests shall be made by addressing the same to:

Princeville Utilities Company, Inc.  
P. O. Box 3040  
Princeville, Kauai, Hawaii 96722

2.. In all matters concerning the affairs of PUCI, any person affected by any action of PUCI or by any action of the employees or agents of PUCI shall write a letter to PUCI, addressed to the President, stating his grievance and the relief sought. The matter will then be put on the agenda of the Board of Directors at the earliest practicable time.

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Issued: May 27, 1988

Effective: May 27, 1988

By Thomas W. Giles, Vice-President

RULES AND REGULATIONS - PART II

RULES AND REGULATIONS FOR WATER SERVICE  
CONNECTION WITH THE AREA SERVICED BY PUCI AND  
PROVIDING PENALTIES FOR THE VIOLATION THEREOF

SECTION I - DEFINITIONS

For the purpose of these rules and regulations, unless it is plainly evident from the context that a different meaning is intended, certain words and phrases used herein are defined as follows:

1. The word "PUCI" shall mean Princeville Utilities Company, Inc.
2. The word "CONSUMER" shall mean the person, firm, corporation, association, or governmental department whether owner or tenant, whose name appears on the records of PUCI as the party responsible and liable for receiving water service from PUCI.
3. The term "SERVICE CONNECTION" shall mean the main tap, pipe fittings, meter and valve or meter spacer and valve from the water main to and including the shut-off valve on the Consumer's side of the meter or meter spacer.
4. The term "COST OF SERVICE CONNECTION" shall mean the sum of the direct cost of the labor, materials, equipment, and road repair, if any, and other incidental charges necessary for the complete installation of a service connection.
5. The term "CONSUMER'S SUPPLY PIPE" shall mean the pipe extending from the consumer's end of the service connection.
6. The word "MAIN" or "MAIN PIPE" shall mean PUCI's supply or distribution pipe to which service connections are made.

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Issued: May 27, 1988

Effective: May 27, 1988

By Thomas W. Giles, Vice-President



7. The words "DISTRIBUTION FACILITIES" shall mean that part of the PUCI's water system contained within and/or adjacent to the subdivision or development to be served by PUCI.

#### SECTION II - GENERAL CONDITIONS

1. Any prospective consumer may obtain water service provided all of the following conditions are met:

A. The premises are within the limits serviced by PUCI. These limits are shown on the map attached hereto as Exhibit 1.

B. The consumer agrees to abide by these rules and regulations.

C. All applicable charges have been paid.

2. Where an extension of mains is necessary or where large quantities of water are required or a substantial investment is necessary to provide service, the consumer must agree to PUCI's conditions and charges for such service before water service will be approved.

#### SECTION III - CONSERVATION MEASURES AND INTERRUPTION OF WATER SUPPLY

1. PUCI will exercise reasonable diligence and care to deliver an adequate supply of water to the consumer and to avoid shortages or interruptions in water service, but will not be liable for any interruption, shortage, insufficiency of supply, or any loss or damage occasioned thereby.

2. Whenever, in PUCI's opinion, special conservation measures are advisable in order to forestall water shortage and a consequent emergency, PUCI may restrict the use of water by any reasonable method of control.

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Issued: May 27, 1988

Effective: May 27, 1988

By Thomas W. Giles, Vice-President

3. PUCI reserves the right to shut off water from the mains with reasonable notice, except in case of emergency, for the purpose of making repairs, extensions, alterations, or for other reasons and will not be responsible nor liable for any property damage or loss incurred by the consumer due to such interruption of service. Consumers depending upon a continuous supply of water shall provide emergency water storage and any check valves or other devices necessary for the protection of plumbing or fixtures against failure of the pressure or supply of water in PUCI's mains. Repairs or improvements will be prosecuted as rapidly as practicable and, insofar as practicable, at such times as will cause the least inconvenience to the consumer.

4. The Company will not be liable or responsible for any damage to person or property caused by spigots, faucets, valves and other equipment that may be open when water is turned on at the meter, either when turned on originally or when turned on after a temporary shutdown.

SECTION IV  
ELEVATION AGREEMENT, PRESSURE CONTROLS

1. PUCI will make every effort to maintain even pressure but will not accept responsibility for increases or decreases in pressure in its water mains.

2. Where property is situated at such an elevation that it cannot be assured of a dependable supply or of adequate service from PUCI's distribution system, the consumer, in consideration of connection with PUCI's system, must agree to accept such water service as PUCI is able to render from its existing facilities and to install, if necessary, and maintain at his expense a tank and pump of suitable design and of sufficient capacity to furnish an adequate and dependable supply of water. When required by PUCI, the consumer shall install an air gap or other protective devices between the consumer's supply pipe and the service connection. The consumer shall execute a written release in favor of PUCI for all claims on account of any inadequacy in PUCI's system or inadequacy of water supply to the consumer.

3. When the pressure of PUCI's supply is higher than that for which individual fixtures are designed, the consumer shall protect such fixtures by installing and maintaining pressure reducing and relief valves. PUCI will not be liable for damage due to pressure conditions or caused by or arising from the

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Issued: April 7, 1994

Effective: April 11, 1994

By Teney Takahashi, President

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failure or defective condition of such pressure regulators and relief valves or for damage that may occur through the installation, maintenance or use of such equipment.

SECTION V - APPLICATION FOR  
WATER SERVICE AND SERVICE CONNECTION

1. Each prospective consumer shall be required to sign a standard application form for the water service desired, assuming responsibility for the payment of future charges for water service at the designated location before water is turned on for any use whatever. The consumer signing the application form shall be held liable for the payment of all charges for water and water service at the designated location. Service may be granted to property owners or to those having long term leases (leases with a five (5) year or longer term). Services may be provided to tenants of any lessee or owner if the lessee or owner guarantees the tenants service charges. If a tenant who is responsible for and fails to pay water bills rendered, the lessor or the property owner shall pay such bills, and in the event of his failure to do so, PUCI may refuse to furnish water services until the outstanding bills are paid.
2. An advance deposit equal to PUCI's estimate of two months' water charges will be required of tenants, lessees and purchasers of property under an agreement of sale. When the consumer vacates the property and a new consumer takes possession or acquires a legal interest in the property, whichever first occurs, the advance deposit will be returned less all unpaid or outstanding water charges. (C)
3. Charges for water will begin when the water service is established and will continue thereafter unless discontinued by PUCI for failure of the consumer to comply with these rules and regulations.
4. When an application for water service is made by a consumer who was responsible for and failed to pay all water or sewer service bills previously rendered, regardless of location or time incurred, PUCI may refuse to furnish water or sewer service to such applicant until the outstanding bills are paid.

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Issued: September 9, 1994

Effective: October 10, 1994

By Teney Takahashi, President

PRINCEVILLE UTILITIES  
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Princeville, Kauai, Hawaii

PUCI Tariff No. 1  
First Revised Sheet 9  
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5. A consumer taking possession of property and using water without having made application for the transfer of water service shall be held liable for the water delivered from the date of his taking possession or acquiring a legal interest in the property, whichever first occurs. If proper application for transfer is not made and accumulated bills for water service are not paid on presentation, the water service may be discontinued five (5) calendar days after the date of written notice to the consumer.

#### SECTION VI - NEW SERVICE CONNECTIONS

1. Installation. When the application for service connection has been approved, such connection will be installed by PUCI at no cost to the applicant and thereafter will be maintained by PUCI at its expense. There shall be one meter for each service connection unless PUCI, because of operating necessity, installs more. All meters will be sealed by PUCI before installation and no seal shall be altered or broken except by one of its authorized employees.

