

Truckee Meadows Water Authority

RULE 1

DEFINITIONS

Unless otherwise specified, the following terms shall have the meanings defined below when used in the Rules and Rate Schedules:

Adult	A person 18 years of age or older.
Applicant	The Person applying for the delivery of water.
Application	A request to the Authority for Service, as distinguished from an inquiry as to the availability or charge for such Services.
Authority	The Truckee Meadows Water Authority acting through its duly authorized officers or employees within the scope of their respective duties. The Authority is established by the "Cooperative Agreement Among City of Reno, City of Sparks, and County of Washoe" executed December 4, 2000 pursuant to the provisions of Chapter 277 of NRS.
Billing Period	<ol style="list-style-type: none">1. <u>Metered Service</u> - the time interval of not less than 27 days nor more than 33 days between two consecutive Meter readings that are taken for billing purposes.2. <u>Unmetered Service</u> - an average month except for special Service Classifications.
Board	The Board of Directors of the Authority.
Business Hours	Monday to Friday 8am to 5pm with the exception of Authority observed holidays: New Year's Day Martin Luther King Day President's Day Memorial Day Independence Day Labor Day Nevada Day Veteran's Day Thanksgiving Day Family Day Christmas Day
Commercial Service	See Service Classification.

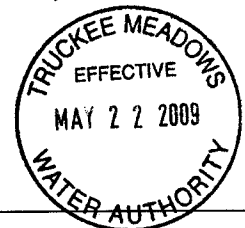


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Customer	The Person who receives or applies to receive delivery of water from the Authority as evidenced by the signature on the application or contract for the Service, or, in the absence of a signed instrument, by the receipt and payment of bills regularly issued in his name regardless of the identity of the actual user of the Service.
Customer Charge	That portion of the charge for delivery of water representing all or part of the costs that remain constant regardless of the quantity of water consumed and can be expressed separately for billing purposes.
Day	Calendar day.
Deposit	Security provided by a Customer to ensure payment for delivery of water provided by the Authority.
Deposit Guarantor	A Customer of the Authority who assumes liability for the payment of the bill of a Customer in an amount not to exceed the appropriate amount of the Deposit for the account of the Customer.
Demand	The rate of flow of water produced by the Authority to supply water to the distribution system and/or Service Connection(s).
Disabled	A person who: 1) is affected by any physical or mental disability as described in NRS 615.110 or a substantial limitation to employment as defined in NRS 615.130; or 2) receives disability benefits from the Social Security Administration.
Elderly	A person who is 62 years of age or older.
Facilities	Any and all equipment and appurtenances owned by the Authority that are necessary or used to extract, contain, convey, treat, store, and deliver water by the Authority.
Fire Facilities	Appurtenances of Private and Public Fire Protection Service Facilities including but not limited to fire Service Tap, valves, pipes, fire hydrants, fire department connections, and backflow devices.
Flat Rate Charge	Charge for Unmetered Service.

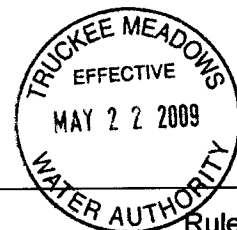


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Gallon	The volume of water which occupies 231 cubic inches.
gpm	Gallons per minute.
House Piping	All piping and fittings installed within the structure up to and including the last fitting inside or outside the walls of the structure.
Industrial Service	See Service Classification.
Irrigation Service	See Service Classification.
Law	A rule, or rules established and enforced by Federal, State, or Local Government.
Local Government	Means a city or county.
Maximum Day Demand	Average rate of flow of water needed for the highest one-day use of water for the year as determined by the Authority.
Maximum Day Demand Plus Fire Demand	Demand resulting from fire flow simultaneously occurring with Maximum Day Demand.
Meter	Any device owned by the Authority that is used for the purpose of measuring the quantity of water delivered.
Meter Facilities	Authority-owned materials including the pipe, setter, fittings, concrete box or vault, lids, and valves necessary to house a Meter.
Metered Service	Service for which charges are computed on the basis of measured quantities of water.
Minimum Charge	The minimum amount, as specified by applicable Rate Schedule, that Customer shall pay for delivery of water.
Modified Service	A change in or alteration to (1) the quantity of water delivered to a Service Property, (2) the capacity to deliver water to a Service Property, or (3) Service and Meter Facilities or Fire Facilities used to deliver water to a Service Property.
NAC	Nevada Administrative Code.
NRS	Nevada Revised Statutes.

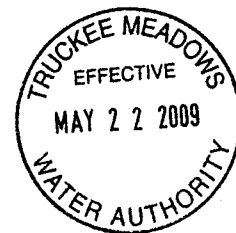


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Non- Potable	Water that is unfit to drink.
Non-Potable Service	See Service Classification.
Peak Hour Demand	Average amount of water needed during the highest one-hour period occurring during the Maximum Day Demand as determined by the Authority.
Permanent Service	Service which is of a permanent and established character. The use of water may be continuous, intermittent, or seasonal in nature.
Person	Any individual, business entity, governmental agency, or other organization.
Potable	Water that is fit to drink, as recognized by Federal, State, and local applicable regulatory bodies.
Premise(s)	The physical location of the Service Connection and its associated street address used for billing purposes.
PSI ("psi")	The gage pressure in pounds per square inch of the water in the Authority's main or Service Pipe as measured by a calibrated pressure gage acceptable to the Authority. Gage pressure is the pressure of the water in excess of the prevailing atmospheric pressure and is sometimes referred to as "psig".
Private Fire Protection Service	See Service Classification.
Public Fire Protection Service	See Service Classification.
Rate Schedule(s)	Description of all effective rates, charges, and fees collectively of the Authority.
Reclaimed Water	Water which has undergone treatment at a sewer treatment plant to the satisfaction of Federal, State and local applicable regulatory bodies and can be used for Non-Potable applications.
Residual Water Pressure	The pressure coincident with the delivery of Demand, or pressure occurring simultaneously during water use as determined by the Authority.



