HAWAII WATER SERVICE COMPANY, INC.
KEAUHOU WASTEWATER DISTRICT

GENERAL SERVICE RULES AND REGULATIONS

COVERING THE PROVISION OF

WASTEWATER SERVICE TO CONSUMERS

Post Office Box 384809
Waikoloa, Hawaii 96738

FOREWARD

These Rules and Regulations have been adopted to establish uniform practices governing the provision of sewer service and to define the obligations of the Company to Consumers and of Consumers to the Company.

It is the policy of the Company to render adequate and satisfactory service to all Consumers and encourage courtesy to the public by all its employees or contractors. The Company's service area is located within the Keauhou area in the district of North Kona on the island of Hawaii, and is defined in the Certificate of Public Convenience and Necessity issued by the Hawaii Public Utilities Commission ("Commission") to Keauhou Community Services, Inc. by Decision and Order No. 12820, filed on November 8, 1993, in Docket No. 7291.

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.

(I) To signify increase.

(L) To signify materials relocated from or to another part of tariff schedules with no change in text, rate, rule or condition.

(N) To signify new materials including listing, rate, rule or condition.

(R) To signify reduction.

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

TABLE OF CONTENTS

	Sheet No.
CHECKLIST……....	3
1. PURPOSE AND DEFINITIONS…….	4
1.1 Purpose	
1.2 Definitions	
2. GENERAL PROVISIONS……	7
3. APPLICATION FOR SERVICE AND SERVICE CONNECTION……..	8
4. ESTABLISHMENT AND REESTABLISHMENT OF CREDITS AND DEPOSITS…….	10
4.1 Establishment of Credit	
4.2 Reestablishment of credit	
4.3 Deposits	
5. CONNECTIONS AND CUT-OFFS……	11
5.1 Service Connection	
5.2 Connection Charge	
5.3 Building Sewer	
5.4 Connection to Company's Sewer main	
5.5 Size of Service Connection	
5.6 Change in Location or Size of Service Connection	
5.7 Sewer Clean-out	
5.8 Alteration to Sewerage System	
5.9 Construction and Donation of Sewerage Facilities Due to Development	
6. PAYMENT OF BILLS……..	13
6.1 Bills	
6.2 Late Payment Charge	
6.3 Collection Costs	
6.4 Billing to Association	
7. UNACCEPTABLE WASTES……..	14
8. INTERRUPTION OF SERVICE…….	19
9. DISCONTINUANCE OF SERVICE……	20
9.1 Non-payment of Bills	
9.2 Noncompliance with the Company's Rules and Regulations	
10. LIABILITY FOR REPAIR COSTS……..	21
11. INGRESS TO AND EGRESS FROM ONSUMER'S PREMISES…….	22
12. CONSUMER RESPONSIBILITY……	23
13. CONTRIBUTION IN AID OF CONSTRUCTION…….	24
14. TARIFF RATES……	26
SCHEDULE OF WASTEWATER CONRUBITIONS OF CONSTRUCTION…….	27
SCHEDULE OF WASTEWATER RATES …….	28

Checklist

Sheet	Revision
Title	Original
Foreword	Original
Table of Contents	Original
1	Original
2	Original
3	Original
4	Original
5	Original
6	First Revised
7	Original
8	Original
9	Original
10	Original
11	Original
12	Original
13	Original
14	Original
15	Original
16	Original
17	First Revised
18	Original
19	Original
20	Original
21	Original
22	Original
23	Original
24	Original
25	Original
26	Original
27	First Revised
28	First Revised

SECTION 1
PURPOSE AND DEFINITIONS

1.1 Purpose. The purpose of these rules is to set forth the regulations governing the operation and service to customers of Hawaii Water Service Company, Inc. in the Keauhou Wastewater District.

