

**CHAPTER 65. WATER SERVICE**

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**Authority**

The provisions of this Chapter 65 issued under the Public Utility Law (66 P. S. §§ 1341—1342) (Repealed), unless otherwise noted.

**Source**

The provisions of this Chapter 65 adopted March 25, 1946, unless otherwise noted.

**§ 65.1. Definitions.**

The following words and terms, when used in this chapter, have the following meanings, unless the context clearly indicates otherwise:

*Annual line extension costs*—The sum of a utility's additional annual operating and maintenance costs, debt costs and depreciation charges associated with the construction, operation and maintenance of the line extension.

*Annual revenue*—The utility's expected additional annual revenue from the line extension based on the utility's currently effective tariff rates and on the average annual usage of customers similar in nature and size to the bona fide service applicant.

*Bona fide service applicant*—A person or entity applying for water service to an existing or proposed structure within the utility's certificated service territory for which a valid occupancy or building permit has been issued if the

structure is either a primary residence of the applicant or a place of business. An applicant will not be deemed a bona fide service applicant if one of the following applies:

- (i) The applicant is requesting water service to a building lot, subdivision or a secondary residence.
- (ii) The request for service is part of a plan for the development of a residential dwelling or subdivision.
- (iii) The applicant is requesting special utility service.

*Company's service line*—The connection between the distribution facilities or pipeline extensions of the utility which connects any main with the inlet connection of a service line of a customer at the curb or property line.

*Customer*—A party contracting with a public utility for service.

*Customer's service line*—The service line extending from the curb, property line or utility connection to a point of consumption.

*Debt costs*—The utility's additional annual cost of debt associated with financing the line extension investment based on the current debt ratio and weighted long-term debt cost rate for that utility or that of a comparable jurisdictional water utility.

*Depreciation charges*—The utility's additional annual depreciation charges associated with the specific line extension investment to be made based on the current depreciation accrual rates for that utility or that of a comparable jurisdictional water utility.

*Line extension*—An addition to the utility's main line which is necessary to serve the premises of a customer.

*Main*—The pipe of a public utility system, excluding service connections, located in a public highway, street, alley or private right-of-way which pipe is used in transporting water.

*Nonessential uses of water*—Nonessential uses of water include:

- (i) The use of hoses, sprinklers or other means for sprinkling or watering of shrubbery, trees, lawns, grass, plants, vines, gardens, vegetables, flowers or other vegetation.
- (ii) The use of water for washing automobiles, trucks, trailers, trailer houses or another type of mobile equipment.
- (iii) The washing of streets, driveways, parking lots, service station aprons, office buildings, exteriors of homes, sidewalks, apartments or other outdoor surfaces.
- (iv) The operation of an ornamental fountain or other structures making a similar use of water.
- (v) The use of water for filling swimming or wading pools.
- (vi) The operation of any water-cooled comfort air conditioning which does not have water-conserving equipment.
- (vii) The use of water from fire hydrants for construction purposes or fire drills.

(viii) The use of water to flush a waste water line or waste water manhole.

(ix) The use of water for commercial farms and nurseries other than a bare minimum to preserve plants, crops and livestock.

*Operating and maintenance costs*—The utility's average annual operating and maintenance costs associated with serving an additional customer, including customer accounting, billing, collections, water purchased, power purchased, chemicals and other variable costs based on the current total company level of the costs, as well as costs particular to the specific needs of that customer, such as line flushing.

*Public utility*—Persons or corporations owning or operating equipment or facilities in this Commonwealth for diverting, developing, pumping, impounding, distributing or furnishing water to or for the public for compensation. The term does not include a person or corporation not otherwise a public utility who or which furnishes service only to himself or itself, or a bona fide cooperative association which furnishes service only to its stockholders or members on a nonprofit basis.

*Short-term supply shortage*—An emergency which causes the total water supply of a public utility to be inadequate to meet maximum system demand.

*Special utility service*—Residential or business service which exceeds that required for ordinary residential purposes. The term may include installation of facilities such as oversized mains, booster pumps and storage tanks as necessary to provide adequate flows or to meet required pressure criteria and service to large water consuming commercial and industrial facilities.

#### Authority

The provisions of this § 65.1 issued under the Public Utility Code, 66 Pa.C.S. §§ 317, 501, 504—506, 1301, 1304, 1501, 1502, 1504, 1507, 1508, 1702 and 1704.

#### Source

The provisions of this § 65.1 adopted March 25, 1946; amended August 15, 1980, effective August 16, 1980, 10 Pa.B. 3356; amended February 14, 1997, effective February 15, 1997, 27 Pa.B. 799; amended February 13, 1998, effective February 14, 1998, 28 Pa.B. 801. Immediately preceding text appears at serial pages (225753) to (225755).

#### Notes of Decisions

##### *Agency Not Bound by Court Interpretation of Statutory Provision*

In promulgating a regulation to implement a statutory provision, an agency is not bound by a prior court decision interpreting that statutory provision. *Popowsky v. Pennsylvania Public Utility Commission*, 853 A.2d 1097, 1106 (Pa. Cmwlth. 2004); appeal granted 868 A.2d 454 (Pa. 2005); affirmed 910 A.2d 38 (Pa. 2006).

### § 65.2. Accidents.

(a) *General*. A public utility shall submit a report of each reportable accident involving the facilities or operations of the public utility in this Commonwealth. The reports shall be addressed to the Secretary of the Commission.

(b) *Reportable accidents*. Reportable accidents are those involving utility facilities or operations which result in one of the following circumstances:

(1) The death or injury of a person.

(2) An occurrence of an unusual nature, whether or not death or injury of a person results, which apparently will result in a prolonged and serious interruption of normal service of more than 3 days.

(c) *Telegraphic reports.* A report by telephone or telegraph shall be made within 24 hours in the event of the occurrence of a reportable accident resulting in death of a person, or in the event of an occurrence of an unusual nature.

