OPERATING RULES

of the

BOARD OF WATER COMMISSIONERS

CITY AND COUNTY OF DENVER

Denver, Colorado

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ARTICLE X
CHARTER OF THE
CITY AND COUNTYOF DENVER

Amended November 7, 2006

§10.1.1 Board of Water Commissioners created. There shall be and hereby is continued and created a non-political Board of Water Commissioners of five members, to have complete charge and control of a water works system and plant for supplying the City and County of Denver and its inhabitants with water for all uses and purposes.
(Charter 1960, C4.14; amended May 19, 1959)

§10.1.2 Appointments to Board. On the second Monday in July of odd-numbered years, the Mayor shall appoint one or two Commissioners, as the case may be, for terms of six years each to succeed those whose terms are expiring. The members of the Board of Water Commissioners shall each continue in office until their successors are appointed and qualified. Any vacancy on the Board shall be filled promptly by appointment by the Mayor. Each appointee shall be a citizen of the United States, a resident of the City and County of Denver, and at least 25 years of age. If a member of the Board shall cease to be a resident of Denver, the individual shall thereupon cease to be a member of the Board.
(Charter 1960, C4.15; amended May 19, 1959; Ord. No. 428-02, § 1, 6-3-02, elec. 8-13-02; Ord. No. 659-02, § 1, 8-26-02, elec. 11-5-02)

§10.1.3 Compensation and bonds. The commissioners shall each receive compensation of $600.00 per annum. Each Commissioner shall give an oath or affirmation and give an official bond in an amount and conditioned and approved as provided by the Board by resolution. The Board may require the Treasurer of the City and County of Denver to give bond conditioned in such manner as shall be determined by the Board. The premiums on all such bonds shall be paid out of the Water Works Fund.
(Charter 1960, C4.16; amended May 19, 1959; amended November 3, 1998; Ord. No. 659-02, § 1, 8-26-02, elec. 11-5-02)

§10.1.4 Board Meetings. The Board shall hold two regular meetings each month on such days as it may by resolution determine, and special meetings at such other times as it may deem necessary. All meetings shall be open and public. If any member of the Board shall be absent for three successive regular meetings, unless excused by vote of the Board, he or she shall cease to be a member and the office shall be deemed vacant.
(Charter 1960, C4.17; amended May 19, 1959; Ord. No. 428-02, § 1, 6-3-02, elec. 8-13-02; Ord. No. 659-02, § 1, 8-26-02, elec. 11-5-02)

§10.1.5 General powers. The Board shall have and exercise all the powers of the City and County of Denver including those granted by the Constitution and by the law of the State of Colorado and by the Charter in regard to purchasing, condemning and purchasing, acquiring, constructing, leasing, extending and adding to, maintaining, conducting and operating a water works system and plant for all uses and purposes, and everything necessary, pertaining or incidental thereto, including authority to dispose of real or personal property not useful for or required in the water works operation. The Board shall have authority to generate and dispose of electric energy for water works purposes or any other purpose of the City and County of Denver. The Board may lease water facilities or the flow of water for generation of electric energy and may

sell surplus energy, provided that nothing herein shall be construed as permitting the Board to distribute electric energy to the general public. The Board shall have power in the name of the City and County of Denver to make and execute contracts, take and give instruments of conveyance, and do all other things necessary or incidental to the powers herein granted, and in so doing may make such special designation in such instruments as will indicate the capacity in which the City and County of Denver is acting when such actions are taken by or on behalf of the Board of Water Commissioners. The customary practice of dealing in the name of "City and County of Denver, acting by and through its Board of Water Commissioners" is hereby confirmed and approved. The Board shall institute and defend all litigation affecting its powers and duties, the water works system and plant, and any of the Board's property and rights. In any matter affecting the powers, duties, properties, or trusts of the Board, process shall be served on the Board. The Manager of Denver Water is hereby designated as the officer upon whom process may be served in any matter in which the Board of Water Commissioners has the sole authority for the municipal corporation.
(Charter 1960, C4.18; amended May 19, 1959; Ord. No. 428-02, § 1, 6-3-02, elec. 8-13-02)