1.2 Definitions. For the purpose of these Rules and Regulations, unless it is plainly evident from the context that a different meaning is intended, the following words and terms as used herein shall mean:

a. "BOD" (Denoting Biochemical Oxygen Demand) shall mean the quantity of oxygen utilized in the biochemical oxidation of organic matter under standard laboratory procedure in five (5) days at 20^0C, expressed in milligrams per liter (mg/l).

b. "Building Sewer" shall mean the sewer line running and from the drains within the Consumer's property which receive and pass the discharge from waste and other drainage pipes of the Consumer to the Company's sewer.

c. The word "Company" shall mean the Hawaii Water Service Company, INC., a Hawaii corporation.

d. "Company's sewer"' shall mean the sewer lines and facilities on the side of the service connection leading to the Wastewater Treatment Plant.

e. "Company's Wastewater System" means the system owned and operated by the Company.

f. The word "Consumer" shall mean the person, firm, corporation, partnership, association, condominium association, or governmental department, whether owner or tenant, whose name appears on the records of the Company as the party responsible and liable for the charges for services from the Company, and includes any other persons or entities using the Company's wastewater system.

g. "Contribution in aid of construction (CIAC)" shall mean the fee charged the applicant or consumer by the Company to install or pay for existing, new, or expanded collection and/or treatment plant facilities required to serve an applicant or consumer receiving service or substantially increasing sewage outflow volume from new or substantially modified premises and Developments.

SECTION 1 CONT'D
PURPOSE AND DEFINITIONS

h. The term "Cost of Service Connection" shall mean the sum of the cost of the labor, materials, transportation, equipment, and road repair, if any, cost of equity capital, and other incidental charges necessary for the complete installation of a service connection.

i. "Development" shall mean the improvement of, or construction of improvements on, a lot or lots. The term shall include without limitation any subdivision, single and/or multifamily residential projects, planned development projects, cluster developments, site development projects, condominium projects, commercial projects, shopping centers, shopping villas, golf courses, tennis clubs, recreational centers, public facilities, schools, churches, industrial projects and all other improvements to lots.

j. The term "Garbage" shall mean the solid wastes from the preparation, cooking, and dispensing of food and from the handling, storage and/or sale of produce, meat, poultry, fish, or any other item of food.

k. "Garbage Properly Shredded" shall mean garbage that has been properly shredded to such a degree that all particles will be carried freely under normal flow conditions in the Company's sewerage system.

l. "Offsite Facilities" shall mean collection or trunk sewers which connect the individual building sewers within a particular Development to the nearest practicable point designated by the Company in the Company's wastewater system having a capacity adequate to receive and accommodate the Development's wastewater discharge.

m. "pH" shall mean the logarithm of the reciprocal of the weight of hydrogen ions in grams per liter (gm/l) of solution.

n. "Service" shall mean the provision of wastewater service by the Company to Consumers within the service limits established by the Company and approved by the Public Utilities Commission.

o. "Service Connection" shall mean the point and installation where the Company's sewer is connected to the building sewer.

SECTION 1 CONT'D
PURPOSE AND DEFINITIONS

p. "Slug" shall mean any discharge of water, sewage, or industrial waste which in connection of any given constituent or in quantity of flow exceeds for any period of duration longer than 15 minutes) five times the average 24-hour concentration of flows during normal operation.

q. "Special Facilities" shall mean those sewerage facilities (including, without limitation, pumping stations, force mains and sewer mains) which in addition to the Company's then existing wastewater system may be necessary or reasonably required by the Company to transport and dispose of a particular Development's wastewater.

r. "Wastewater Treatment Plant" shall mean the wastewater treatment facilities owned by the Company located at Keauhou, Hawaii where the wastewater generated within the service limits is processed and treated.

SECTION 2
GENERAL PROVISIONS

2.1 Any prospective Consumer whose premises are within the service limits established by the Company may upon compliance with these Rules and Regulations obtain wastewater treatment service from the Company.

2.2 The amounts to be paid for service shall be in accordance with the rates on file with the Public Utilities Commission of the State of Hawaii (PUC herein). The Company will be applying to the PUC for wastewater service rate increases from time to time to cover any and all costs, including without limitation, costs of a) operation, b) initial capital and plant improvements, c) future capital and plant improvements, d) improvements required for compliance with applicable county, state, federal and agency environmental and other laws and regulations, and e) other reasonable and appropriate items as authorized by the PUC. All costs for initial and future capital and plant improvements are not and have not been included in each owner's purchase price of respective residences, condominiums, or hotels.