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Issued: April 7, 1994

Effective: April 11, 1994

By Teney Takahashi, President

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PRINCEVILLE UTILITIES  
COMPANY, INC.  
Princeville, Kauai, Hawaii

PUCI Tariff No. 1  
First Revised Sheet 10  
Cancels Original Sheet 10

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Issued: April 7, 1994

Effective: April 11, 1994

By Teney Takahashi, President

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3. Consumer's Supply Pipe. The consumer shall install and connect at his expense his supply pipe to the shut-off valve or outlet installed by PUCI. The consumer's supply pipe shall at all times remain the sole property of the consumer, who shall be responsible for its maintenance and repair. If the consumer's supply pipe is installed before the service connection is set, PUCI will make the connection to it; provided, however, it is requested by the consumer prior to the installation of the service connection.

4. Connection to Main. Only employees of PUCI will be allowed to connect or disconnect the service connection to or from PUCI's main.

5. Compensation. Employees of PUCI are forbidden to demand or accept personal compensation for services rendered.

6. Pipe through Wall. Where the applicant requires his supply pipe extended through a wall, he shall provide the entrance-way through such wall and be responsible for the service connection. PUCI will not be responsible for any damage caused by leakage through or inside such entrance-way.

7. Location of Service Connection or Main. No service connection or water main will be installed by PUCI in any road until such road is brought to proper grade and PUCI is given proper easements for the main or service connection. Otherwise, an applicant desiring water service must extend his supply pipe to the nearest street on which a PUCI main exists.

8. Location of Service Connections.

A. Service connections may be installed within either PUCI's roadway easement or the applicant's property.

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Issued: April 7, 1994

Effective: April 11, 1994

By Teney Takahashi, President

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B. In the event PUCI finds it necessary or finds it in the best interest of PUCI to relocate a service connection serving a customer, PUCI will, at no cost to the customer, revise or extend the customer's piping to conform to the new location.

9. Change in Location or Size of Service Connection.

A. When the proper size of service connection for any premises has been determined and the installation has been made, PUCI has fulfilled its obligations insofar as the size of the service and the location thereof are concerned. If thereafter the consumer desires a change in size of the service connection or a change in location thereof, he shall bear all costs of such change.

B. In the event PUCI determines that an increase in size of service connection is required because flow rates exceed meter designs, the consumer will be required to pay for the cost of the proper sized service connection. If an application for the larger size service connection is not made within 30 days after notification in writing from PUCI, the consumer's service may be discontinued.

10. Shut-Off Valve. A readily accessible shut-off valve controlling all outlets will be installed by PUCI at the expense of the consumer at a location to be determined by PUCI. If a replacement of the shut-off valve is necessary, it shall be paid for by the consumer.

11. Alteration of PUCI Water System. All work and materials in connection with the change in location or elevation of any part of the existing water system made necessary by the new service connection shall be at the expense of the applicant.

12. Contours or Elevations. When required by PUCI, contours or elevations shall be furnished by the applicant based upon U.S. Coast and Geodetic Survey Datum or the County of Kauai Datum.

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Issued: May 27, 1988

Effective: May 27, 1988

By Thomas W. Giles, Vice-President

PRINCEVILLE UTILITIES  
COMPANY, INC.  
Princeville, Kauai, Hawaii

PUCI Tariff No. 1  
First Revised Sheet 13  
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13. Meter and Service Connection. PUCI will determine the location, size, and type of all meters and service connections to its systems.

14. Boundary Location. An applicant for water service shall indicate his boundary before installation of any service connection and any relocation of service connections due to a discrepancy in boundary location shall be at the expense of the applicant.

#### SECTION VII - RENDERING OF BILLS

Meters are read and bills are rendered regularly. Special readings will be made when necessary for closing of accounts or for other reasons.

#### SECTION VIII - PAYMENT OF BILLS

All bills shall be due and payable upon deposit in the United States mail or upon other presentation to the consumer. Payment shall be made at the office of PUCI or, at PUCI's option, to duly authorized collectors of PUCI. A late payment charge of one percent (1%) of the outstanding balance per month will be assessed until full payment is made.

#### SECTION IX - ADJUSTMENT OF BILLS FOR UNDETECTED LEAKS AND UNFORESEEN DAMAGES

1. PUCI may reduce high water bills caused by undetected leaks in the consumer's supply pipe by one half of the excess over consumer's normal bill based on the previous six months' average. Adjustments will also be allowed where the high water bill was caused by some unforeseen circumstance such as a storm, flood, explosion, fire and others.

2. Adjustment will be allowed only if the consumer exercises diligence in repairing the leak within the period of one week after knowledge of leakage.

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Issued: April 7, 1994

Effective: April 11, 1994

By Teney Takahashi, President

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3. No adjustments will be made for leakage due to faulty plumbing fixtures and exposed water lines within his property.
4. Before adjustment is made under this section, the owner shall first request an adjustment and submit substantiating data to warrant such an adjustment if required by PUCI. PUCI shall make their determination based on the data presented and any other evidence as collected by PUCI, if necessary.

#### SECTION X - DISCONTINUATION OF WATER SERVICE

Water service may be discontinued for reasons as follows:

1. Nonpayment of Bills. Water service may be discontinued for nonpayment of a bill within sixty (60) days after the mailing or presentation thereof to the consumer.
2. Non-compliance with PUCI's Rules and Regulations. If the consumer fails to comply with any of these rules and regulations, PUCI will have the right to discontinue the service.
3. Consumer about to Vacate Premises. Each consumer about to vacate any premises supplied with water by PUCI shall give notice of his intention to vacate prior thereto, specifying the person who shall thereafter be responsible for future bills and if such party is someone other than the property owner or long term lessee of the premises shall furnish PUCI with an application for service signed by such person, otherwise he shall be held responsible for all water service furnished to such premises until PUCI has received such notice and application.
4. Unauthorized Use of Water. PUCI will refuse or discontinue water service to any premises, if necessary, without giving notice to protect itself against fraud, abuse, or unauthorized use of water.

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Issued: May 27, 1988

Effective: May 27, 1988

By Thomas W. Giles, Vice-President

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5. Wasteful Use of Water. Where negligent or wasteful use of water exists on any premises, PUCI may discontinue the service if such conditions are not corrected within thirty (30) days after giving the consumer written notice of intent to do so.

#### SECTION XI - RESTORATION OF WATER SERVICE

1. If water service is turned off because of failure to pay a bill, for violation of any of the regulations of PUCI, or for other reasons, arrangements must be made to pay all outstanding accounts against the consumer plus the charge for re-installation or reconnections before his water service will be restored.

2. PUCI may from time to time establish a schedule of charges for restoration of water service based on actual cost of rendering the Service. At present, the standard cost for restoration is \$70.00.

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#### SECTION XII - DEPARTMENT'S EQUIPMENT ON CONSUMER'S PREMISES

All equipment belonging to PUCI and installed upon the consumer's premises for measurement, test, check or any other purpose, shall continue to be the property of PUCI, and may be repaired, replaced or removed by PUCI at any time without the consent of the consumer. The consumer shall exercise reasonable care to prevent damage to meters and other equipment of PUCI upon said premises and shall in no way interfere with the operation of the same.