(d) *Written reports.* A written report shall be made on Form UCTA-8 within 5 days of a reportable accident. Accidents which are also reportable to the Bureau of Workmen's Compensation, Department of Labor and Industry, may be reported to the Commission by filing a copy of the report submitted to that Bureau in place of Form UCTA-8.19

#### Authority

The provisions of this § 65.2 issued under the Public Utility Code, 66 Pa.C.S. §§ 317, 501, 504, 506, 1301, 1304, 1501, 1502, 1503, 1504, 1507, 1508, 1701, 1702 and 1704.

#### Source

The provisions of this § 65.2 adopted March 25, 1946; amended August 15, 1980, effective August 16, 1980, 10 Pa.B. 3356; amended April 8, 1983, effective April 9, 1983, 13 Pa.B. 1257. Immediately preceding text appears at serial page (52638).

### § 65.3. Complaints.

(a) *Investigations.* A public utility shall make a full and prompt investigation of complaints made by the Commission or by others, including customers, relating to service or facilities.

(b) *Records of complaints.* A public utility shall preserve for a period of at least 5 years, written service complaints showing the name and address of the complainant, the date and character of the complaint and the final disposition of the complaint.

#### Authority

The provisions of this § 65.3 issued under the Public Utility Code, 66 Pa. C.S. §§ 317, 501, 504, 506, 1301, 1304, 1501, 1502, 1503, 1504, 1507, 1508, 1701, 1702 and 1704.

#### Source

The provisions of this § 65.3 adopted March 25, 1946; amended August 15, 1980, effective August 16, 1980, 10 Pa.B. 3356. Immediately preceding text appears at serial page (21014).

#### Cross References

This section cited in 25 Pa. Code § 109.701 (relating to reporting and recordkeeping).

### § 65.4. Records.

(a) *General.* Records required by this chapter shall be kept within this Commonwealth at an office or offices of the public utility located in the territory served by it and shall be open for examination by the Commission or representative of the Commission.

(b) *Maps, plans and records.* A public utility shall keep complete maps, plans or records of its entire distribution and other system showing the size, character

and location of each main, street valve and each company service line together with other information that may be necessary. The maps, plans and records required by the provisions of this section shall be kept current so that the utility may furnish promptly and accurately copies of its maps or any information regarding its facilities upon request by the Commission.

(c) *Preservation of records.* A public utility shall keep and preserve its records in conformity with the April 1974 edition of the provisions applicable to it in the publication of the National Association of Regulatory Commissioners; Post Office Box 684; Washington, D.C. 20044 entitled *Regulations to Govern the Preservation of Records of Electric, Gas and Water Utilities.*

**Authority**

The provisions of this § 65.4 issued under the Public Utility Code, 66 Pa.C.S. §§ 317, 501, 504, 506, 1301, 1304, 1501, 1502, 1503, 1504, 1507, 1508, 1701, 1702 and 1704.

**Source**

The provisions of this § 65.4 adopted March 25, 1946; amended August 15, 1980, effective August 16, 1980, 10 Pa.B. 3356. Immediately preceding text appears at serial page (21014).

**§ 65.5. Interruptions of service.**

(a) *General.* A public utility shall keep a record of each prolonged interruption of service affecting its entire system or a part of its system. This record shall contain the time, cause, extent and duration of the interruption. Further, the interruptions shall be treated in accordance with the provisions of § 56.71 (relating to interruption of service) and Chapter 67 (relating to service outages).

(b) *Scheduled interruptions.* Scheduled interruptions shall be made at hours that will provide least inconvenience to the customers consistent with reasonable and economical utility operating practices.

**Authority**

The provisions of this § 65.5 issued under the Public Utility Code, 66 Pa.C.S. §§ 317, 501, 1301, 1304, 1501, 1502, 1504, 1507, 1508, 1702 and 1704.

**Source**

The provisions of this § 65.5 adopted March 25, 1946; amended August 15, 1980, effective August 16, 1980, 10 Pa.B. 3356. Immediately preceding text appears at serial page (33009).

**§ 65.6. Pressures.**

(a) *Variations in pressure.* The utility shall maintain normal operating pressures of not less than 25 p.s.i.g. nor more than 125 p.s.i.g. at the main, except that during periods of peak seasonal loads the pressures at the time of hourly maximum demand may be not less than 20 p.s.i.g. nor more than 150 p.s.i.g. and that during periods of hourly minimum demand the pressure may be not more than 150 p.s.i.g. A utility may undertake to furnish a service which does not comply with the foregoing specifications where compliance with such specifications

would prevent it from furnishing adequate service to any customer or where called for by good engineering practices. The authority of the Commission to require service improvements incorporating standards other than those set forth in this subsection when, after investigation, it determines that such improvements are necessary is not hereby restricted.

(b) *Pressure gauges.* Within 2 years after the effective date of this section, each utility shall obtain one or more recording pressure gauges for each separately operated pressure zone for the purpose of making pressure surveys as required by this section. These gauges shall be able to record the pressure experienced on the zones and shall be able to record a continuous 24-hour test. Each utility serving 1,000 or more customers or 1,000 or more customers in any separately operated zone of a multi-zone utility shall maintain one or more of these recording pressure gauges in service at some representative point or points in each of the pressure zones of the utility.

(c) *Telemetry.* An utility may make the pressure surveys required by this section by means of telemetered information electronically transferred to printed copy instead of using recording pressure gauges.

(d) *Pressure surveys.* At regular intervals, but not less than once each year, each utility shall make a survey of pressures in its distribution system of sufficient magnitude to indicate the pressures maintained at representative points on its system. The surveys should be made at or near periods of maximum and minimum usage. Records of these surveys shall show the date and time of beginning and end of the test and the location at which the test was made. Records of these pressure surveys shall be maintained by the utility for a period of at least three years and shall be made available to representatives, agents, or employees of the Commission upon request.