2.3 The Company shall not be obligated to provide service to an applicant for service until the applicant has paid, in full, any applicable service extension charge, and/or contribution in aid of construction.

2.4 Application for service and service connection shall be made in accordance with these Rules and Regulations.

2.5 An applicant for service may be required to establish or reestablish credit in accordance with these Rules and Regulations. A deposit may be required in connection with service, in accordance with Section 4 of these Rules and Regulations.

2.6 Billing, payment of bills, late payment charges and costs of collection for service shall be in accordance with these Rules and Regulations.

SECTION 3
APPLICATION FOR SERVICE AND SERVICE CONNECTION

3.1 Each prospective consumer will be required to sign the standard application form for the service desired, assuming responsibility for the payment of future charges for service at the designated location, before service will be provided for any use whatever. The person signing the application form shall be the Consumer and shall be liable for the payment of all charges for service at the designated location. The application form shall require the following information:

a. Name of applicant.

b. Location of premises to be served.

c. Date applicant will be ready for service.

d. Whether the premises have been heretofore supplied.

e. Purpose for which service is to be used, with description of equipment.

f. Whether applicant is fee owner or ground lessee of premises.

g. Mailing address.

h. Business address and occupation.

i. Reference is requested.

j. Such other information as the Company may reasonably require, including, without limitation, plans and specifications for any building sewer proposed by the Consumer.

3.2 All persons or entities using the Company's wastewater system, irrespective of whether or not they have signed an application for service, shall comply with the Rules and Regulations and the rate schedules of the Company.

SECTION 3 CONT'D
APPLICATION FOR SERVICE AND SERVICE CONNECTION

3.3 The application is merely a request for service and does not bind the Company to serve except under conditions and provisions of these Rules and Regulations.

3.4 Service may be granted only to property owners or to those having leases with at least a one (1) year term. Service may be provided to tenants of any lessee or owner if the lessee or owner will guarantee the tenant's service charges.

3.5 Unless otherwise provided by mutual written agreement between the Company and the Consumer, charges will begin when connection of the building sewer is made to the Company's sewer and will continue thereafter until disconnected by the Consumer or by the Company for failure of the Consumer to comply with the Rules and Regulations. In the case of effluent service, charges will begin when effluent is delivered by the Company to the Consumer's facilities.

3.6 When an application for service is made by a Consumer who was responsible for and failed to pay all bills previously rendered by the Company, the Company may refuse to furnish service to such applicant until the outstanding bills are paid.

3.7 A Consumer having a right to possession of property without having made application to the Company for service to such property, shall be held liable for the service from the date for which the Company last received payment. If proper application for service is not made upon notification to do so by the Company, and if accumulated bills for service are not paid within thirty (30) days after deposit in the United States mail or upon presentation to the Consumer, the service shall be subject to discontinuance without further notice.

3.8 A Consumer, prior to making any material change in the location, size, flow, character, or extent of the equipment or operations for which the Company's service is utilized, shall give the Company written notice of the extent and nature thereof together with the plans and specifications therefore not less than sixty (60) days before the change is to be undertaken. The extent and nature of the change shall be subject to the Company's approval, which approval may be contingent upon the Consumer's payment of the cost of any alteration to the Company's wastewater system as provided in Section 5, Rule 5.8 below. The Company's failure to approve or disapprove the change within sixty (60) days after receipt of written notice thereof shall be construed as approval.

SECTION 4
ESTABLISHMENT AND REESTABLISHMENT OF CREDITS AND DEPOSITS

4.1 Establishment of Credit. Each applicant for service will be required to establish credit in one of the following ways before service will be rendered:

a. Establish a record of prompt payment for service for one (1) year and without having been disconnected for nonpayment during such period.

b. Have a substantial equity in the premises to be served, or in other real estate located within the Company's area of service of substantial value in relation to charges for service to be rendered.

c. Furnish a guarantor satisfactory to the Company to secure payment of bills for the service requested.

d. Make a cash deposit to secure payment of bills for service to be furnished by the Company, as provided in Rule 4.3.