#### SECTION XIII DAMAGE AND ACCESSIBILITY TO DEPARTMENT'S PROPERTY, METER DAMAGED BY HOT WATER

1. Any damage to water mains, service connections, valves, fire hydrants, or other property of PUCI shall be paid for by the person or organization responsible for the damage. The consumer shall be liable for any damage to a meter or other equipment or property of PUCI caused by licensees or permittees, on the consumer's premises, and PUCI shall be promptly reimbursed by the consumer for any such damage upon presentation of a bill therefor. In the event settlement for such damages is not promptly made, PUCI reserves the right with reasonable notice, except in case of emergency, to discontinue water service to such premises.

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Issued: September 9, 1994

Effective: October 10, 1994

By Teney Takahashi, President

2. When a meter or service connection is found to have been damaged by hot water or steam emanating from the premises served, the consumer shall pay for all costs of repairs.
3. No obstruction shall be placed on or around any water meter, fire hydrant, or valve so as to render it inaccessible.

SECTION XIV  
INGRESS AND EGRESS FROM CONSUMER'S PREMISES

Any properly identified director, officer or employee of PUCI shall have the right of ingress to or egress from the consumer's premises at all reasonable hours for any purpose reasonably connected with the furnishing of water or other service to said premises and the exercise of any and all rights secured to it by law or these rules and regulations. In case any such officer or employee is refused admittance to any premises, or, being admitted, shall be hindered or prevented from making such inspection, PUCI may cause the water to be turned off from said premises after giving 24 hours notice to the owner or occupant of said premises of its intention to do so.

SECTION XV  
RESPONSIBILITY FOR WATER RECEIVING EQUIPMENT

1. The consumer shall at his own risk and expense furnish, install, and keep in good and safe condition all equipment that may be required for receiving, controlling, applying and utilizing water, and PUCI will not be responsible for any loss or damage caused by the improper installation of such equipment, or the negligence, want of proper care, or wrongful act of the consumer or any of his tenants, agents, employees, contractors, licensees or permittees in installing, maintaining, using, operating or interfering with any such equipment.

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Issued: May 27, 1988

Effective: May 27, 1988

By Thomas W. Giles, Vice-President

0371B

2. Water service may be discontinued to any consumer whose water system includes plumbing fixtures, or water containers in any form, or of any use, which, in the opinion of PUCI, may endanger PUCI's water supply from a public health standpoint. Any such discontinuation of service shall continue until objectionable installations have been corrected and PUCI has been assured that the objectionable uses and practices will not be resumed.

3. PUCI will not be responsible for damage to property caused by spigots, faucets, valves and other equipment that may be open when water is turned on at the meter or shut-off valve, either when turned on originally or when turned on after a temporary shutdown.

#### SECTION XVI - ABATEMENT OF NOISES

Where it has been determined the noises emanating from a consumer's premises are caused by plumbing fixtures or other equipment attached to water pipes and such noises are being transmitted through the water pipes and causing annoyance to other consumers, PUCI may issue a notice in writing to the offending consumer or to the owner of such premises, or to his agent, giving reasonable time within which to correct or to remove the cause of complaint. Failure on the part of such consumer, owner, or person responsible to correct or remove the cause of noise will be sufficient reason for discontinuance of water service to the consumer until such time as the condition complained of has been remedied.

#### SECTION XVII - ELECTRICAL GROUNDING

1. PUCI will not be responsible for the maintaining of a continuous metallic water piping system and reserves the right, without liability to public utility electric companies, electric consumers, or any other agency or individual to create a physical break in its service connections and mains, or to

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Issued: May 27, 1988

Effective: May 27, 1988

By Thomas W. Giles, Vice-President

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incorporate non-metallic pipes and appurtenances in its system and to make joints of any materials, without regard to their efficiency as conductors of electricity and without giving notice.

2. In the event that protective grounding of alternating current secondary distribution circuits are made to the water system, the grounding installation shall conform in all details with the National Electrical Code of the National Board of Fire Underwriters and with the Kauai County Building Code then in existence. PUCI shall not be responsible for any damage or injury caused by any electrical grounding.

3. No grounding of direct current system to any portion of the water system shall be permitted.

#### SECTION XVIII - CONSUMER'S PUMPING INSTALLATIONS

1. Consumers shall not be permitted to install or operate pumps pumping water directly from the mains of PUCI's system except in cases approved in writing. No such approval will be given in cases where it is the opinion of PUCI that such an installation and the operation thereof may adversely affect the water service extended by PUCI to other consumers.

2. Approvals given by PUCI under this section will be qualified by clauses making them revocable upon ninety (90) days' notice during which period the consumer, if he desires to continue the operation of the pump, shall eliminate the objectionable features causing the giving of such notice.

3. No pump shall be equipped with a direct water supply connection for priming purposes except with the written permission of PUCI.

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Issued: May 27, 1988

Effective: May 27, 1988

By Thomas W. Giles, Vice-President

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SECTION XIX  
CROSS-CONNECTIONS AND BACKFLOW PROTECTION

1. Prohibition of Certain Conditions and Installations. In order to provide proper sanitary protection to PUCI's water supply and to comply with the applicable regulations of the United States Public Health Service and of the State Department of Health, as adopted or amended from time to time. PUCI requires that no cross-connection with other water supplies, or other physical connections exist, or be installed, located, maintained or operated which could permit backflow of contaminated water or any other dangerous, impure, unsanitary, or unpotable substance from the consumer's premises into PUCI's water supply system, except as provided below.

A. Cross-Connections with Other Water Supplies.

(1) Where such water supplies are regularly examined by agencies satisfactory to PUCI and are approved by PUCI as acceptable, safe and sanitary supplies and continue as such at all times while connections are in existence.

(2) Where such water supplies do not meet the requirements of (1) above, are not normally under pressure and are maintained solely for fire fighting purposes, and where adequate protection against backflow to PUCI's water system is provided by mechanical, or other methods or devices satisfactory to PUCI.

(3) PUCI may waive the requirement of a permit and allow cross-connections to be continued or established if the connections are with water supplies defined as primary or community supplies by the State Department of Health as acceptable, safe and sanitary supplies.

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Issued: May 27, 1988

Effective: May 27, 1988

By Thomas W. Giles, Vice-President

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B. Other Physical Connections. Other physical connections may be permitted if, in the judgment of PUCI, adequate protection can be provided the water supply of PUCI against backflow by the installation of mechanical, or other methods or devices approved by PUCI and installed, maintained and operated by the consumer in a manner satisfactory to PUCI at all times; provided, however, that PUCI may, in its sole discretion, require the consumer to eliminate or re-arrange designated plumbing or piping connections or fixtures, or to install a backflow device at the meter, meter spacer or other location, subject to the approval of PUCI, as an added safety measure in addition to any and all other backflow protection required or provided by mechanical, or other methods or devices.

2. Separate Pressure System. PUCI will require the installation of mechanical, or other, methods or devices on the consumer's side of the meter, meter spacer or other location to prevent backflow whenever the consumer maintains a separate pressure system or a separate storage facility, or in any way increases the pressures of the water within his premises above the pressure furnished by PUCI or has such equipment devices or arrangement of piping, storage or industrial methods or processes that might under certain conditions raise the pressure of the water within his premises above the pressure of the water in the mains of PUCI. Plans for such installation must be approved by PUCI.