§10.1.6 Manager and personnel. The property and personnel under control of the Board shall be referred to generally as Denver Water. The Board shall designate a Manager, who shall cause the Board's policies and orders to be executed and shall bring to the Board's attention matters appropriate for its action. The Board shall have power to employ such personnel, including legal staff, and fix the classifications thereof as it may deem necessary. All such personnel shall be hired and dismissed on the basis of merit. The Board shall define the duties of each of its employees and fix the amount of their compensation. It shall be the duty of the Board to carry out the intent and requirements of Article XX of the Constitution of the State of Colorado with respect to civil service for public utilities and works and to perform the customary functions of a civil service commission with respect to all Board employees. In performing the functions of a civil service commission, the Board or its designee shall have the power to conduct hearings, administer oaths and issue subpoenas enforceable in the County Court of the City and County of Denver. The Board may establish classifications of employment for persons outside the civil service system who serve solely at the pleasure of the Board. Such employees shall include the number of temporary employees the Board deems necessary and not more than 2% of all regular employees of the Board.
(Charter 1960, C4.19; amended May 19, 1959; amended November 3, 1998; Ord. No. 659, § 1, 8-26-02, elec. 11-5-02)

§10.1.7 Water Works Fund. There is hereby created a Water Works Fund into which shall be placed all revenues received from the operation of the Water Works system and plant together with all monies received by the Board from other sources. The Board shall maintain records in compliance with generally accepted accounting principles sufficient for reliance by the Manager of Finance in faithfully accounting for the Water Works Fund. The Board shall promptly deposit all receipts into a bank account in the name of the City and County of Denver acting by and through its Board of Water Commissioners. The Board may invest such funds until they are required for operations of the Board. Monies shall be paid out of the account only upon the authority of the Board and evidenced as required pursuant to procedures established by the Manager of Revenue.
(Charter 1960, C4.20; amended May 19, 1959; amended August 11, 1992; Ord. No. 659, § 1, 8-26-02, elec. 11-5-02, elec. 11-7-06)

§10.1.8 City Auditor. The Auditor of the City and County of Denver shall audit or cause to be audited the accounts of the Board at least annually and make a report of his or her findings to the Council of the City and County of Denver. The Board shall make all of its accounts and records

fully available to the Auditor to enable the Auditor to carry forward these duties that shall be performed without interference with the water works function. Unless excepted by the Audit Committee as provided in section 5.2.2(C), the Auditor, or some person designated by him or her, shall sign all warrants, countersign and register all bonds and written contracts (with the privilege but without the necessity for keeping copies thereof). The Auditor may authorize the affixing of his or her signature by mechanical means.
(Charter 1960, C4.21; amended May 19, 1959; Ord. No. 428-02, § 1, 6-3-02, elec. 8-13-02; Ord. No. 659-02, § 1, 8-26-02, elec. 11-5-02, elec. 11-7-06)

§10.1.9 Water rates. The Board shall fix rates for which water shall be furnished for all purposes within the City and County of Denver, and rates shall be as low as good service will permit. Rates may be sufficient to pay for operation, maintenance, reserves, debt service, additions, extensions, betterments, including those reasonably required for the anticipated growth of the Denver metropolitan area, and to provide for Denver's general welfare. The rates may also be sufficient to provide for the accumulation of reserves for improvements of such magnitude that they cannot be acquired from the surplus revenues of a single year.
(Charter 1960, C4.22; amended May 19, 1959)

§10.1.10 Uniformity of rates. Except as herein otherwise specifically provided, rates charged for water furnished for use inside the city limits of the City and County of Denver shall be uniform as far as practicable and so related to the service furnished or the volume of water used as to bring about a fair and equitable distribution among all water users of the total amount to be realized from revenues derived from the sale of water used within the City and County of Denver. No special rate or discount shall be allowed to any property, entity, person or class of persons except as in this charter specifically provided.
(Charter 1960, C4.23; amended May 19, 1959)

§10.1.11 Enforcement of charges. The Board may enforce the payment of any charge by discontinuing service to the premises at which the charge arose without regard to the ownership or occupancy of such premises.
(Charter 1960, C4.24; amended May 19, 1959; Ord. No. 659-02, § 1, 8-26-02, elec. 11-5-02)