4.2 Reestablishment of Credit.

a. An applicant who previously has been a Consumer of the Company and whose service has been discontinued for nonpayment of bills shall be required, before service is rendered, to pay all amounts owning to the Company and to establish credit as provided in Rule 4.1.

b. A Consumer may be required to reestablish his credit in the manner prescribed in paragraph "a" of this rule in case the basis on which credit was originally established has materially changed.

4.3 Deposits. The amount of the deposit, when required under this section, shall be $100.00. The deposit shall earn 2%~ simple interest per year. The deposit shall be refunded in cash or may be applied as credit against the Consumer's bill, after establishing a record of prompt payment for twelve (12) consecutive months, at the sole option of the Company.

SECTION 5
CONNECTIONS AND CUT-OFFS

5.1 Service Connection. When the application for a service connection has been approved, such connection shall be installed within the right of way or such other areas as approved by the Company, at the Company's election, (i) by the Consumer at the Consumer's expense, or (ii) by the Company at the Consumer's expense. Thereafter the connection shall be and remain the sole property of the Company, with the Company responsible for its maintenance and repair. The size, alignment, materials and method of construction, including without limitation, jointing and testing of the service connection shall conform to the building and plumbing code or other applicable rules and regulations of the County of Hawaii and the Company. In the event of any conflict between the building and plumbing code or other applicable rules and regulations of the County of Hawaii and the Rules and Regulations of the Company, the stricter shall apply, unless otherwise agreed to by the Company.

5.2 Connection Charge. If the Company deems it necessary under the circumstances, it may at its option install the Consumer's service connection at the Consumer's expense. In such event a charge equal to the Company's estimate of the cost of the service connection, but in no event less than $500.00, will be paid by the applicant before the connection is installed. If the actual cost is less than the payment, the applicant will be refunded the difference. If the actual cost is more than the payment, the applicant shall pay the difference to the Company upon receipt of the Company's billing for the actual cost.

5.3 Building Sewer. The Consumer shall install his building sewer at his expense. The building sewer shall at all times remain the sole property of the Consumer, who shall be responsible for its maintenance and repair. The size, slope, alignment, materials and method of construction of the building sewer, including without limitation, the methods to be used in excavating, placing of pipe, jointing, testing and backfilling the trench, shall conform to the requirements of the building and plumbing code or other applicable rules and regulations of the County of Hawaii and the Company. In the event of any conflict between the building and plumbing code or other applicable rules and regulations of the County and the Rules and Regulations of the Company, the stricter shall apply, unless otherwise agreed to by the Company. Wherever any drain is too low to permit gravity flow to the Company's sewer, sewage carried by such drain shall be lifted by an approved means and discharged to the Company's sewer.

5.4 Connection to Company's Sewer Main. Only employees of the Company or duly licensed contractors approved by the Company will be allowed to connect or disconnect the service connection to or from the Company's sewer main.

SECTION 5 CONT'D
CONNECTIONS AND CUT-OFFS

5.5 Size of Service Connection. The Company will determine the location and size of all service connections to its system. The Company also reserves the right to limit the number of houses or buildings and/or the area of land to be serviced by any one or more service Connections.

5.6 Change in Location or Size of Service Connection. If the Consumer desires a change in size of the service connection or a change in the location thereof, the Consumer shall bear all costs of such change.

5.7 Sewer Clean-Out. A readily accessible sewer clean-out will be installed by the Consumer on his building sewer at a location to be determined by the Company. If a replacement or further installation of the clean-out is necessary, it shall be done and paid for by the Consumer.

5.8 Alteration to Sewerage System. All work and materials in connection with the change in location, elevation or alterations of any kind whatsoever to any part of the Company's existing sewerage system made necessary or required by any change in location, flow, character, size or extent of the equipment or operations for which the Company's service is utilized, shall be done and furnished by the Company or duly licensed contractors approved by the Company and paid for by the Consumer. All such work and material when completed and installed shall be and remain the sole property of the Company, but shall be paid for by the Consumer.