3. Pressure Regulation Required of Consumer. As a protection to the consumer's plumbing system a suitable pressure relief valve must be installed and maintained by him at his expense when backflow devices are installed on the consumer's side of the meter, meter spacer or other location approved by PUCI.

4. Location and Inspection of Protective Devices. Any device installed for the prevention of backflow, as may be required under these rules and regulations, shall, unless PUCI approves otherwise in writing, be located above ground and in such a manner as to be safe from flooding or submergence in water or

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Issued: May 27, 1988

Effective: May 27, 1988

By Thomas W. Giles, Vice-President

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other liquids, properly protected from external damage, freely accessible and with adequate working room for inspections, testing and repairing.

All such devices shall be tested at least annually and inspected internally not less than once every two years. Repairs, replacement of parts, etc., shall be made whenever necessary at the expense of the consumer. Making of tests and annual inspections shall be the responsibility of the consumer and shall be made by the consumer or other qualified person or persons in accordance with methods acceptable to PUCI. Records of tests and inspections shall be made on forms satisfactory to PUCI, and a copy of such reports shall be furnished to PUCI. Failure of the consumer to make proper tests and submission of records may, at the option of PUCI, result in PUCI's making tests, needed repairs and replacements and charging the costs thereof to the consumer.

5. Affidavits of Compliance. Upon request of PUCI, the consumer shall present an affidavit either certifying to the fact that there are no connections or other installations of the type prohibited in paragraph 1 of this Section on his premises or describing in detail all non-conformity connections or installations.

6. Conformance with Laws and Ordinances. The several conditions relative to the installation and maintenance of cross-connections and other physical connections referred to in this Section shall be subject to change to meet changing requirements of the State and Federal health authorities and of the Kauai County Building Code then in existence.

7. Discontinuance of Water Service for Non-Compliance. Failure on the part of the consumer to comply with PUCI's requirements relative to cross-connections and backflow protection will be sufficient reason for discontinuing water service until such time as the requirements have been met.

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Issued: May 27, 1988

Effective: May 27, 1988

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SECTION XX - INSTALLATION OF AUTOMATIC FIRE SERVICE

1. Private fire service will be furnished only where adequate provision is made to prevent diversion of water through such service to other purposes. The fire service connection will be installed by PUCI and shall be paid for by the consumer in accordance with the provisions for the installation of new service connections. PUCI assumes no liability for damage of any kind whatsoever that may occur to the premises served, regardless of cause.
2. The service connection for automatic fire service shall be installed and paid for by the consumer in the same manner as that provided for regular water service except that no charge will be made for water used through such connection for fire protection purposes but any water lost through leakage or use in violation of the conditions contained herein shall be paid for by the consumer at the regular schedule of water rates and charges. PUCI may disconnect and remove the said service connection if water is used for other than fire protection purposes or if leaks are not corrected. Whenever such disconnection is in effect, PUCI shall not be held in any way liable for loss or damage sustained due to such condition.
3. Service charges will be in accordance with the rates established by PUCI from time to time.
4. All automatic fire sprinkler services may be metered with a detector check valve and a by-pass meter of a type approved by PUCI. The meter and the meter box required therefor shall be furnished by the consumer. All service connections shall become the property of the consumer after installation.
5. Such fire service devices shall be maintained by the consumer. PUCI shall be provided access for periodic inspection and testing of such devices.

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(Continued)

Issued: April 7, 1994

Effective: April 11, 1994

By Teney Takahashi, President

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SECTION XXI  
USE OF AND DAMAGE TO FIRE HYDRANTS, CHANGE IN  
HYDRANT LOCATION, RESPONSIBILITY FOR  
MAINTENANCE AND OPERATION OF PRIVATE HYDRANTS

1. Use of Fire Hydrant. Any use of a fire hydrant or tampering therewith or the taking of water therefrom for purposes other than fire protection by persons other than authorized employees of the Fire Department or of PUCI is prohibited, except upon prior application to and written permit by PUCI. The Fire Department shall have the prior right to use any hydrant at any time and shall have the authority to remove pre-emptorily, if necessary, in case of fire, any connection that may be made to a hydrant under a permit issued by PUCI. The use of any hydrant under a permit and the connection thereto shall be subject to the direction and approval of PUCI. The consumer shall not use hydrant main line valves to control flows.

2. Application for Permit. Application for a permit for the use of a fire hydrant for purposes other than fire protection shall be made in writing to PUCI and, when required, shall be accompanied by a deposit in cash. It shall be non-transferable and shall be shown upon demand by the permittee, its agents or employees. PUCI reserves the right to reject any application, to refuse to issue any permit and to revoke any permit at any time. PUCI also reserves the right to perform for the permittee at his expense the work of installing and removing the connections and of operating the hydrant. No permit will be issued unless the permittee agrees to notify PUCI as soon as the use of the hydrant is finished. In the event that a permit shall be revoked the use of the hydrant thereunder shall cease immediately and all connections thereto shall be properly removed forthwith. PUCI will inspect each hydrant which has been used under a permit, and all costs of repairs which PUCI may adjudge to be due to such use and the cost of inspection shall be paid for by the permittee. All water drawn from a hydrant under permit shall be metered or estimated as to quantity in a manner satisfactory to PUCI and shall be paid for by the permittee at the current water rates. The permittee shall pay all of the costs of connecting to and disconnecting from the hydrant.

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Issued: April 7, 1994

Effective: April 11, 1994

By Teney Takahashi, President

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PRINCEVILLE UTILITIES  
COMPANY, INC.  
Princeville, Kauai, Hawaii

PUCI Tariff No. 1  
First Revised Sheet 23  
Cancels Original Sheet 23

3. Hydrant Wrenches. Only regulation fire hydrant wrenches which shall have been approved by the Department of Water of the County of Kauai shall be used for the operation of fire hydrants. The use of any other type of wrench or operating device shall not be permitted. The permit will be revoked if other than approved regulation fire hydrant wrenches are used.

4. Damage to Hydrant or Property. The permittee shall report promptly any defect in or damage to the hydrant. The cost of any damage to property or of any injury to persons resulting from the use of the hydrant shall be paid for by the permittee. PUCI will not be held responsible for any damage to property or injury to persons arising from the use of any hydrant for any cause whatsoever. Any damage to fire hydrants shall be paid for by the person or organization responsible for the damage.

5. Change in Hydrant Location. PUCI will, if it approves the request for a change in location of hydrant, change such location provided the cost of all labor, material, equipment and all other charges are paid by the person requesting such change.

6. Maintenance of Private Hydrants. The consumer shall, at his expense and upon prior approval of PUCI, periodically test and keep in good and safe working condition, including proper maintenance, all private hydrants under his control and not under the jurisdiction of PUCI. PUCI will not be responsible for any loss or damage caused by any hydrant for any cause whatsoever.

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(Continued)

Issued: April 7, 1994

Effective: April 11, 1994

By Teney Takahashi, President

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#### SECTION XXII - RESALE OF WATER

Unless specifically agreed upon, the consumer shall not resell any water received by him from PUCI.

#### SECTIONS XXIII - SUBDIVISION EXTENSIONS OR CONNECTIONS

Extensions or connections of the water system from the subdivision to the public water system shall be approved by PUCI upon determination of the point of adequacy, provided that PUCI has a sufficient water supply developed for fire protection, domestic, and irrigation purposes to take on new or additional service without detriment to those already served and the subdivision water system otherwise conforms to these rules and regulations. The subdivider shall install and pay for the subdivision water system and any connections (mains) to PUCI's system. All such subdivision water systems shall be designed and located in accordance with these rules and regulations and the standards of PUCI.