§10.1.12 City rates. Commencing January 1, 1960, the Board shall furnish water to the municipal government of the City and County of Denver at rates which shall approximately equal but not exceed the cost of the water furnished, not including items in such rate for debt service, additions, extensions or betterments. Such rate shall not be applicable to agencies or authorities sponsored by or supported by the City and County. The Board shall own, control and operate all water, water rights, structures and facilities of the City and County of Denver pertaining to the Farmers and Gardeners Ditch and the City Ditch. The Board shall furnish water out of the City Ditch or some equivalent source for the use of Denver in City Park and Washington Park, without any charge whatsoever.
(Charter 1960, C4.25; amended May 19, 1959)

§10.1.13 Water leases. The Board shall have power to lease water and water rights for use outside the territorial limits of the City and County of Denver, but such leases shall provide for limitations of delivery of water to whatever extent may be necessary to enable the Board to provide an adequate supply of water to the people of Denver. Every such lease shall contain terms to secure payment of sufficient money to fully reimburse the people of Denver for the cost of furnishing the water together with an additional amount to be determined by the Board. Sales at amounts less than the above minimum may be made if warranted by economic conditions, but a contract providing for such lesser charge shall not extend for more than one year.

(Charter 1960, C4.26; amended May 19, 1959; Ord. No. 659-02, § 1, 8-26-02, elec. 11-5-02)

§10.1.14 Expenses. The entire cost of the operation and maintenance of the water works system and plant under the control of the Board shall be paid from monies of the Water Works Fund. The monies and other assets of the Water Works Fund shall not be used for any purpose except for the management, operation and maintenance of the water works system and plant, including additions, extensions and betterments, for recreational opportunities incidental thereto, and for the payment of interest and principal on bonds and other obligations, the proceeds of which were or shall be used for water works purposes.
(Charter 1960, C4.27; amended May 19, 1959; amended August 11, 1992; Ord. No. 659-02, § 1, 8-26-02, elec. 11-5-02)

§10.1.15 Bonded indebtedness. The Board of Water Commissioners in its sole discretion may issue revenue bonds, the proceeds of which shall be placed in the Water Works Fund and expended for water works purposes, for establishing reserves in connection with such bonds or for refunding the principal of and interest on bonds previously issued by the Board. Revenue bonds shall be payable as to interest and principal solely from the net revenues of the Board. The Board shall pledge to pay the principal and interest on such bonds from revenues of the Board, which pledge shall be irrevocable. The bonds so authorized shall be sold and issued by action of the Board and no other ratification or authorization shall be required. The Board shall have power to refund, pay or discharge the principal of any general obligation bond it issued prior to November 5, 2002, when such bond becomes payable, and may use proceeds of a new revenue bond issuance to refund, pay or discharge the general obligation bonds. Existing or future bonds issued by the Board shall continue to be excluded from the determination of any limit upon the indebtedness of the City and County of Denver.
(Charter 1960, C4.28; amended May 19, 1959; amended May 17, 1983; amended August 11, 1992; Ord. No. 659-02, § 1, 8-26-02, elec. 11-5-02)

§10.1.16 [Reserved]
Editor's note: (Ord. No. 659-02, § 1, adopted August 26, 2002, repealed § 10.1.6, which pertained to bonds of annexed areas and derived from the Charter of 1960, C4.29; amended May 19, 1959)

§10.1.17 Board organization. The Board shall adopt rules governing its organization, the calling of special meetings and the conduct of its business. A majority of the Board shall constitute a quorum and all action by the Board shall be taken by a majority of the whole Board and not otherwise.
(Charter 1960, C4.30; amended May 19, 1959)

§10.1.18 Rules and regulations. The Board may adopt rules and regulations with respect to any matter within its jurisdiction as defined by Charter. It may provide for enforcement of its rules and regulations by imposing special charges in an amount reasonably calculated to secure compliance or recompense for water loss, to achieve water conservation and to reimburse the Board for expenses arising out of violation. In addition to any other lawful remedy, enforcement procedure may include refusal to supply water to a property involved. The City and County of Denver by ordinance may supplement Board rules and regulations and provide penalties for the violation of such an ordinance in the same manner as penalties are provided for the violation of other ordinances. Rules adopted by the Board and within its authority shall supersede any conflicting ordinance provision.
(Charter 1960, C4.31; amended May 19, 1959; Ord. No. 659-02, § 1, 8-26-02, elec. 11-5-02)

