



Water Service Line Protection Program Terms and Conditions

Policy Statement

The Water Service Line Protection Program [The Program] provides owners of residential properties affordable protection against the significant costs of repair or replacing leaking water service lines. In addition to providing a valuable service to OPU customers, the program is intended to minimize disruption and public hazard due to leaks which would not otherwise be repaired in a timely manner.

Eligibility

The Program is available to OPU residential water customers for properties which are served by a 1" or smaller service line. The program is not available for houses not attached to a permanent foundation or houses having water service lines which OPU determines in its sole discretion are improperly installed, are in a state of disrepair, or have adverse pre-existing conditions (e.g. existing leaks).

Coverage

Water service lines are property of the homeowner, who has the responsibility to repair any damage between the corporation stop and the inlet meter valve. Water mains, water meters, and meter couplings are the property of and maintained by the Owatonna Public Utilities. The Program will cover the cost of repair or replacement of the customer owned service line, including the corporation stop, service line, curb stop, curb stop box, and inlet meter valve. Coverage will also include back filling trenches and restoration of the road right-of-way for repairs covered under the Program. Restoration will include the street, curb, public sidewalk, boulevard, and driveway approach up to the property line. Thawing of a frozen service line will be covered under the Program once per year. In the case where an OPU owned main is buried under private property (ie. private road), restoration of private property, including road and sidewalk, will be covered up to the point 10 feet to the house side of the curb stop box.

Restoration from the property line to the building, including landscaping, sod, and restoration inside the building will be the responsibility of the home owner. The Program will not cover: incidental or consequential damage resulting from water service line break or leak; repair of customer-owned utilities, irrigation systems, and dog fences; required service line upgrades in conjunction with street projects; improperly installed service lines; pre-existing conditions*. The outlet meter valve and customer piping will not be covered under the Program. The following curb stop box items will not be covered: broken cover, silted in box, vertical adjustment of box, relocation, bent or misalignment, seized operating nut, customer/third party damage, and damage from natural disaster or fire. When curb stop and meter valve are both inoperable, repair of meter valve will be covered.

See back page for typical service diagram.

Billing and Fees

Eligible homeowners will be automatically enrolled in the Program on January 1, 2015. Homeowners will receive coverage free of charge through December 31st, 2015. During the trial period, a \$1.99 charge and offsetting \$1.99 credit will be applied to bills. After the trial period, homeowners will be charged \$1.99 per month, billed with their water services. Fees are subject to change and will be reviewed annually.

Opt-Out

Customers may opt-out of protection at any time. Opt-out shall be made in writing using OPU supplied, postage paid opt-out form, or in person. Customers wishing to opt-out over the phone shall be mailed the opt-out form to be signed and returned. Protection will be canceled within 5 days of receipt of completed opt-out form. Customers enrolling after January 1, 2016 who choose to opt-out at a later time will be refunded the first 3 months of fees as a credit on their next billing statement.

Opt-In

Customers who have previously opted-out of the Program may opt-in at a future date but protection will be contingent to a pre-existing conditions inspection by OPU. If no pre-existing conditions are found, the customer will have full protection under the Program and shall be billed the monthly fee. The free-trial period shall not be valid for customers previously opted-out.

Customer Responsibilities

The leaking service line shall be reported to OPU by the Customer in a timely manner. Customer shall be responsible to grant access to the property, including interior areas of the home in which the work will be completed, to authorized representatives of the Contractor and OPU. Customer must be current on their payments for the Program to be in effect. Customer not current will be allowed to bring their payment current. Restoration from the property line to the building and restoration inside the building shall be the responsibility of the customer.