#### SECTION XXIV - METER INACCURACIES AND ADJUSTMENT OF BILLS

1. Non-Registering Meters. If a meter fails to register due to any cause except the non-use of water, an average bill may be rendered. Such average bill will be subject to equitable adjustment taking into account all factors before, during, and after the period of said bill.
2. Meter Tests. All meters are tested prior to installation. Any consumer who, because of higher than normal water bills, doubts the accuracy of the meter serving his premises may request a test of the meter. The consumer, if he so requests, will be notified as to the time of the test and may witness the test if he so desires. No charge will be made for meter tests if the meter is inaccurate. The consumer will be charged the actual costs connected with such test if the meter is accurate within a range of plus or minus two percent (2%). At PUCI's option, PUCI shall have the right to replace any meter in lieu of testing the meter.
3. Adjustment of Bills for Meter Inaccuracy. If as the result of the test, the meter is found to register more than two percent fast under conditions of normal operation, PUCI will refund to the consumer the overcharge based on past consumption, for a period not exceeding six months; unless it

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Issued: April 7, 1994

Effective: April 11, 1994

By Teney Takahashi, President

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can be proved that the error was due to some cause, the date of which can be fixed. In this latter case, the overcharge shall be computed back to, but not beyond, such date.

SECTION XXV - AUTOMATIC POWER COST ADJUSTMENT CHARGE (APCA)

The Monthly Water Consumption charge in the APCA rate schedule is based on a cost to the Company of \$0.1885 per kilowatt-hour for electric power used to pump water from Company's wells, and a resulting expense to the Company of \$0.4193 per 1,000 gallons delivered to its customers. When the electric power cost is more or less than \$0.1885 per kilowatt-hour, there shall be a corresponding increase or decrease in the Monthly Water Consumption Charge.

The amount of the increase or decrease in the Monthly Water Consumption Charge shall be computed by taking the difference between the base cost of \$0.1885 per kilowatt-hour and the actual cost per kilowatt-hour for the billing period, then multiplying the difference by the pump efficiency factor of 2.224 kilowatt-hours per 1,000 gallons, and adding the associated Public Service Company tax of 5.885 percent and the Public Utilities Commission fee of 0.500 percent.

The formula used to calculate the adjustment is expressed as follows:

$$\text{Electric Power Cost Per 1,000 Gallons} = (\text{Actual cost per kWh} - \$0.1885) \times (2.224 \text{ kWh}/1,000 \text{ Gallons}) \times (1.06385)$$

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SECTION XXVI - [Reserved]

SECTION XXVII - [Reserved]

SECTION XXVIII - [Reserved]

SECTION XXIX - PENALTY

Any consumer violating any of the provisions hereof shall be liable to a suspension or termination of "WATER SERVICE" and such service shall not be renewed until all water rates due, together with costs and expense incurred in connection with such violation, shall have been paid in full.

SECTION XXX - SEVERABILITY

If any rule, section, sentence, clause, or phrase of these rules and regulations or its application to any person or circumstance or property is held to be invalid, the remaining portions of these rules regulations or the applications of these rules and regulations to other persons or circumstances or property shall not be affected. PUCI hereby declares that it would have adopted these rules and regulations and each and every rule, section, sentence, clause, or phrase thereof, irrespective of the fact that any one or more other rules, sections, sentences, clauses, or phrases be declared invalid.

RULES AND REGULATIONS FOR SEWER SERVICE - PART III

SECTION I - DEFINITIONS

For the purpose of those Rules and Regulations, unless it is plainly evident from the context that a difference meaning is intended, certain words and phrases used herein are defined as follows:

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SECTION XXVI - CONTRIBUTION IN AID OF CONSTRUCTION (CIAC)

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1. As a condition of receiving water service, or of significantly increasing water service to an existing customer, owners, subdividers and developers shall pay a non-refundable CIAC to PUCI to offset the acquisition, improvement or construction costs of facilities intended to increase the capacity, efficiency or quality of PUCI's water systems.
2. The CIAC shall not apply to properties within Phase I of the Princeville development.
3. For existing customers which require significantly increased water service, the CIAC shall be due prior to approval of building permits, or in the event that the customer's activities trigger a need for significantly increased water service without a building permit, the CIAC shall be due upon the date upon which the increased water service is required. Significantly increased water service shall be defined as an increase in annual average water usage greater than or equal to 300 gallons per day.
4. For developments involving the subdivision of land, PUCI will estimate the CIAC upon the applicant's request for a 'Will Serve' letter. The initial 50% of the estimated CIAC shall be due within 90 days of issuance of the 'Will Serve' letter. If the initial 50% is not received within 90 days, the 'Will Serve' letter shall be null and void. Payment of the remainder of the total CIAC shall be due upon final subdivision approval by the County, or issuance of a building permit, whichever comes first. The amount of the total CIAC shall be determined by the rate in effect at the time of payment of the remainder.
5. For developments not involving the subdivision of land including, but not limited to, construction of an additional residence on a lot, the developer shall pay the appropriate CIAC as determined by PUCI prior to approval of building permits.
6. The CIAC shall be computed as follows:

$$\begin{array}{l} \left( \begin{array}{l} \text{estimated consumption} \\ \text{(gallons per day for} \\ \text{proposed development)} \end{array} \right) \times \begin{array}{l} \text{Cost per gallon per day} \\ \text{of water facilities} \end{array} \times \frac{\begin{array}{l} \text{CPI for current year} \\ \text{-----} \\ \text{CPI for base year} \end{array}}{\quad} \end{array} \right)$$

where the cost per gallon per day of the water facilities shall generally be based on PUCI's actual costs for its most current facility additions to PUCI's water system, adjusted by any increases in the Consumer Price Index from the base year.

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7. The estimated consumption for the proposed development shall be based on the consumption guidelines (which guidelines may be revised by PUCI based on variable factors that influence water consumption rates) set forth as follows:

<u>RESIDENTIAL:</u>	<u>Estimated Consumption</u>
Single Family or Duplex	750 gals/unit
Multi-Family	525 gals/unit
<u>COMMERCIAL:</u>	
Commercial/Industry Mix	750 gals/acre
Commercial/Residential Mix	4,500 gals/acre
<u>RESORT (Includes Hotel):</u>	525 gals unit
<u>LIGHT INDUSTRY:</u>	6,000 gals/acre
<u>SCHOOLS/PARKS:</u>	3,750 gals/acre plus 30 gals/student
<u>HOSPITAL:</u>	2,700 gals/acre
<u>AGRICULTURAL:</u>	7,500 gals/acre or 1,500 gals/unit

Where two or more figures are listed for the same type of use, the daily demand resulting in higher consumption shall govern unless specified otherwise.

8. By mutual agreement, PUCI may accept from a subdivider or developer, an existing or future water source/transmission/storage facility, owned or to be developed by the subdivider or developer, with sufficient capacity to meet the anticipated demand and usage for the new development in lieu of payment of the CIAC. Such acceptance shall be based upon terms and conditions satisfactory to PUCI.



SECTION XXVII - [Reserved]

SECTION XXVIII - [Reserved]

SECTION XXIX - PENALTY

Any consumer violating any of the provisions hereof shall be liable to a suspension or termination of "WATER SERVICE" and such service shall not be renewed until all water rates due, together with costs and expense incurred in connection with such violation, shall have been paid in full.