§10.1.19 Publication of rules and regulations. Rules and regulations adopted by the Board shall be effective after they shall have remained posted in a conspicuous public place in the principal business office of the Board for a period of fifteen calendar days. Whenever immediate application of a rule or regulation by the Board is necessary for the preservation of the public peace, health or safety, the Board may so declare, and such rule or regulation shall thereupon become effective immediately upon being posted as provided in this section.
(Charter 1960, C4.32; amended May 19, 1959; Ord. No. 659-02, § 1, 8-26-02, elec. 11-5-02)

§10.1.20 Continuity of control of water. The Board may make provision for retaining dominion over the water supply under its control through successive uses of such water, such as reuse and exchange. Such dominion shall not be affected by treatment of wastewater produced by use of the water supply.
(Charter 1960, C4.33; amended May 19, 1959; Ord. No. 659-02, § 1, 8-26-02, elec. 11-5-02)

§10.1.21 Reserved.
Editor's note: (Ord. No. 659-02, § 1, adopted August 26, 2002, repealed § 10.1.21, which pertained to public liability and derived from the Charter of 1960, C4.34; amended May 19, 1959; and Ord. No. 428-02, adopted June 3, 2002, and approved by the electorate August 13, 2002.)

§10.1.22 Conflicting Charter provisions. The provisions of this Article X shall supersede any conflicting provision of the charter existing on May 19, 1959 when this article was adopted.
(Charter 1960, C4.35; amended May 19, 1959; Ord. No. 428-02, § 1, 6-3-02, elec. 8-13-02)

CITY AND COUNTY OF DENVER,

ACTING BY AND THROUGH ITS BOARD OF WATER COMMISSIONERS

RULES

Chapter 1 - GENERAL

1.01 Authority. These Rules are adopted by the Board of Water Commissioners of the City and County of Denver under Article 10.1.18 of the Charter of the City and County of Denver. As provided in that Section of the Charter, these Rules shall supersede within the City and County of Denver any conflicting ordinance provision.

1.02 Effectiveness. These Rules as amended become effective on and after August 28, 2025, and supersede all former rules and regulations which are or may be in conflict with these Rules.

1.03 Amendment of Rules. These Rules may be altered, amended or added to from time to time, and such alterations, additions, or amendments shall be binding and of full force and effect as of their effective date, as defined by Article 10.1.19 of the Charter of the City and County of Denver.

1.04 Severability. If any provision of these Rules or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect any other provision or application, and to this end, the various provisions of these Rules are declared to be severable.

1.05 Definitions. As used in these Rules, unless the context otherwise requires, the words defined in this paragraph shall have the following meanings. Definitions are provided as a matter of convenience and do not limit the authority of the Board.

a. Board. The Board of Water Commissioners or its authorized representative as established by the Charter of the City and County of Denver.

b. CEO/Manager. The Board designated CEO/Manager of Denver Water.

c. Charter. The Charter of the City and County of Denver, as amended from time to time.

d. Combined Service Area (CSA). The City and County of Denver, plus the area within the outer geographical boundaries of the existing and projected service areas of all of the Distributors combined, based on the legal descriptions contained in each Distributor's contract.

e. Conduit. A 24 inch or larger in diameter pipe that carries Recycled, raw, or Potable Nonpotable Water to and from treatment facilities and storage reservoirs and to delivery points that supply the distribution system. Conduits are specifically distinguished from Transmission Mains (16 inch and 20 inch mains) due to head loss constraints.

f. Connector Agreement. A special agreement between the Board and an individual customer to provide water service outside the City and County of Denver from a Denver Water facility to a Licensed Premises that is not within a Distributor's contract area or that cannot be connected to a Distributor's Water System.

g. Consecutive System. A water system owned and operated by a Distributor that does not meet Denver Water's operational and maintenance standards or a private water distribution system owned by an individual entity.

h. Consumption Charge. A charge for water service based on the measured or estimated quantity of water delivered or taken.

i. Day. Calendar days, unless otherwise specified.

j. Decorative Water Features. Non-interactive, aesthetic water features. These are often historic features that can sometimes be considered public art.

k. Denver. Inside the territorial limits of the City and County of Denver, Colorado.

l. Denver Water. The property and personnel under control of the Board as defined by Article 10.1.6 of the Charter.

m. Distribution Main. A 12 inch or smaller diameter pipe that is installed in public streets or appropriate right(s)-of-way and used for the distribution of water to consumers.

