

## **FWSC Extension Policy**

The Fayette Water Supply Corp. (FWSC) is approving an extension policy to help with the customers extending FWSC lines. The extension policy will cause the customer, who connects to the existing line, to pay his share of the cost. This policy in turn will reimburse the customer a percentage of the initial cost.

The extension policy will be as follows:

If a customer connects to an extended line within one (1) year, the new customer will be required to pay 50% of the extension cost. The payment of 50% will be reimbursed to the customer extending the line;

If a customer connects to an extended line within two (2) years, the new customer will be required to pay 33% of the extension cost. The payment of 33% will be reimbursed to the customer extending the line;

If a customer connects to an extended line within three (3) years, the new customer will be required to pay 25% of the extension cost. The payment of 25% will be reimbursed to the customer extending the line; and,

After three (3) years, no reimbursement will be made to the original customer.

The period of time will start when the meter is energized; this time is regardless of usage.

An example of the extension policy would be as follows:

John Doe pays FWSC to extend their lines about 1,000 feet for a cost of \$2,000. The meter is set on July 1, 1997. Mr. Doe does not use any water till Feb. 1, 1998. Mrs. Frank Woe wants to get on the new extension. She pays for her new meter on August 15, 1998. The new meter is installed on Sept. 1, 1998. Mr. Roger Boe also pays for a new connection on June 15, 1999. The new meter is installed on July 5, 1999.

The reimbursement would be as follows:

Mr. John Doe would get \$660 from Mrs. Woe, and

Mr. John Doe would get \$500 from Mr. Boe.

No money would be reimbursed to Mr. Doe after July 1, 2000.

This policy adopted on September 15, 1997 and becomes effective immediately.