#### Authority

The provisions of this § 65.6 issued under the Public Utility Code, 66 Pa.C.S. §§ 317, 501, 1301, 1304, 1501, 1502, 1504, 1507, 1508, 1702 and 1704.

#### Source

The provisions of this § 65.6 adopted March 25, 1946; amended August 15, 1980, effective August 16, 1980, 10 Pa.B. 3356; corrected August 22, 1980, effective August 16, 1980, 10 Pa.B. 3448; amended April 8, 1983, effective April 9, 1983, 13 Pa.B. 1257. Immediately preceding text appears at serial pages (52640) and (52641).

#### Notes of Decisions

##### *Adequate Pressure*

The 25 p.s.i.g. minimum expressed in subsection (a) is not intended to restrict the authority of the PUC to order improvements where service is inadequate; therefore, the PUC has the power to order needed improvements notwithstanding that the pressure in a utility's main meets the standard of the regulation. *Barone v. Pennsylvania Public Utility Commission*, 485 A.2d 519 (Pa. Cmwlth. 1984).

**Cross References**

This section cited in 52 Pa. Code § 65.17 (relating to standards of design); and 52 Pa. Code § 65.18 (relating to standards of construction).

**§ 65.7. Metered service.**

(a) *Utility to provide metered service.* After August 15, 1981, a public utility which is issued a certificate of public convenience permitting it to begin to render water service and a currently existing public utility which begins to render water service to an additional, noncontiguous, service area shall be required to furnish metered service.

(b) *Utility to provide meters.* Unless otherwise authorized by the Commission, a public utility furnishing metered service shall provide; install at its own expense; and continue to own, maintain and operate all meters. The customer, however, shall properly protect the meter from damage by frost or other cause and shall be held responsible for repairs or replacement of the meter made necessary by the negligence or intentional act of the customer. Each utility seeking to impose responsibility for damage to the meter caused by negligence of a customer or intentional act shall first provide each customer with notice explaining the proper maintenance which should be given to meters. The notice shall be included in the "Rules and Regulations" of the utility.

(c) *Access to meters.* For purposes of maintenance and operation, each public utility shall at all reasonable times have access to meters, service connections, and other property owned by it on the premises of customers. Neglect or refusal on the part of customers to provide reasonable access to their premises for purposes of maintenance shall constitute sufficient cause for termination of service under § 56.81(3) (relating to authorized termination of service).

(d) *Universal metering.* A public utility shall provide a meter to each of its water customers except fire protection customers and shall furnish water service, except fire protection service, exclusively on a metered basis; except that flat rate service may continue to be provided pending implementation of a reasonable metering program or under special circumstances as may be permitted by the Commission for good cause.

**Authority**

The provisions of this § 65.7 issued under the Public Utility Code, 66 Pa.C.S. §§ 501, 1301, 1304, 1501 and 1502.

**Source**

The provisions of this § 65.7 adopted March 25, 1946; amended August 15, 1980, effective August 16, 1980, 10 Pa.B. 3356; amended April 30, 1982, effective November 1, 1982, 12 Pa.B. 1392. Immediately preceding text appears at serial page (52642).

**Cross References**

This section cited in 52 Pa. Code § 3.501 (relating to certificate of public convenience as a water or wastewater collection, treatment and disposal supplier).

**§ 65.8. Meters.**

(a) *Allowable error.* No water meter which has an error in registration of more than 2% may be placed in service, nor may a water meter which has an error in registration of more than 4% be allowed to remain in service, when water is passing through it at approximately the following rates of flow:

<i>Meter size (inches)</i>	<i>Gallons per minute</i>
5/8	6
3/4	10
1	20
1-1/2	30
2	50
3	90
4	180
6	300

(b) *Periodic tests.* No public utility furnishing metered water service may allow a water meter of 1 inch or less nor a water meter of more than 1 inch to remain in service for a period longer than 20 years and 8 years respectively without testing it for accuracy and readjusting it if it is found to be incorrect beyond the limits established in subsection (a). Upon a customer's request the public utilities shall also perform a meter test without charge if a meter has been in service, and has not been tested, for a period greater than that specified in the following table:

<i>Inch Meter</i>	<i>Years</i>
5/8	10
3/4	8
1	6
More than 1	4

(c) *Meter test records.* Whenever a water meter is tested, the original test record should be kept indicating the information necessary for identifying the meter, the reason for making the test, the reading of the meter before being disturbed, and the accuracy of the meter together with data taken at the time of the test. This record shall be sufficiently complete to permit the convenient checking of the methods employed and the calculations made. A record shall also be kept, preferably numerically arranged, indicating the date of meter purchase, name of manufacturer, its size, its identification, its various places of installation with dates of installation and removal, and the dates and general results of all tests.

(d) *Installation and removal of meters.*

(1) *Installation of meters.* A water meter whenever installed shall be inspected by the public utility for proper connections, mechanical condition, and suitability of location within 60 days after installation. In the case of a new meter or a meter reconditioned by a manufacturer, the test results of the manufacturer may be accepted as the installation test if the utility has verified the manufacturer's reported test results by testing the greater of 10% or ten meters of a shipment of meters. In case of emergency, a meter not meeting the requirements of this section may be installed temporarily.

(2) *Removal of meters.* A water meter which is removed from service shall be tested within 30 days for accuracy to complete that meter's test history. When a meter is removed from service, it shall be properly sealed to secure registers and measuring devices until it can be properly tested for accuracy. Meters permanently removed from service and replaced by new meters utilizing remote reading devices are exempt from this provision.