n. Distributor. An entity located outside the City and County of Denver but inside the Combined Service Area, which contracts with Denver Water for delivery of Potable Water and does not commingle such water with Potable Water from any other source.

o. Distributor Water System. Water Mains, valves and other appurtenances owned by a Distributor and used to deliver Potable Water from Denver Water's system to Licensed Premises within the Distributor's contract area.

p. Engineering Standards. Standards promulgated by the CEO/Manager of Denver Water and administered by the Chief Engineering Officer, as amended from time to time, that provide uniform requirements for the installation, operation and maintenance of water facilities and the materials and equipment used for such facilities.

q. Fixed Monthly Charge. A fixed, per account charge imposed whenever the License for the premises is active, regardless of water consumption during a billing period. The Fixed Monthly Charge may vary according to the size of the meter or other criteria established by Denver Water.

r. Integrated System. The Denver Water System, Total Service Distributor Water Systems, and those Read and Bill and Master Meter Distributor Water Systems that meet all of Denver Water's operational and maintenance standards and are therefore treated as part of the Water System for testing and reporting to the state health department under Denver Water's Public Water System Identification Number (PWSID).

s. Interactive Water Features. Aquatic venues within a defined space that are designed for bodily contact and that do not collect water more than two inches in depth. Water is sprayed or pumped through a variety of devices such as slides, sprays, fountains, nozzles, jets, channels, water screws, buckets, etc. Interactive water features typically do not require an active lifeguard to be on duty.

t. License. A formal document allowing a customer to receive service from Denver Water for a specified purpose.

u. Licensed Premises. The area to which water service is limited under a particular License, including the contiguous land area and any improvements.

v. Licensee. Any person, association, corporation, entity, or governmental agency who owns or controls the Licensed Premises.

w. Low Flow Water Features. Standalone interactive water play element(s) are usually integrated into a larger playground design. These features are typically flow-through, user-activated features that use less than 65 gallons of water per cycle. Examples include hand pumps, water tables and misters.

x. Manifold Tap. A physical device, pipe fitting or connection that connects to a Distribution Main and branches off to serve multiple Licensee-owned service lines and meter pits, each of which then serves a single property within a common interest community.

y. Nonpotable Water. Water that is suitable for various beneficial uses excluding human consumption (e.g., treated domestic wastewater, groundwater, or raw water).

z. Outside Denver. Outside the territorial limits of the City and County of Denver.

aa. Participation Charge. A charge that may be assessed to an applicant for a License that is based on the location of the Licensed Premises, the size of the Tap, and the specific facilities required to supply the premises.

bb. Potable Water. Water that conforms to state and federal regulations applicable to drinking water.

cc. Private System. A water distribution system not owned or maintained by Denver Water or a Denver Water Distributor. The term may include systems owned by Licensees, companies, individuals, or municipal or quasi-municipal organizations.

dd. Recirculation System. Means the combination of the main drain, gutter or skimmer, inlets, piping, pumps, controls, surge tank or balance tank to provide water recirculation to and from the Water Feature and the treatment systems as required by the applicable local health agency. No treatment system is required for Decorative Water Features not designed for bodily contact.

ee. Recycled Water. Nonpotable Water that has been treated to a level of quality suitable for irrigation or industrial use but not for human consumption.

ff. Water Rules Revocation. Termination of a License for repeated or willful violations of Denver Water's Operating Rules or standards at a Licensed Premises.

gg. Service Line. The pipe, fittings, and appurtenances needed to convey water from the Tap on Denver Water's or a Distributor's facilities to the plumbing of a Licensed Premises.

hh. Stub-In. A connection to a Water Main intended to allow installation of a portion of the service line for taps two inches and smaller prior to setting the meter and activating the License for a particular premises.

ii. Submetering. Use of individual water meters for individual dwelling units within a multi-family residential development, that allows the property owner or manager to assess occupants of the units for water usage.

jj. Suspension. Temporary interruption of water service to a Licensed Premises for nonpayment of fees or charges or for other reasons.

kk. Swimming Pools. A body of water, other than a natural swimming area, maintained exclusively for swimming, recreative bathing, or wading, including therapeutic pools, lazy rivers, or other types of contained water for immersion of the body.

