

RCH WATER SUPPLY CORPORATION

LEAK ADJUSTMENT POLICY

RCH Water Supply Corporation ("RCH") may make an adjustment on a water bill for an account, based on the following criteria:

- 1. The Member must attend a Regular Board Meeting to present the following information:
 - a. Member must not have had an adjustment within the last (5) years.
 - b. Member's water bill must be a minimum of \$500.00 (not including any past due balances or fees).
 - c. Member provides the Board a copy of the repair bill, or materials bill if member makes repair, evidencing when the leak was repaired and the location of the leak.
 - d. Member provides the Board with the location of the leak and when the leak was first discovered (date and time) and explanation of reasonable diligence in identifying the leak.
 - e. Photographs of the leak and repair showing leak before repair and after repair has been made.
 - f. Member must contact RCH at least (7) days prior to a regular meeting of the Board of Directors to be placed on the agenda for the meeting.
- 2. The Board will evaluate this information, put it on the agenda, discuss and take any action that is deemed necessary at the next Regular Board Meeting.
- 3. The Board will review the history of water usage for the past 12 months as well as the information provided to determine if an adjustment is justified. After review, the Board may adjust the Member's bill using the following formula:

An average of the last six (6) months usage will be used as a base for the bill and figured using the normal billing rates The average usage will be subtracted from the bill in question to determine the estimated amount of water lost due to the leak. The number of gallons determined to be lost due to the leak will be figured using the Average Highest Tier that is normally paid per month/1000 gallons as shown in RCH's tariff

These two figures will be added together to determine the final bill to be paid

Items Not Considered for Adjustment:

- Leaks that are located within the house or building
- Water loss due to leaving water turned on at a hose bib
- Water loss due to watering livestock or animals
- Water usage due to swimming pools and sprinkler systems
- Undiscovered leaks on vacant or rented property.