(e) *Facilities for testing.* A public utility shall provide and keep available suitable and adequate facilities for testing its meters, and shall maintain these facilities in good condition and in correct adjustment so that they are capable of determining the accuracy of a service meter within .5%. A public utility not maintaining a standardizing laboratory may, upon written permission from the Commission, have its meters and instruments certified by a standardizing laboratory approved by the Commission. The accuracy of testing equipment will be established and checked annually by representatives of the Commission. After making final adjustments, the tester shall seal and date tag the testing facilities and furnish the public utility with a certificate of accuracy properly dated and signed.

(f) *Meters in service without test records.* A water meter of a public utility which does not meet the requirements with respect to tests and records of tests shall be immediately removed from service by the public utility and may not again be placed in service until the requirements are met.

(g) *Request test.* A public utility shall make a test of the accuracy of registration of a water meter upon written request of the customer for whom the meter is furnished, upon payment of the fee specified in § 1.43 (relating to schedule of fees payable to the Commission). If a customer desires personally or by a representative to witness the testing of a meter, he may require the seal of the meter to be broken in his presence or that of his representative. If the meter tested upon the request is found to be accurate within the limits specified in subsection (a), the fee shall be retained by the utility; but if not so found, the cost shall be borne by the utility and the fee paid by the customer shall be refunded. A report of the test shall be made to the customer.

(h) *Schedule of fees for testing water meters.* The schedule of fees for testing meters is as follows:

- (1) For a water meter having an outlet not exceeding 1 inch—\$10.
- (2) For other water meters having an outlet not exceeding 2 inches—\$20.

(3) Rates for testing other meters, including those which are so located that the cost is out of proportion to the fee specified, will be furnished by the Commission upon the receipt of complete specifications.

(i) *Fees for testing facilities of public utilities.* The Commission will charge and collect from utilities for the testing of their meter testing facilities and water meters the following fees:

- (1) For testing meter testing facilities at the utility plant—\$15.
- (2) For a water meter tested at the Commission laboratory—\$3.

#### Authority

The provisions of this § 65.8 issued under the Public Utility Code, 66 Pa.C.S. §§ 317, 501, 1301, 1304, 1501, 1502, 1504, 1507, 1508, 1702 and 1704; amended under the Public Utility Code, 66 Pa.C.S. §§ 501, 504, 505, 506, 1301 and 1501.

#### Source

The provisions of this § 65.8 adopted March 25, 1946; amended August 15, 1980, effective August 16, 1980, 10 Pa.B. 3356; amended October 11, 1985, effective October 12, 1985, 15 Pa.B. 3648; amended February 13, 1998, effective February 14, 1998, 28 Pa.B. 804. Immediately preceding text appears at serial pages (225759) to (225762).

#### Cross References

This section cited in 52 Pa. Code § 65.9 (relating to adjustment of bills for meter error).

### § 65.9. Adjustment of bills for meter error.

(a) *Fast meters.* If upon test of a meter, the meter is found to have an error of more than 4% fast, the public utility shall refund to the consumer the overcharge based upon what the meter would have registered had it not been fast or slow for a period equal to 1/2 the time elapsed since the last previous test but not to exceed 12 months. If the period of registration error is fixed with a reasonable degree of certainty, the overcharge shall be computed for the period. If the meter has not been tested under § 65.8 (relating to meters), the period for which it has been in service beyond the regular test period shall be added to the 12 months in computing the refund.

(b) *Slow meters.* If upon test of a meter, the meter is found to have an error of more than 4% slow, the public utility may render a bill for the water consumed but not covered by previously rendered bills equal to 1/2 of the time elapsed since the last previous test but not to exceed 12 months. If the period of registration error is fixed with a reasonable degree of certainty, the charge may be computed for the period. Payment of this previously unbilled consumption shall be under § 56.83(5) (relating to unauthorized termination of service).

(c) *Nonregistering meters.* If a meter is found not to have registered for a period or not to have fully measured the entire flow due to meter interference, the public utility shall compute the water used by taking the average of the water used for the nearest meter reading period immediately preceding and the meter reading period immediately following the date when the meter was found to be not registering or interfered with, which amount shall be assumed to be the amount of water used by the customer during the billing period in which the

meter was found not to have registered. Exceptions may be made only if the facts clearly show that the stated method does not give the correct consumption for the period.

**Authority**

The provisions of this § 65.9 issued under the Public Utility Code, 66 Pa.C.S. §§ 317, 501, 1301, 1304, 1501, 1502, 1504, 1507, 1508, 1702 and 1704.

**Source**

The provisions of this § 65.9 adopted March 25, 1946; amended August 15, 1980, effective August 16, 1980, 10 Pa.B. 3356; amended October 11, 1985, effective October 12, 1985, 15 Pa.B. 3648; amended May 23, 1986, effective October 12, 1985, 16 Pa.B. 1812. Immediately preceding text appears at serial pages (103578) and (103579).

**§ 65.10. Disputed bills.**

In the event of a dispute between a customer and a public utility respecting a bill, the utility shall immediately make the investigation required by the particular case and report the result of the investigation to the customer in accordance with the provisions of Chapter 56, Subchapter F (relating to disputes; termination disputes; informal and formal complaints).

**Authority**

The provisions of this § 65.10 issued under the Public Utility Code, 66 Pa.C.S. §§ 317, 501, 1301, 1304, 1501, 1502, 1504, 1507, 1508, 1702 and 1704.

**Source**

The provisions of this § 65.10 adopted March 25, 1946; amended August 15, 1980, effective August 16, 1980, 10 Pa.B. 3356. Immediately preceding text appears at serial page (37419).

**§ 65.11. Mandatory conservation measures.**

(a) If a public utility is experiencing a short term supply shortage that public utility may request general conservation of inside water uses and may impose mandatory conservation measures to reduce or eliminate nonessential uses of water. Jurisdictional water utilities shall file plans of their contingent mandatory conservation measures with the Commission as part of their tariff rules and regulations. Notice of the plans shall be sent to all customers or be provided by radio, television or newspaper advertisements.