SECTION XXX - SEVERABILITY

If any rule, section, sentence, clause, or phrase of these rules and regulations or its application to any person or circumstance or property is held to be invalid, the remaining portions of these rules regulations or the applications of these rules and regulations to other persons or circumstances or property shall not be affected. PUCI hereby declares that it would have adopted these rules and regulations and each and every rule, section, sentence, clause, or phrase thereof, irrespective of the fact that any one or more other rules, sections, sentences, clauses, or phrases be declared invalid.

RULES AND REGULATIONS FOR SEWER SERVICE - PART III

SECTION I - DEFINITIONS

For the purpose of those Rules and Regulations, unless it is plainly evident from the context that a different meaning is intended, certain words and phrases used herein are defined as follows:

1. The word "PUCI" shall mean Princeville Utilities Company, Inc.
2. The word "CONSUMER" shall mean the person, firm, corporation, association, or governmental department whether owner or tenant, whose name appears on the records of PUCI as the party responsible and liable for receiving sewer service from PUCI.
3. The term "SERVICE CONNECTION" shall mean the main tap, pipe fittings from the sewer main to the consumer's sewer line.
4. The term "COST OF SERVICE CONNECTION" shall mean the sum of the cost of the labor, materials, transportation, equipment, and road repair, if any, and other incidental charges necessary for the complete installation of a sewer service connection.
5. "PUCI'S SEWER SYSTEM" means the system owned and operated by PUCI.
6. The term "GARBAGE" shall mean the solid wastes from the preparation, cooking, and dispensing of food and from the handling, storage, and sale of produce.
7. "GARBAGE PROPERLY SHREDED" shall mean garbage that has been properly shredded to such a degree that all particles will be carried freely under normal flow conditions in PUCI's sewer system.
8. "SLUG" shall mean any discharge of water, sewage, or industrial waste which in concentration of any given constituent or in quantity of flow exceeds for any period of duration longer than 15 minutes more than five times the average 24-hour concentration of flows during normal operation.

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Issued: May 27, 1988

Effective: May 27, 1988

By Thomas W. Giles, Vice-President

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SECTION II - GENERAL CONDITIONS

1. Any prospective consumer may obtain sewer service provided all of the following conditions are met:

A. The premises are within the limits serviced by PUCI. These limits are shown on the map attached hereto as Exhibit 1.

B. The consumer agrees to abide by these rules and regulations.

C. All applicable charges have been paid.

2. Where an extension of sewer mains is necessary or a substantial investment is necessary to provide service, the consumer must agree to PUCI's conditions and charges for such service before sewer service will be approved.

SECTION III - APPLICATION FOR SEWER  
SERVICE AND SERVICE CONNECTION

1. Each prospective consumer shall be required to sign a standard application form for sewer service, assuming responsibility for the payment of future sewer charges at the designated location. The consumer signing the application form shall be held liable for the payment of all charges for sewer service at the designated location. Service may be granted to property owners or to those having long term leases (leases with a five (5) year or longer term). Service may be provided to tenants of any lessee or owner if the lessee or owner guarantees the tenants service charges. If a tenant who is responsible for and fails to pay sewer bills rendered, the lessor or the property owner shall pay such bills, and in the event of his failure to do so, PUCI may refuse to furnish water services until the outstanding bills are paid.

2. An advance deposit equal to two months' sewer charges will be required of tenants, lessees and purchasers of property (C)

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Issued: September 9, 1994

Effective: October 10, 1994

By Teney Takahashi, President

under an agreement of sale. When the consumer vacates the property and a new consumer takes possession or acquires a legal interest in the property, whichever first occurs, the advance deposit will be returned less all unpaid or outstanding sewer charges.

3. Charges for sewer will begin when the sewer service is established and will continue thereafter unless discontinued by PUCI for failure of the consumer to comply with these rules and regulations.

4. When an application for sewer service is made by a consumer who was responsible for and failed to pay all sewer or water bills previously rendered, regardless of location or time incurred, PUCI may refuse to furnish sewer or water service to such applicant until the outstanding bills are paid.

5. A consumer taking possession of property and using sewer without having made application for the transfer of sewer service shall be held liable for the sewer delivered from the date of his taking possession or acquiring a legal interest in the property, whichever first occurs. If proper application for transfer is not made and accumulated bills for sewer service are not paid on presentation, the water service may be discontinued five (5) calendar days after the date of written notice to the consumer.

#### SECTION IV - PUCI'S RESPONSIBILITY FOR SEWER SERVICE

PUCI will be responsible for sewer service only up to the boundary of the consumer's property.

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Issued: May 27, 1988

Effective: May 27, 1988

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SECTION V - NEW SERVICE CONNECTIONS

1. When the application for service connection has been approved, such connection will be installed by the consumer under the supervision of PUCI at the expense of the applicant and thereafter will be maintained by PUCI at its expense.
2. Charges.
  - A. PUCI will establish an inspection fee for the installation of new service connections. This fee is \$35.00 which may be adjusted by the Board of Directors from time to time.
3. The consumer shall install and connect at his expense his sewer line to the service connection installed by PUCI. The consumer's sewer line shall at all times remain the sole property of the consumer, who shall be responsible for its maintenance and repair. If the consumer's sewer line is installed before the service connection is set, PUCI will make the connection to it; provided, however, it is requested by the consumer prior to the installation of the service connection.
4. Only employees of PUCI will be allowed to connect or disconnect the service connection to or from PUCI's sewer main.
5. Employees of PUCI are forbidden to demand or accept personal compensation for services rendered.
6. Where the applicant requires his sewer line extended through a basement wall, he shall provide entrance-way through such wall. PUCI will not be responsible for any damage caused by leakage through or inside such entrance-way.
7. No service connection or sewer main will be installed by PUCI in any road until such road is brought to proper grade and PUCI is given proper easements for the main or service connection. Otherwise, an applicant desiring sewer service must extend his sewer line to the nearest street on which a PUCI sewer main exists.

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Issued: May 27, 1988

Effective: May 27, 1988

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8. Service connections may be installed within either PUCI's roadway easement or the applicant's property. In the event PUCI finds it necessary or finds it in the best interest of PUCI to relocate a service connection serving a customer, PUCI will, at no cost to the customer, revise or extend the customer's piping to conform to the new location.

9. When the proper size of service connection for any premises has been determined and the installation has been made, PUCI has fulfilled its obligations insofar as the size of the service and the location thereof are concerned. If thereafter the consumer desires a change in size of the service connection or a change in location thereof, he shall bear all costs of such change.

10. All work and materials in connection with the change in location or elevation of any part of the existing sewer system made necessary by the new service connection shall be at the expense of the applicant.

11. When required by PUCI, contours or elevations shall be furnished by the applicant based upon U.S. Coast and Geodetic Survey Datum or the County of Kauai Datum.

12. PUCI will determine the location of all service connections to its systems.

13. An applicant for sewer service shall indicate his boundary before installation of any service connection and any relocation of due to discrepancy in boundary location shall be at the expense of the applicant.

#### SECTION VI - UNACCEPTABLE WASTES

1. No person shall discharge or cause to be discharged any storm water, surface water, ground water, roof run-off, subsurface drainage, uncontaminated cooling water, or unpolluted industrial process waters to any sanitary sewer.