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- Rule** Any one of the rules adopted by the Board as part of the Rule and Rate Schedules.
- Satisfactory Credit** The payment of bills by a Customer to the Authority for the delivery of water for the most recent twelve (12) consecutive months without the Customer either being eligible for Termination of Delivery of Water for non-payment pursuant to Rule 4, or incurring more than three (3) late charges.
- Section** Portion of a Rule.
- Service** Includes the Facilities defined under Service Tap, Service Pipe, and/or Service Connection excluding those Facilities defined under Fire Facilities.
- Service and Meter Facilities** Service, Meter, Meter Facilities, and Service Connection as defined in this Rule excluding those Facilities defined under Fire Facilities that collectively provides and measures the delivery of water.
- Service Classification**
1. Commercial Service: Delivery of water to Customers engaged in a business activity, or in a profession, or in some form of economic or social activity (offices, stores, clubs, hotels), or that creates or changes raw or unfinished materials into another form or product, and for purposes that do not come directly under another Service Classification.
 2. Fire Protection Service: Delivery of water supplied for fire protection. Local Governments are responsible for designating fire protection services as private or public.
 - a. Public Fire Protection Service: A fire protection service designated as public by the Local Government with jurisdiction over the project. Generally, a Public Fire Protection Service is for the delivery of water to a fire hydrant owned by a local government, located within a public right-of-way/easement, and a Service Tap that is directly connected to an Authority main or pipe.

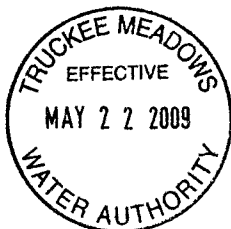


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- b. Private Fire Protection Service: A fire protection service not designated as a Public Fire Protection Service is considered a Private Fire Protection Service and is subject to the rates set forth in Schedule FPS.
3. Irrigation Service: Delivery of water to Customers for agricultural, floracultural or horticultural use.
4. Non-Potable Service: Delivery of water where untreated or treated water supplies are delivered to a Customer which water is used for Non-Potable applications, including, but not limited to: dust control, earth compaction, irrigation, or any other Non-Potable use designated by the Authority.
5. Residential Service: Delivery of water to a Customer supplied for residential purposes in a (1) single family dwelling or building (commonly referred to as a "single family residence") or (2) multi-unit (or multi-family or multi-tenant) dwelling(s) or buildings(s). Multi-tenant services include individual flats, "mother-in-law" quarters, apartment complexes, mobile home parks, two or more detached single family dwellings, or where more than one "unit" or "dwelling unit" is occupied for residential purposes whether in separate buildings or as separate dwelling units within a single building .
- Residential Service shall include commercial and residential use on the same Service Property, where the commercial use by gallonage as measured or estimated by the Authority is less than fifty percent (50%) of the measured or estimated total usage. Residential Service shall not include any assisted living facility or facility for the dependent licensed or regulated by the State Board of Health.
6. Wholesale Service: Delivery of water to Customers for resale within wholesale service areas as established in Rule 10.

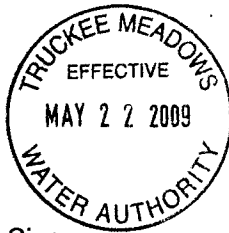


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Service Connection	The point of connection of the Customer's piping with Authority's Facilities, as determined by the Authority, usually located within a public utility easement or other public easement or right-of-way.
Service Pipe (or Line) (or Service Lateral)	The connection between the Authority's pipe or main and the Service Connection, including all of the pipe, fittings, and valves owned by the Authority necessary to make the connection.
Service Property	All of the real property utilized in a single integrated activity which may include one or more buildings and/or parcels of land where: (a) such buildings are situated on a single parcel of property; or (b) such buildings are situated on two or more parcels which are immediately adjoining or adjacent; except for intervening public highways, streets, alleys, railways or waterways.
Service Size	For billing purposes, the smallest of the Service Pipe, Meter or, if installed, the orifice plate equivalent diameter.
Service Tap	Any point of connection to an Authority pipe or main including the tapping saddle and valve owned by the Authority necessary to make the connection.
Standards	The Authority's <u>Construction and Design Standards Manual</u> .
Static Water Pressure	The pressure coincident with no water use or during periods of zero Demand as determined by the Authority.
Temporary Service	Delivery of water to Service Property, enterprises, or activities which are temporary in character, or where it is known in advance that the delivery of water will be of limited duration.
Termination of Delivery of Water	The Authority's intentional cessation of delivery of water to a Customer which has not been requested by the Customer and which occurs pursuant to the Rules of the Authority.
Timely Payment	Unless otherwise specified, "timely payment" means the payment of a bill for delivery of water by a Customer before the date the bill is past due.



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Unmetered Service	Service installed at Service Property without a Meter.
Unsatisfactory Credit	Any history of payment that does not meet the Satisfactory Credit requirements as set forth by the Authority.
Will-Serve Commitment	A letter from the Authority addressed to the appropriate governing agency which states that Authority has sufficient water resources to provide the requested delivery of water pursuant to the Authority's Rules and Rate Schedules and that the project to be served is located within Authority's approved retail or Wholesale Service boundaries.
Yard Pipe (or Line)	All piping between the House Piping and the Service Connection.