(b) If, after reasonable notice to the Commission and customers that the contingent conservation measures are to be activated, a customer refuses to comply therewith, the customer may be subject for the duration of the water shortage to the utility either adjusting the outside water value connection in a manner which will restrict water flow by up to 1/2 or otherwise restricting flow such as by the insertion of a plug device. Prior to the valve adjustment or other flow restriction being imposed, an authorized utility employe shall make a bona fide attempt to deliver notice of the valve adjustment or other flow restriction to a responsible person at the affected premises and fully explain the reason for the proposed flow restriction and the means by which the customer may eliminate the grounds for such flow restriction. A jurisdictional utility may impose less restrictive means to secure the compliance.

(c) These conservation measures shall be terminated at such time as the supply shortage is eliminated.

(d) Complete termination may be imposed by an Administrative Law Judge or other presiding officer after an expedited hearing has been held providing the affected customer with an opportunity to be heard.

**Authority**

The provisions of this § 65.11 issued under the Public Utility Code, 66 Pa.C.S. §§ 317, 501, 1301, 1304, 1501, 1502, 1504, 1507, 1508, 1702 and 1704.

**Source**

The provisions of this § 65.11 adopted March 25, 1946; amended August 15, 1980, effective August 16, 1980, 10 Pa.B. 3356. Immediately preceding text appears at serial page (37419).

**§ 65.12. Notice of desire to have service discontinued.**

A customer who is about to vacate any premises supplied with service by a public utility or who for any reason wishes to have service discontinued shall give at least 3 days notice to the utility, specifying the date on which it is desired that service be discontinued. In the absence of notice, the customer shall be responsible for service rendered until the time that the utility shall have actual or constructive notice of the intent to discontinue by the customer.

**Authority**

The provisions of this § 65.12 issued under the Public Utility Code, 66 Pa.C.S. §§ 317, 501, 1301, 1304, 1501, 1502, 1504, 1507, 1508, 1702 and 1704.

**Source**

The provisions of this § 65.12 adopted March 25, 1946; amended August 15, 1980, effective August 16, 1980, 10 Pa.B. 3356. Immediately preceding text appears at serial page (21019).

**§ 65.13. Temporary service.**

In the case of temporary service for short-term use, a public utility may require the customer to pay costs of making the service connection and removing the material after the service has been discontinued, or to pay a fixed amount in advance to cover such expenses. However, if the material is removed the customer shall be credited with the reasonable salvage which the public utility will receive on discontinuance of service.

**Source**

The provisions of this § 65.13 adopted March 25, 1946; amended August 15, 1980, effective August 16, 1980, 10 Pa.B. 3356. Immediately preceding text appears at serial page (21019).

**§ 65.14. Measurement.**

(a) *Measuring devices.* Within 3 years after the effective date of this section, each utility shall install a suitable measuring device at each source of supply in order that a record may be maintained of the quantity of water produced by each source.

(b) *Records.* At least once each month, the quantity produced from each source of supply shall be determined. Twelve month totals by sources shall be recorded and transmitted to the Commission with the annual report of the utility to the Commission. The records shall further show actual annual metered consumption and any other properly estimated revenue-producing unmetered water.

**Authority**

The provisions of this § 65.14 issued under the Public Utility Code, 66 Pa.C.S. §§ 317, 501, 1301, 1304, 1501, 1502, 1504, 1507, 1508, 1702 and 1704.

**Source**

The provisions of this § 65.14 adopted March 25, 1946; amended August 15, 1980, effective August 16, 1980, 10 Pa.B. 3356. Immediately preceding text appears at serial page (21019).

**§ 65.15. Refusal to serve applicants.**

(a) *Noncompliance with rules and regulations.* A public utility may decline to serve an applicant until the applicant has complied with Commonwealth and municipal regulations governing water service and the approved rules and regulations of the utility.

(b) *Inadequate facilities of utility.* A public utility may decline to serve an applicant if it does not have adequate facilities to render the service desired or if such service is of a character that is likely to have a detrimental effect upon service to other customers.

(c) *Inadequate facilities of applicant.* A public utility may refuse to serve an applicant if, in its judgment, installation of the piping to the applicant is reasonably regarded as hazardous or of a character that satisfactory service cannot be given.

**Authority**

The provisions of this § 65.15 issued under the Public Utility Code, 66 Pa.C.S. §§ 317, 501, 1301, 1304, 1501, 1502, 1504, 1507, 1508, 1702 and 1704.

**Source**

The provisions of this § 65.15 adopted March 25, 1946; amended August 15, 1980, effective August 16, 1980, 10 Pa.B. 3356. Immediately preceding text appears at serial pages (21019) and (26258).

**§ 65.16. System of accounts.**

(a) A public utility having annual operating revenue of \$750,000 or more (average of the last 3 consecutive years) shall keep its accounts in conformity with the most recent *Uniform System of Accounts for Class A Water Utilities* prescribed by the National Association of Regulatory Utility Commissioners (N.A.R.U.C.).

(b) A public utility having annual operating revenues of \$150,000 or more but less than \$750,000 (average of the last 3 consecutive years) shall keep its accounts in conformity with the *Uniform System of Accounts for Class B Water Utilities* prescribed by N.A.R.U.C.

(c) A public utility having annual operating revenues of less than \$150,000 (average of the last 3 consecutive years) shall keep its accounts in conformity with the most recent *Uniform System of Accounts for Class C Water Companies* prescribed by N.A.R.U.C.

(d) Public utilities subject to this section shall have until January 1, 2000, to convert to the most recent *Uniform System of Accounts for Class A, Class B or Class C Water Utilities* prescribed by N.A.R.U.C.

#### Authority

The provisions of this § 65.16 issued under the Public Utility Code, 66 Pa.C.S. §§ 317, 501, 1301, 1304, 1501, 1502, 1504, 1507, 1508, 1702 and 1704; amended under the Public Utility Code, 66 Pa.C.S. §§ 501, 504, 505, 506, 1301 and 1501.