5.9 Construction and Donation of Sewerage Facilities Due to Development. An applicant requesting service of a Development shall give the Company written notice of the extent and nature thereof together with the plans and specifications therefor not less than ninety (90) days before the construction of the Development is to be undertaken. The extent and nature of the Development with respect to wastewater disposal shall be subject to the Company's approval, which approval will be contingent upon the applicant's installation of the wastewater facilities within the Development and such other Offsite and Special Facilities as may be necessary or required by the Company. Upon installation of all such Facilities and the acceptance thereof by the Company, the applicant shall forthwith donate same to the Company at no cost to the Company. Applicant shall pay any and all federal, state, county or other governmental taxes which shall be or become due and payable by the Company as a result of the donation and/or contribution of any and all facilities to Company. If the Company should require the installation of Offsite and/or Special Facilities in excess of the specific requirements of the applicant's Development, the Company will reimburse the applicant the incremental cost of such excess capacity upon the applicant's donation of such Facilities to the Company. The foregoing requirements are in addition to any contribution in aid of construction charge the applicant may be required to pay because of Development

SECTION 6
PAYMENT OF BILLS

6.1 Bills. The Consumer will be billed monthly, in advance, for the sewer service charge. Sewer service charges shall be due and payable, in advance, on or before the first day of each month. Payment shall be made at the office of the Company or, at the Company's option, to duly authorized collectors of the Company. If any bill is not paid within 30 days after the due date, the Company may disconnect service after the Company has made a reasonable attempt to effect collection and has given the Consumer written notice that the Consumer has at least five (5) business days within which to settle the Consumer's account or have service disconnected.

6.2 Late Payment Charge. If the charges payable hereunder by the Consumer are not paid on or before the due date, there shall be added as a late payment charge an amount equal to one percent (1%) per month of the delinquent balance.

6.3 Collection Costs. In addition to any late payment charges, Consumer is responsible for any court costs and attorney's fees incurred in collecting any bills.

6.4 Billing to Association. Where owners of residential units are required to belong to a condominium association or homeowner's association, the Company shall have the right to bill such association for all charges attributable to such units.

SECTION 7
UNACCEPTABLE WASTES

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

7.2 No person shall discharge or cause to be discharged any of the following described waters or wastes to any sewers of the Company:

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 the wastes as discharged to the sewer of the Company.

c. Any waters or wastes having a pH lower than 5.5 or having any other 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 sewerage 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.

e. Any other substance, of whatever nature or form, disposal of which is prohibited by applicable federal, state, county or agency environmental or other law, rule or regulation.

SECTION 7 CONT'D
UNACCEPTABLE WASTES

7.3 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 the Company that such wastes can 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 these wastes, the Company 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 treatment process, capacities of the sewage treatment plant, degree of treatability of wastes in the treatment plant, and other factors. These substances are:

a. Any liquid or vapor having a temperature higher than one hundred fifty degrees (150°) F.

b. Any waters 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 degrees (150°) 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 the Company.

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 treatment works exceeds the limits established by the Company 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 the Company as necessary, after treatment of the composite sewage, to meet the requirements of the state, federal, or other public agencies of jurisdiction for such discharge to the receiving waters.

SECTION 7 CONT'D
UNACCEPTABLE WASTES

g. Any radioactive wastes or isotopes of such half-life or concentration as may exceed limits established by the Company in compliance with 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 (biochemical oxygen demand) or chlorine requirements in such quantities as to constitute a significant load on the wastewater treatment facilities.

(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 wastewater treatment process employed, or are amenable to treatment only to such degree that the treatment plant effluent cannot meet the requirements of agencies having jurisdiction over discharge to the receiving waters.

7.4 If any waters or wastes are discharged, or are proposed to be discharged to the Company's sewers, which waters contain the substances or possess the characteristics enumerated in this section, and which in the judgment of the Company may have a deleterious effect upon the wastewater treatment facilities, processes, equipment, or receiving waters, or which otherwise create a hazard to life or constitute a public nuisance, the Company may:

a. Reject the wastes,

b. Require pretreatment to an acceptable condition for discharge to the sewers of the Company,

SECTION 7 CONT'D
UNACCEPTABLE WASTES

c. Require control over the quantities and rates of discharge to the sewers of the Company,

d. Require payment to cover the added cost of handling and treating the wastes not covered by existing charges under the provisions of this section.

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

7.5 If the Company permits the pretreatment or equalization of waste flows, the design and installation of the plants and equipment shall be subject to the review and approval of the Company, and subject to the requirements of all applicable federal, state and county codes, ordinances, and laws.