Utility Responsibilities

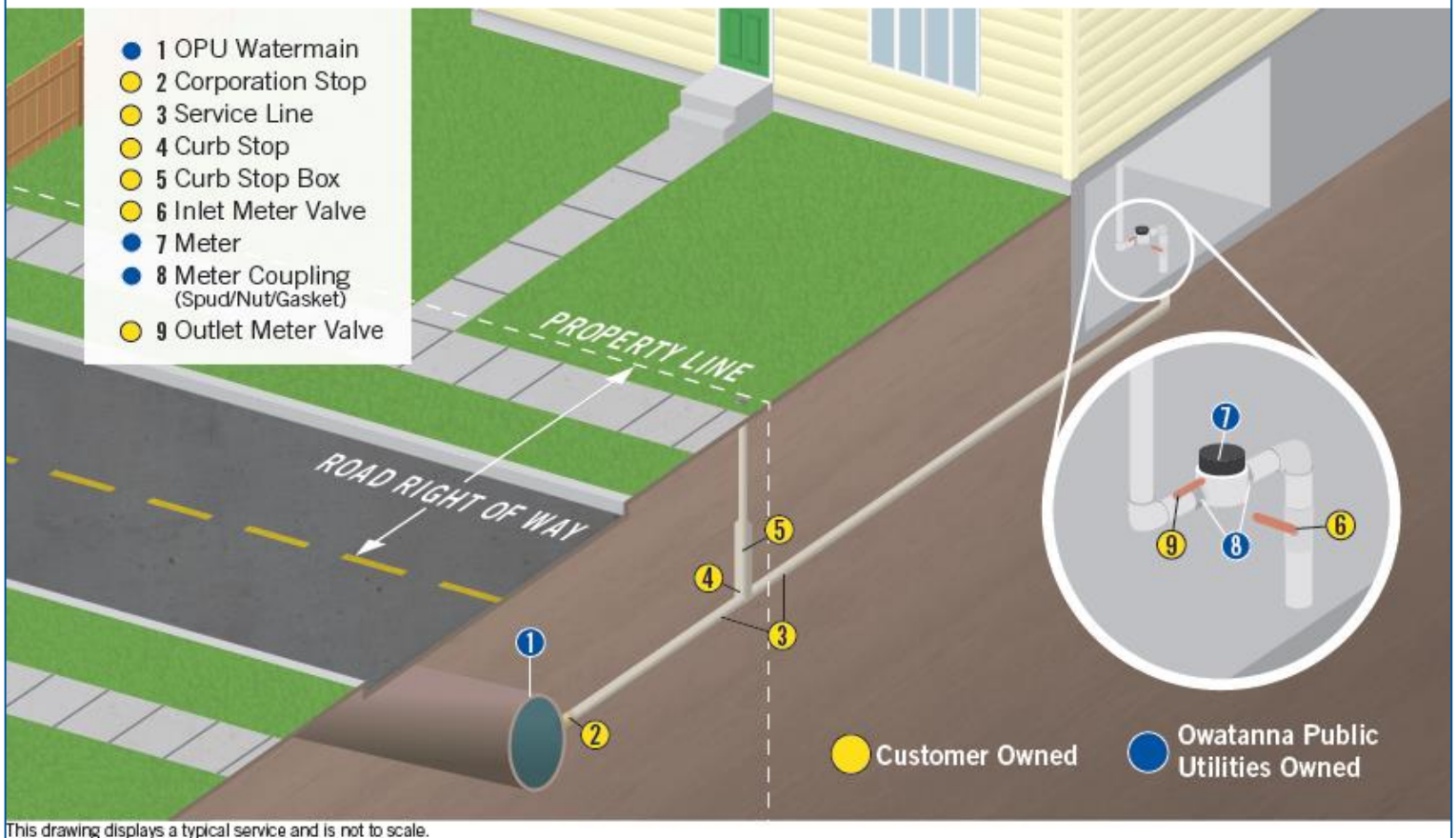
OPU shall be responsible for inspecting leaks, breaks, or other damaged water service lines to determine eligibility. After determining eligible damage exists, OPU will contact, schedule, and pay services provided by the Contractor. OPU shall take all steps to ensure timely repair or replacement of covered equipment and restoration of property covered under the Program.

SERVICES COVERED

- Thawing a frozen water service line once/year.
- Repairing water service line from the **2 Corporation Stop** to the **6 Inlet Meter Valve**.
- Restoration of the road right-of-way, including street, curb, public sidewalk, boulevard and driveway approach.
- Backfilling of trench created by maintenance work between the property line and building.

NOT COVERED

- Incidental or consequential damage resulting from water service line break.
- Repair of customer-owned utilities, irrigation systems, dog fences, etc.
- Restoration from property line to building.
- Restoration inside building.
- Required service line upgrades in conjunction with street projects.
- Improperly installed service lines.
- Pre-existing conditions.



*Pre-existing conditions will be determined at the sole discretion of the Owatonna Public Utilities.

This document summarizes the Terms and Conditions laid out within the *Water Service Line Protection Program Policy* and section C6.0 of the *Water mains Specifications, Specifications for Water Service Line Protection Program*. Terms and Conditions may change as allowed by a policy change signed and authorized by Owatonna Public Utilities Commissioners or a change in specifications as authorized. This summary may include quotes or summarizations from the above listed documents.