#### Source

The provisions of this § 65.16 adopted March 25, 1946; amended August 15, 1980, effective August 16, 1980, 10 Pa.B. 3356; amended August 3, 1984, effective November 1, 1984, 14 Pa.B. 2862; amended February 13, 1998, effective February 14, 1998, 28 Pa.B. 804. Immediately preceding text appears at serial page (225766).

#### Notes of Decisions

##### *Gain*

Gain from the sale of land is to be credited to a shareholder surplus account and does not inure to the benefit of the ratepayers inasmuch as the shareholders contributed the capital from which the land was purchased and bore the risk of any decline in the value of the land, *Pennsylvania Public Utility Commission v. Consumers Pennsylvania Water Company—Roaring Creek Division*, 182 P.U.R. 4th 237 (1997).

### § 65.17. Standards of design.

(a) *General.* The design of the water plant of the utility shall conform to standard acceptable engineering practices. It shall be designed so as to provide reasonably adequate and safe service to its customers and shall conform to the requirements of the Department of Environmental Resources which concern sanitation and potability of water.

(b) *Distribution system.* The distribution system shall be of adequate size and so designed in conjunction with related facilities as to maintain the minimum pressures required by § 65.6 (relating to pressures). Pipe of a diameter of less than 6 inches shall not be used for distribution mains except in cul-de-sacs where the mains are not subject to being extended and are not more than 250 feet in length.

(c) *Transmission systems.* In combination with related storage facilities, transmission pipelines from sources of supply shall be designed to deliver to the limits of the capacity of those sources of supply the minimum foreseeable requirements, as determined pursuant to good engineering practices, of that portion of the system which is dependent upon such transmission pipelines.

(d) *Company's service lines.* The size, design, material and installation of the service pipe shall conform to the reasonable requirements of the utility; provided, however, that the minimum size of the pipe shall not be less than 3/4 inch.

(e) *Water supply requirements.* The quantity of water delivered to the distribution system from total source facilities should be sufficient to supply adequately, dependably and safely the total requirements of all customers under maximum consumption and should be determined so as to maintain the specified pressures as required by § 65.6.

(f) *Materials and specifications.* Materials and specifications shall include the following:

(1) *Qualifications.* Metallic and nonmetallic materials may be used separately and in combination to construct component parts of a water system including, but not limited to, conduits, pipes, couplings, caulking materials, protective linings and coatings, services, valves, hydrants, pumps, tanks and reservoirs; provided:

(i) The material shall have a reasonable useful service life.

(ii) The material shall be capable of withstanding with ample safety factors the internal and external forces to which it may be subjected in service.

(iii) The material may not cause the water to become impure, unwholesome, unpotable or unhealthful.

(iv) Materials and equipment shall be so selected as to minimize corrosion, electrolysis and deterioration.

(2) *Newly developed materials and equipment.* It is not the intention of this subsection to prevent the use of newly developed materials and equipment that otherwise meet the requirements of paragraph (1).

(3) *Minimum requirements for steel pipeline.* The requirements as set forth in paragraphs (1)(i)—(iii) are intended to be general in nature in order to permit full discretion in the selection of proper materials and equipment; however, steel pipe used in transmission and distribution systems shall be lined inside and coated outside or lined inside and coated and wrapped outside to conform with the applicable minimum specifications of the American Water Works Association or equivalent standards, except that those portions laid above ground may be protected on the outside after cleaning by painting only.

#### **Authority**

The provisions of this § 65.17 issued under the Public Utility Code, 66 Pa.C.S. §§ 317, 501, 1301, 1304, 1501, 1502, 1504, 1507, 1508, 1702 and 1704.

#### **Source**

The provisions of this § 65.17 adopted March 25, 1946; amended August 15, 1980, effective August 16, 1980, 10 Pa.B. 3356. Immediately preceding text appears at serial page (26258).

#### **Notes of Decisions**

##### *Costs for Extension Main*

In a situation where application of a water company's regulations regarding allocation of costs for an extension main would subject a homeowner to unreasonable prejudice and disadvantage, a water

company may be required by the Public Utility Commission to disregard their own regulations and share the cost with the homeowner. *Keystone Water Co. v. Pennsylvania Public Utility Commission*, 515 A.2d 367 (Pa. Cmwlth. 1986).

#### Cross References

This section cited in 52 Pa. Code § 65.18 (relating to standards of construction).

### § 65.18. Standards of construction.

(a) *General.* The construction of the water plant of the utility shall conform to standard acceptable engineering practices. It shall be operated so as to provide reasonably adequate and safe service to its customers and shall conform with the requirements of the Department of Environmental Resources which concern sanitation and potability of water.

(b) *Disinfection of facilities.* New mains, pumps, tanks, wells and other facilities for handling potable water and, insofar as practicable, repaired mains and other facilities, shall be thoroughly disinfected before being connected to the system. The method of disinfection shall be as approved by the Department of Environmental Resources.

(c) *Mains.* Mains shall include the following:

(1) *Depth of mains.* Water mains shall be installed below the frost line whenever possible. Minimum cover shall be at least three feet whenever possible.

(2) *Dead ends.* Insofar as practicable, the utility shall design its distribution system so as to avoid dead ends in its mains. When dead ends are necessary, the utility shall provide a means for flushing the mains when the normal consumption does not provide adequate circulation of the water. Mains with dead ends shall be flushed as often as necessary to maintain the proper quality of water.

(3) *Segmentation of system.* Valves shall be provided in distribution mains designed and used primarily as transmission lines at intervals not to exceed 4,000 feet. Valves shall be provided in other distribution mains at reasonable intervals so that repairs may be effected by the utility with interruptions to the service of a minimum number of customers. When feasible, valves shall be provided in these other mains at intervals not to exceed one continuous block or 500 feet, whichever is greater, except where a dead end run is not intended to serve any intervening customers.