7.6 Grease, oil, and sand interceptors shall be provided when, in the opinion of the Company, they are necessary for the proper handling of liquid wastes containing grease in excessive amounts, or any flammable wastes, sand, or other harmful ingredients. All interceptors shall be of a type and capacity approved by the Company and shall be located as to be readily and easily accessible for cleaning and inspection.

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

7.8 When required by the Company, the Consumer having any property serviced by a building sewer carrying industrial or commercial 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 the Company. The manhole shall be installed by the Consumer at Consumer's expense and shall be maintained by Consumer so as to be safe and accessible at all times.

7.9 All measurements, tests, and analyses of the characteristics of water 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, and shall be determined at the control manhole or at such sampling station or stations as the Company deems appropriate.

SECTION 7 CONT'D
UNACCEPTABLE WASTES

7.10 In the event that no special manhole has been required, the control manhole shall be considered to be the nearest downstream manhole in the Company'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 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 suspended solids analyses are obtained from 24-hour composites of all outfalls whereas pH's are determined from periodic grab samples.)

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

SECTION 8
INTERRUPTION OF SERVICE

8.1 The Company will exercise reasonable diligence and care to provide adequate 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.

8.2 The Company reserves the right at any and all times to shut off service for the purpose of making repairs, extensions, alterations, or for other reasons related to the operation of the Company's wastewater system. Except in the case of emergency repairs, the Company shall use best efforts to give the Consumer at least 24 hours notice before shutting off service. Repairs or improvements will be prosecuted as rapidly as practicable and, insofar as practicable in order to minimize inconvenience to the Consumer.

SECTION 9
DISCONTINUANCE OF SERVICE

9.1 Nonpayment of Bills. Service may be discontinued for nonpayment of a bill within the period prescribed in Section 6.1 of these Rules and Regulations. In addition, the Company shall have the right to refuse to provide service in accordance with Section 3.6 herein.

9.2 Noncompliance With the Company's Rules and Regulations. If the Consumer fails to comply with any of these Rules and Regulations, or tampers with the service facilities of the Company, the Company reserves the right to discontinue the service within five (5) days after written notice of intent to do so is deposited in the United States Mail or presented to Consumer.

SECTION 10
LIABILITY FOR REPAIR COSTS

10.1 The Consumer shall be liable for any damage to equipment or property of the Company wherever located caused by the Consumer or his tenants, agents, employees, contractors, licensees, or permittees, and the Company shall be promptly reimbursed by the Consumer for any such damage upon presentation of a bill therefor. Any damage to Company facilities shall be reported as soon as possible.

SECTION 11
INGRESS TO AND EGRESS FROM CUSTOMER'S PREMISES

11.1 Any officer, employee, contractor, or agent of the Company shall have the right to ingress to and egress from the Consumer's premises at all reasonable hours for any purpose reasonably connected with the furnishing of service to said premises or the operation of the Company's wastewater system and the exercise of any and all rights secured to it by law or these Rules and Regulations.

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

11.3 As a condition of receiving service, a Consumer shall provide the Company with all necessary grants of easements and/or access rights over and across lands not owned by the Company, as may be reasonably required by the Company in order to provide service to the Consumer

SECTION 12
CUSTOMER RESPONSIBILITY

12.1 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 utilizing the service supplied by the Company.

SECTION 13
CONTRIBUTION IN AID OF CONSTRUCTION

13.1 As a condition of receiving service or substantially increasing wastewater outflow volume from new or substantially modified premises, developers, commercial applicants, public consumers, and/or private consumers shall be required to pay a non-refundable contribution in aid of construction to the Company.

13.2 Contribution in aid of construction (CIAC) payments are used by the Company to install or pay for existing, new, or expanded collection and/or treatment plant facilities required to serve such applicants or consumers.

13.3 The contribution in aid of construction required as a condition of service to a new premises shall be payable only once for the premises, unless the premises are substantially modified at which time an additional contribution in aid of construction may be required. Substantially modified shall mean a change in the character, use, size, or activity of the premises which increases wastewater flow by twenty per cent or more of the originally estimated flow.