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Issued: May 27, 1988

Effective: May 27, 1988

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2. Storm water and all unpolluted drainage shall be discharged to a natural outlet or storm drain approved by PUCI. Industrial cooling water or unpolluted process waters may be discharged, on approval of PUCI, to a storm sewer or natural outlet.
3. No person shall discharge or cause to be discharged any of the following described waters or wastes to any sewers of PUCI:
  - A. Any gasoline, benzene, naphtha, fuel oil, or other flammable or explosive liquid, solid, or gas.
  - B. Any waters or wastes containing toxic or poisonous solids, liquids, or gases in sufficient quantity, either singly or by interaction with other wastes, to injure or interfere with any sewage treatment process, constitute a hazard to humans or animals, create a public nuisance, or create any hazard in the receiving waters of the sewage treatment plant, including but not limited to cyanides in excess of (2) mg/l as CN in the wastes as discharge to the sewer.
  - C. Any waters or wastes having a pH lower than 5.5 or having any corrosive property capable of causing damage or hazard to structures, equipment, and personnel of the sewage works.
  - D. Solid or viscous substances in quantities or of such size capable of causing obstruction to the flow in sewers, or other interference with the proper operation of the sewage works such as, but not limited to ashes, cinders, sand, mulch, straw, shavings, metals, glass, rags, feathers, tar, plastics, wood, unground garbage, whole blood, paunch manure, hair and fleshing, entrails, and paper dishes, cups, milk containers, etc., either whole or ground by garbage grinders.
4. No person shall discharge or cause to be discharged the following described substances, materials, waters, or wastes if it appears likely in the opinion of PUCI that such wastes can

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Issued: May 27, 1988

Effective: May 27, 1988

By Thomas W. Giles, Vice-President

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harm either the sewers, sewage treatment process or equipment, have an adverse effect on the receiving stream, or can otherwise endanger life, limb, public or private property, or constitute a nuisance. In forming an opinion as to the acceptability of those wastes, PUCI will give consideration to such factors as the quantities of subject wastes in relation to flows and velocities in the sewers, materials of construction of the sewers, nature of the sewage treatment process, capacities of the sewage treatment plant, and other factors. The substances prohibited are:

- A. Any liquid or vapor having a temperature higher than one hundred fifty (150)<sup>o</sup> F.
- B. Any water or waste containing fats, wax, grease, or oils, whether emulsified or not, in excess of one hundred (100) mg/l or containing substances which may solidify or become viscous at temperatures between thirty-two (32) and one hundred fifty (150)<sup>o</sup> F.
- C. Any garbage that has not been properly shredded. The installation and operation of any garbage grinder equipped with a motor of three-fourths (3/4) horsepower or greater shall be subject to the review and approval of PUCI.
- D. Any waters or wastes containing strong iron pickling wastes, or concentrated plating solutions, whether neutralized or not.
- E. Any waters or wastes containing iron, chromium, copper, zinc, and similar objectionable or toxic substances; or wastes exerting an excessive chlorine requirement, to such degree that any such material received in the composite sewage at the sewage treatment works exceeds the limits established by PUCI for such materials.
- F. Any waters or wastes containing phenols or other taste- or odor-producing substances, in such concentrations exceeding limits which may be established by PUCI as necessary, after treatment of the composite sewage, to meet

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Issued: May 27, 1988

Effective: May 27, 1988

By Thomas W. Giles, Vice-President

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the requirements of the County, State, Federal, or other public agencies of jurisdiction for such discharge to the receiving waters.

G. Any radioactive wastes or isotopes of such half-life or concentration as may exceed limits established by PUCI in compliance with the applicable County, State or Federal regulations.

H. Any waters or wastes having a pH in excess of 9.5.

I. Materials which exert or cause:

1) Unusual concentrations of inert suspended solids (such as, but not limited to, fuller's earth, lime slurries, and lime residues) or of dissolved solids (such as, but not limited to, sodium chloride and sodium sulfate).

2) Excessive discoloration (such as, but not limited to, dye wastes and vegetable tanning solutions).

3) Unusual BOD, chemical oxygen demand, or chlorine requirements in such quantities as to constitute a significant load on the sewage treatment works.

4) Unusual volume of flow or concentration of wastes constituting "slugs" as defined herein.

J. Waters or wastes containing substances which are not amenable to treatment or reduction by the sewage treatment process employed, or are amenable to treatment only to such degree that the sewage treatment plant effluent cannot meet the requirements of other agencies having jurisdiction over discharge to the receiving waters.

5. If any waters or wastes are discharged, or are proposed to be discharged to PUCI's sewers, which waters contain the substances or possess the characteristics enumerated in

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Issued: May 27, 1988

Effective: May 27, 1988

By Thomas W. Giles, Vice-President

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paragraph 4 of this section, and which in the judgment of PUCI may have a deleterious effect upon the sewage works, processes, equipment, or receiving waters, or which otherwise create a hazard to life or constitute a public nuisance, PUCI may:

- A. Reject the wastes,
- B. Require pre-treatment to an acceptable condition for discharge to the sewers.
- C. Require control over the quantities and rates of discharge to the sewers.
- D. Require payment to cover the added cost of handling and treating the wastes not covered by existing sewer charges under the provisions of paragraph 10 of this rule.

If PUCI permits the pre-treatment or equalization of waste flows, the design and installation of the plants and equipment shall be subject to the review and approval of PUCI, and subject to the requirements of all applicable codes, ordinances, and laws.

6. Grease, oil, and sand interceptors shall be provided when, in the opinion of PUCI, they are necessary for the proper handling of liquid wastes containing grease in excessive amounts, or any flammable wastes, sands, or other harmful ingredients; except that such interceptors shall not be required for private living quarters or dwelling units. All interceptors shall be of a type and capacity approved by PUCI and shall be located as to be readily and easily accessible for cleaning and inspection. PUCI shall have the right to inspect such facilities and equipment without prior notice to insure proper operation. If it is found that the device is not being maintained properly, PUCI shall have the right to discontinue water and sewer services.

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Issued: May 27, 1988

Effective: May 27, 1988

By Thomas W. Giles, Vice-President

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Where preliminary treatment or flow-equalization facilities are provided for any waters or wastes, they shall be maintained continuously in satisfactory and effective operation by the owner at his expense.

7. When required by PUCI, the owner of any property serviced by a building sewer carrying industrial wastes shall install a suitable control manhole together with such necessary meters and other appurtenances in the building sewer to facilitate observation, sampling, and measurement of the wastes. Such manhole, when required, shall be accessibly and safely located and shall be constructed in accordance with plans approved by PUCI. The manhole shall be installed by the owner at his expense and shall be maintained by him so as to be safe and accessible at all times.

8. All measurements, tests, and analyses of the characteristics of waters and wastes to which reference is made in these Rules and Regulations shall be determined in accordance with the latest edition of "Standard Methods for the Examination of Water and Wastewater", published by the American Public Health Association, or other methods of equivalent accuracy and readability, and shall be determined at the control manhole provided, or upon suitable samples taken at said control manhole.

In the event that no special manhole has been required, the control manhole shall be considered to be the nearest downstream manhole in PUCI's sewer to the point at which the building sewer is connected. Sampling shall be carried out by customary accepted methods to reflect the effects of constituents upon the sewage works and to determine the existence of hazards to life, limb, and property. (The particular analyses involved will determine whether a twenty-four (24) hour composite of all outfalls of a premise is appropriate or whether a grab sample or samples should be taken. Normally, but not always, BOD and suspending solids analyses are obtained from 24-hour composites of all outfalls where pH's are determined from periodic grab samples.)