(4) *Grid systems.* Whenever feasible, the distribution system shall be laid out in a properly segmented grid so that in case of breaks or repairs the interruption of service to the customers can be kept to a minimum in number.

(5) *Main sizing.* As new mains are installed or as mains which have reached the end of their useful lives are replaced, the new or replacement main

shall be sized and designed to accommodate the standards contained in this chapter, particularly in regard to §§ 65.6 and 65.17 (relating to pressures; and standards of design) and this section.

(d) *Company's service lines.* Company's service lines shall include the following:

(1) Whenever feasible, all service pipes shall be installed below the frost line to prevent freezing, and the pipe shall be installed at a depth adequate to protect the pipe from surface activity.

(2) Service connections should not be connected to hydrant branch lines, and they should not cross intervening properties unless there is no other way in which service can be provided and appropriate easements are obtained.

**Authority**

The provisions of this § 65.18 issued under the Public Utility Code, 66 Pa.C.S. §§ 317, 501, 1301, 1304, 1501, 1502, 1504, 1507, 1508, 1702 and 1704.

**Source**

The provisions of this § 65.18 adopted August 15, 1980, August 16, 1980, 10 Pa.B. 3356; amended April 8, 1983, effective April 9, 1983, 13 Pa.B. 1257. Immediately preceding text appears at serial pages (52652) and (52653).

**§ 65.19. Filing of annual financial reports.**

Under 66 Pa.C.S. §§ 504 and 3301 (relating to reports by public utilities; and civil penalties for violations), the Commission may require a public utility to file, and invoke penalties for failure to file, certain reports. In this regard, the following apply:

(1) Unless prior permission to do otherwise is granted, a public utility, other than transportation, subject to the jurisdiction of the Commission, shall file annual financial reports with the Commission by April 30 immediately following the reporting year, for reports based upon the calendar year; or by July 31 immediately following the reporting year, for reports permitted to be based upon the fiscal year ending May 31. A request for an extension of time for filing an annual report shall be submitted to the Commission prior to the filing dates specified in this paragraph.

(2) If a public utility, other than transportation, fails to file its annual report in compliance with this section, the public utility may be subject to a penalty as provided under 66 Pa.C.S. § 3301. Continued failure to file annual reports may result in additional penalties.

**Authority**

The provisions of this § 65.19 issued under the Public Utility Code, 66 Pa.C.S. §§ 501 and 504.

**Source**

The provisions of this § 65.19 adopted May 6, 1988, effective May 7, 1988, 18 Pa.B. 2106.

**Cross References**

This section cited in 52 Pa. Code § 101.2 (relating to definitions); and 52 Pa. Code § 101.4 (relating to reporting requirements).

**§ 65.20. Water conservation measures—statement of policy.**

In rate proceedings of water utilities, the Commission intends to examine specific factors regarding the action or failure to act to encourage cost-effective conservation by their customers. Specifically, the Commission will review utilities' efforts to meet the criteria in this section when determining just and reasonable rates and may consider those efforts in other proceedings instituted by the Commission.

(1) *Education.* At least once a year a utility should provide each customer with a brochure or similar type of material which discusses efficient water use practices, the expensive waste caused by leaking plumbing fixtures, the availability of retrofitting plumbing devices to curtail unnecessary water use, and the possible savings on water and fuel bills that could ensue when these conservation methods are implemented.

(2) *Water audit for large users.* On an annual basis each large, nonresidential customer, such as a college, motel or health club, should receive, or be directed to the availability of the large water user audit procedure developed by the Department of Environmental Resources, or other, similar format, via a printed message on or with their bill.

(3) *Efficiency plumbing fixtures.* Customers should be notified annually that water-saving plumbing fixtures should be installed in new construction or when remodeling. If construction or renovations are not scheduled, customers should be encouraged to retrofit existing plumbing fixtures.

(4) *Unaccounted-for water.* Levels of unaccounted-for water should be kept within reasonable amounts. Levels above 20% have been considered by the Commission to be excessive.

(5) *Leak detection.* A system of leak detection should be utilized on a regular basis, with leaks being repaired as expeditiously and economically as possible.

(6) *Metering.* A comprehensive metering program should be in place which includes metering sources of supply, metering service to customers—aside from formally granted interim exemptions, and the regular testing and maintenance of meters in service.

(7) *Conservation plan.* The mandatory conservation contingency plan should be properly filed within each utility's tariff.

**Authority**

The provisions of this § 65.20 issued under the Public Utility Code, 66 Pa.C.S. § 523(b).

**Source**

The provisions of this § 65.20 adopted April 7, 1989, effective April 8, 1989, 19 Pa.B. 1575.

**§ 65.21. Duty of public utility to make line extensions.**

Each public utility shall file with the Commission, as part of its tariff, a rule setting forth the conditions under which facilities will be extended to supply service to an applicant within its service area. Upon request by a bona fide service applicant, a utility shall construct line extensions within its franchised territory consistent with the following directives:

(1) Line extensions to bona fide service applicants shall be funded without customer advance if the annual revenue from the line extension will equal or exceed the utility's annual line extension costs.

(2) If the annual revenue from the line extension will not equal or exceed the utility's annual line extension costs, a bona fide service applicant may be required to provide a customer advance to the utility's cost of construction for the line extension. The utility's investment for the line extension shall be the portion of the total construction costs which generate annual line extension costs equal to annual revenue from the line extension. The customer advance amount shall be determined by subtracting the utility's investment for the line extension from the total construction costs.