13.4 The contribution in aid of construction for existing plant improvements shall be based upon (a) cost as accounted for in the Company's books plus (or minus) an amount equal to the increase (or decrease) in the Consumer Price Index ("CPI") for Urban Consumers for Pacific Cities - Honolulu Metropolitan Area - All Items (1967 = 100) from the six month index immediately preceding the completion of construction for each plant component to six month index immediately preceding the date of payment of the CIAC, and (b) the new or increased wastewater flow from the Consumer's premises, as determined by County and State design standards. For purposes of calculating the CPI increase, the date of completion of construction of the initial plant components shall be January 18, 1993. If such CPI index is no longer published, a comparable index published by the United States Department of Labor shall be used.

13.5 The contribution in aid of construction shall be calculated on the basis of the Company's estimate of (a) the cost of installing the existing, new, or expanded wastewater treatment facilities, and (b) the new or increased wastewater flow from the consumer's premises, as determined by County and State design requirements.

SECTION 13 CONT'D
CONTRIBUTION IN AID OF CONSTRUCTION

13.6 The Company reserves the right to evaluate each development or unit for design wastewater flows expected from such developments and to charge each an amount based upon the applicable cost rate and the design wastewater flow expected.

13.7 The contribution in aid of construction shall be payable (a) on issuance of a "will serve" letter by the Company to the particular applicant for service, and/or (b) prior to connection of the respective premises to the Company's wastewater system.

13.8 Service shall be denied to or disconnected from applicants and consumers who fail to make the contribution in aid of construction payment as described in these rules.

13.9 In addition to the CIAC charges, applicants and/or consumers shall pay to the company any and all applicable federal, state, and county taxes (including without limitation any general excise and income taxes), charges, fees, or assessments applicable to the CIAC payment and incurred by or payable by the Company.

SECTION 14
TARIFF RATES

14.1 Tariff rates for the current monthly service charges and contribution in aid of construction shall be published separately in an appropriate schedule.

14.2 These schedules shall be revised from time to time as rates change and as they are approved by the PUC.

SCHEDULE OF WASTEWATER CONTRIBUTIONS IN AID OF CONSTRUCTION

The basic cost of improvements associated with contributions in aid of construction ("CIAC") pursuant to Section 13 of the Company's Rules and Regulations shall be as follows:

Customer Class		Charge
Single Family Residential Unit	$	2,889 per dwelling
Multi-Family Dwelling Unit	$	2,889 per dwelling
Hotel	$	3,399 per guest room
Other facilities:	$	8.50 per gallon per day of estimated wastewater flow as determined by the current design standards

The CIAC shall be increased (or decreased) by an amount equal to the increase (or decrease) in the Consumer Price Index ("CPI") for Urban Consumers for Pacific Cities - Honolulu Metropolitan Area - All Items (1967 = 100) from the six month index immediately preceding the completion of construction for each plant component to the six month index immediately preceding the date of payment of the CIAC. For purposes of calculating the CPI increase (or decrease), the date of completion of construction of the initial plant components shall be January 18, 1993. If such CPI index is no longer published, a comparable index published by the United States Department of Labor shall be used.

These rates have been authorized by the Hawaii Public Utilities Commission in its Interim Decision and Order No. 18687, Docket No. 00-0194, July 23, 2001, and Decision and Order No. 18891, September 14, 2001.

SCHEDULE OF WASTEWATER RATES

Customer Class	Charge
Single-Family Residential	$40.50 per dwelling / month *
Multi-Family Residential	$40.50 per dwelling / month *
Hotels	$49.17 per guest room
All other facilities	$ 5.59 per 1,000 gallons of design water flow as determined by applicable State or County standards

These charges are exclusive of any hook-up fees, connection fees, contributions in aid of construction, and/or any other charges which any be assessed pursuant to the rules and regulations approved by the Commission

These rates have been authorized by the Hawaii Public Utilities Commission in its Interim Decision and Order No. 18687, Docket No. 00-0194, July 23, 2001, and Decision and Order No. 18891, September 14, 2001.

* Pursuant to the Commission's Decision and Order No. 18891, the single-family and multi-family residential rates will increase to $42.14, effective February 1, 2002.