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Issued: May 27, 1988

Effective: May 27, 1988

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9. No statement contained in this rule shall be construed as preventing any special agreement or arrangement between PUCI and any industrial concern whereby an industrial waste of unusual strength or character may be accepted by PUCI for treatment, subject to payment therefor, by the industrial concern.

#### SECTION VII - INTERRUPTION OF SERVICE

1. PUCI will exercise reasonable diligence and care to provide adequate sewer service to the consumer and to avoid interruptions in service, but will not be liable for any interruption or insufficiency of service or any loss or damage occasioned thereby.

2. PUCI reserves the right at any and all times to shut off service without notice for the purpose of making repairs, extensions, alterations, or for other reasons. Repairs or improvements will be prosecuted as rapidly as practicable and, insofar as practicable, at such times as will cause the least inconvenience to the consumer.

#### SECTION VIII - RENDERING OF BILLS

Bills will be rendered regularly.

#### SECTION IX - PAYMENT OF BILLS

All bills shall be due and payable upon deposit in the United States mail or upon other presentation to the consumer. Payment shall be made at the office of PUCI or, at PUCI's option, to duly authorized collectors of PUCI. A late payment charge of one percent (1%) of the outstanding balance per month will be assessed until full payment is made.

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(continued)

Issued: May 27, 1988

Effective: May 27, 1988

By Thomas W. Giles, Vice-President

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SECTION X - DISCONTINUATION OF SERVICE

Sewer and water service may be discontinued for reasons as follows:

1. Nonpayment of Bills. Sewer and water service may be discontinued for nonpayment of a bill within sixty (60) days after the mailing or presentation thereof to the consumer.
2. Non-compliance with PUCI's Rules and Regulations. If the consumer fails to comply with any of these rules and regulations, PUCI will have the right to discontinue the service.
3. Consumer about to Vacate Premises. Each consumer about to vacate any premises served by PUCI shall give notice of his intention to vacate prior thereto, specifying the person who shall thereafter be responsible for future bills and if such party is someone other than the property owner or long term lessee of the premises shall furnish PUCI with an application for service signed by such person, otherwise he shall be held responsible for all sewer service furnished to such premises until PUCI has received such notice and application.
4. Unauthorized Use of Sewerage. PUCI will refuse or discontinue sewer and water service to any premises, if necessary, without giving notice to protect itself against fraud, abuse, or unauthorized use of its sewerage.

SECTION XI - LIABILITY FOR REPAIR COSTS

The consumer shall be liable for any damage to equipment or property of PUCI caused by the consumer or his tenants, agents, employees, contractors, licensees, or permittees, on the consumer's premises, and PUCI shall be promptly reimbursed by the consumer for any such damage upon presentation of a bill therefor. Any damage to PUCI facilities shall be reported as soon as possible.

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(continued)

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Issued: May 27, 1988

Effective: May 27, 1988

By Thomas W. Giles, Vice-President

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SECTION XII - INGRESS TO AND EGRESS  
FROM CONSUMER'S PREMISES

Any director, officer, employee, or agent of PUCI shall have the right of ingress to and egress from the consumer's premises at all reasonable hours for any purpose reasonably connected with the furnishing of sewer service to said premises and the exercise of any and all rights secured to it by law or these Rules and Regulations.

SECTION XIII - SUBDIVISION EXTENSIONS OR CONNECTIONS

Extensions or connections of the sewer system from the subdivision to the PUCI sewer system shall be approved by PUCI upon determination of the point of adequacy, provided that PUCI has sewerage treatment capacity to take on new or additional service and the subdivision sewer system otherwise conforms to these rules and regulations. The subdivider shall install and pay for the subdivision sewer system. All such subdivision sewer systems shall be designed and located in accordance with these rules and regulations and the standards of PUCI.

SECTION XIV - [Reserved]

SECTION XV - AUTOMATIC POWER COST ADJUSTMENT CHARGE

1. PUCI's rates are based on an electricity cost of approximately \$.70 per 1000 gallons of treated effluent. When the electricity cost per 1000 gallons is more or less than \$.70, there shall be a corresponding increase or decrease in PUCI's rates.
2. Prior to the 10th day of each billing month, PUCI shall make the following computation as of the last day of the preceding two months: Divide (1) the sum of the repriced cost of electricity for the two-month period ending on the computation date, priced at the level charged PUCI as of the computation date, by (b) the total amount of gallons of treated effluent processed by PUCI, expressed in 1000 gallons increments for the same period.
3. The difference between the amount computed in accordance with paragraph 2 above and \$.70 per 1000 gallons shall become effective on billings rendered by PUCI on the 10th of the month following the change in energy cost.

(Continued)

Issued: April 7, 1994

Effective: April 11, 1994

By Teney Takahashi, President

3268B/12

PRINCEVILLE UTILITIES  
COMPANY, INC.  
Princeville, Kauai, Hawaii

PUCI Tariff No. 1  
First Revised Sheet 39  
Cancels Original Sheet 39

SECTION XVI - PENALTY

Any consumer violating any of the provisions hereof shall be liable to a suspension or termination of "WATER SERVICE" and such service shall not be renewed until all sewer and water rates due, together with costs and expense incurred in connection with such violation, shall have been paid in full.

SECTION XVII - SEVERABILITY

If any rule, section, sentence, clause, or phrase of these rules and regulations or its application to any person or circumstance or property is held to be invalid, the remaining portions of these rules and regulations or the application of these rules and regulations to other persons or circumstances or property shall not be affected. PUCI hereby declares that it would have adopted these rules and regulations and each and every rule, section, sentence, clause, or phrase thereof, irrespective of the fact that any one or more other rules, sections, sentences, clauses, or phrases be declared invalid.

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(Continued)

Issued: April 7, 1994

Effective: April 11, 1994

By Teney Takahashi, President

3268B/13

WATER AND SEWER RATE SCHEDULES - PART IV

WATER SERVICE

Monthly Standby Charge:

<u>Meter Size (inches)</u>	<u>Monthly Charge Per Installed Meter</u>
5/8"	\$6.11
3/4"	\$7.63
1"	\$12.21
1-1/2"	\$24.42
2"	\$33.58
3"	\$68.68
4"	\$144.99
6"	\$221.31
8"	\$381.56

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Monthly Water Consumption Charge Rate: \$1.517/1,000 gallons

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SEWER SERVICE

Monthly Standby Charge:

<u>Meter Size (inches)</u>	<u>Monthly Charge Per Installed Meter</u>
5/8"	\$48.84
3/4"	\$61.04
1"	\$97.67
1-1/2"	\$195.34
2"	\$268.60
3"	\$549.40
4"	\$1,159.84
6"	\$1,770.29
8"	\$3,052.22

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Monthly Commercial Sewer Rate: \$5.668/1,000 gallons of water

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Monthly Flat Rate Sewer Usage Charge: \$35.91

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Residential Units (including condominiums and single family residences, and condominium swimming pools, restrooms and other related units as determined by PUCI)

Above rates based on Decision and Order No. 16053 dated November 4, 1997,  
Docket Nos. 95-0172 and 95-0168, as amended by Order No. 16106.

C  
C





--- Sewer Service Area Boundary  
 ——— Water Service Area Boundary

Exhibit 1.  
 PRINCEVILLE UTILITIES COMPANY INC. SERVICE AREA