(3) The utility's investment for the line extension shall be based on the following formula, where X equals the utility's investment attributed to each bona fide applicant:

$$\begin{aligned}
 X &= [AR - OM] \text{ divided by } [I + D] ; \text{ and,} \\
 AR &= \text{the utility's annual revenue} \\
 OM &= \text{the utility's operating and maintenance costs} \\
 I &= \text{the utility's current debt ratio multiplied by the utility's} \\
 &\quad \text{weighted long-term debt cost rate} \\
 D &= \text{the utility's current depreciation accrual rate}
 \end{aligned}$$

**Authority**

The provisions of this § 65.21 issued under the Public Utility Code, 66 Pa.C.S. §§ 501, 504—506, 1301 and 1501.

**Source**

The provisions of this § 65.21 adopted February 14, 1997, effective February 18, 1997, 27 Pa.B. 799.

**Notes of Decisions**

*Line Extensions*

The Public Utility Commission's line extension regulations authorizing a utility to require contributions from bona fide service applicants if the cost of the extension project to the utility would exceed the expected return on the extension is wholly consistent with the plain language of its regulations. *Popowsky v. Pennsylvania Public Utility Commission*, 910 A.2d 38, 53 (Pa. 2006).

The line extension regulations do not conflict with 66 Pa.C.S. § 501 (relating to character of service and facilities). *Popowsky v. Pennsylvania Public Utility Commission*, 853 A.2d 1097, 1110 (Pa. Cmwlth. 2004); appeal granted 868 A.2d 454 (Pa. 2005); affirmed 912 A.2d 38 (Pa. 2006).

*Agency Not Bound by Court Interpretation of Statutory Provision*

In promulgating a regulation to implement a statutory provision, an agency is not bound by a prior court decision interpreting that statutory provision. A regulation must be followed even if prior case law supports a narrower interpretation. *Popowsky v. Pennsylvania Public Utility Commission*, 853 A.2d 1097, 1106 (Pa. Cmwlth. 2004).

*Requester of Utility Extension to Bear Cost*

A utility can lawfully require the party requesting an extension of utility facilities to bear the cost thereof, if that party is not a “bona fide service applicant,” if the request entails “special utility service,” or if the facility extension would be “uneconomic or unreasonable absent an appropriate customer contribution.” *Shenago Township Board of Supervisors v. Pennsylvania Public Utility Commission*, 686 A.2d 910 (Pa. Cmwlth. 1996).

**§ 65.22. Customer advance financing, refunds and facilities on private property.**

(a) If a customer advance is required from a bona fide service applicant for service from a company with gross annual receipts of \$10 million or more and the bona fide applicant is unable to advance the entire amount due, the utility shall do one of the following:

(1) Allow the applicant to pay the advance over a period of not less than 3 years, with the utility recovering financing costs equal to the utility’s weighted cost of long term debt. The utility may require the applicant to deposit up to one-third of the total customer advance prior to extending service.

(2) Provide information to the customer on financial institutions that may offer financing to the customer for the line extension.

(b) When a customer advance is required of a service applicant and an additional customer or customers attach service lines to the main extension within 10 years, the utility shall refund a portion of the advance to the customer in accordance with the utility’s currently effective tariff. Deposits made for additional facilities other than the main extension, such as booster pumps, storage tanks and the like, are contributions in aid of construction and need not be refunded.

(c) A utility shall require a customer to pay, in advance, a reasonable charge for service lines and equipment installed on private property for the exclusive use of the customer.

**Authority**

The provisions of this § 65.22 issued under the Public Utility Code, 66 Pa.C.S. §§ 501, 504—506, 1301 and 1501.

**Source**

The provisions of this § 65.22 adopted February 14, 1997, effective February 15, 1997, 27 Pa.B. 799.

**Notes of Decisions**

The line extension regulations do not conflict with 66 Pa.C.S. § 501 (relating to character of service and facilities). *Popowsky v. Pennsylvania Public Utility Commission*, 853 A.2d 1097, 1110 (Pa. Cmwlth. 2004); appeal granted 868 A.2d 454 (Pa. 2005); affirmed 910 A.2d 38 (Pa. 2006).

*Agency Not Bound by Court Interpretation of Statutory Provision*

In promulgating a regulation to implement a statutory provision, an agency is not bound by a prior court decision interpreting that statutory provision. A regulation must be followed even if prior case

law supports a narrower interpretation. *Popowsky v. Pennsylvania Public Utility Commission*, 853 A.2d 1097, 1106 (Pa. Cmwlth. 2004).

*Requester of Utility Extension to Bear Cost*

A utility can lawfully require the party requesting an extension of utility facilities to bear the cost thereof, if that party is not a “bona fide service applicant,” if the request entails “special utility service,” or if the facility extension would be “uneconomic or unreasonable absent an appropriate customer contribution.” *Shenago Township Board of Supervisors v. Pennsylvania Public Utility Commission*, 686 A.2d 910 (Pa. Cmwlth. 1996).

**§ 65.23. Special utility service.**

Sections 65.21 and 65.22(a) and (c) (relating to duty of public utility to make line extensions; and customer advance financing, refunds and facilities on private property) do not apply to special utility service.

**Authority**

The provisions of this § 65.23 issued under the Public Utility Code, 66 Pa.C.S. §§ 501, 504—506, 1301 and 1501.

**Source**

The provisions of this § 65.23 adopted February 14, 1997, effective February 15, 1997, 27 Pa.B. 799.

**Notes of Decisions**

The line extension regulations do not conflict with 66 Pa.C.S. § 501 (relating to character of service and facilities). *Popowsky v. Pennsylvania Public Utility Commission*, 853 A.2d 1097, 1110 (Pa. Cmwlth. 2004); appeal granted 868 A.2d 454 (Pa. 2005); affirmed 910 A.2d 38 (Pa. 2006).

*Agency Not Bound by Court Interpretation of Statutory Provision*

In promulgating a regulation to implement a statutory provision, an agency is not bound by a prior court decision interpreting that statutory provision. A regulation must be followed even if prior case law supports a narrower interpretation. *Popowsky v. Pennsylvania Public Utility Commission*, 853 A.2d 1097, 1106 (Pa. Cmwlth. 2004).

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