ll. System Development Charge (SDC). A connection charge assessed to an applicant for a License. The SDC may be used to finance system improvements and additions, including but not limited to capital improvements, conservation, and acquisition of water rights. Distributors of Denver Water may also assess a charge in addition to Denver Water's SDC.

mm. Tap. A physical device, pipe fitting or connection that connects a Licensee-owned service line to a Distribution Main owned by Denver Water or a Distributor or to a fire service line.

nn. Transmission Main. A 16 inch through 20 inch diameter pipe that receives water from a Conduit and distributes it to consumers in public streets or appropriate Right of Way. Transmission Mains are distinguished from Conduits and Distribution Mains due to head loss constraints.

oo. Unauthorized Use. Any use of water that occurs without proper measurement of the quantity of water used. This may include removing, bypassing, disabling or otherwise tampering with the meter or register, taking water from a hydrant without a valid permit, using water outside the Licensed Premises or for a use not authorized by the License or permit. Failure to eliminate the unauthorized use of water before the deadline contained in a notice shall constitute an additional violation of these Rules.

pp. Water Main. A Distribution or Transmission Main.

qq. Water System. The plant, facilities, water rights, water works and other assets controlled by the Board pursuant to its Charter authority.

1.06 No Discrimination. Denver Water shall not discriminate on the basis of race, color, national origin, sex, age, or disability.

Chapter 2 - LICENSES AND CONDITIONS FOR WATER SERVICE

2.01 Application of this Chapter. This Chapter describes the conditions necessary to obtain permanent water service, either Potable or Nonpotable, to premises located within the Combined Service Area. This Chapter does not deal with water provided by Denver Water under fixed amount contracts with entities outside the Combined Service Area.

2.01.1 General Conditions.

a. License Required. No person or entity may obtain or use water directly or indirectly from Denver Water's system without a properly issued and currently valid License. A License entitles a particular premises to obtain and use water from the Water System or a Distributor Water System.

b. Compliance with License Terms. Licenses are usable only in accordance with the terms of the License and grant the right to use water only on the Licensed Premises and only for the purposes specified in the License. No water user at any Licensed Premises shall supply or permit water to be used on any other premises without the permission of Denver Water. Licenses for some uses (e.g., water fountains and irrigation) shall be subject to restrictions under Chapter 14 of these Rules.

c. No Private Redistribution. Redistribution of Denver Water's Potable or Nonpotable Water by anyone other than Denver Water is prohibited. However, this Section does not prohibit arrangements for allocation, collection or reimbursement of water charges between or among occupants of a Licensed Premises, including submetering.

d. No Transfer of License. Licenses attach to the Licensed Premises only. Licenses are not affected by changes in the ownership of the Licensed Premises. Licenses for water service cannot be transferred from one premises to another.

e. No Transfer of Ownership of Water. Neither the issuance of a License nor the use of water thereunder shall constitute a relinquishment by Denver Water of title to or dominion or control of any water or water right. No act, circumstance or condition of use or service shall be deemed to constitute a conveyance or create in a Licensee any vested or proprietary right to water.

f. Denver Water Authority. Notwithstanding the issuance of a License, Denver Water reserves the full power and authority to determine all matters concerning the control and use of water from the Water System.

2.01.2 Eligibility for Service.

a. Denver. Property in Denver shall be eligible to receive water service from Denver Water upon compliance with these Rules and payment of such fees and charges as may be applicable and necessary to extend Denver Water's system to the property concerned. The timing and method for extending or providing service shall be at the sole discretion of Denver Water.

b. Outside Denver. Properties Outside Denver located within the Combined Service Area shall be eligible for a License from Denver Water. Eligibility for service in such included areas shall be conditioned upon the approval of the Distributor, compliance with the Rules and procedures of the Distributor and Denver Water and payment of such fees and charges as may be assessed by the Distributor and Denver Water.

c. Water Facilities Required. Eligibility for water service does not mean that Denver Water is obligated to extend or modify its existing facilities. Any required extension, modification, replacement, or relocation of Denver Water facilities shall be at the expense of the applicant for a License or the person or entity creating the need for such modifications. Denver Water will decide, in its sole discretion the extent and costs of any necessary changes to the Water System.

2.02 Standard License. Denver Water will issue Licenses for Potable or Nonpotable metered service. Licenses are not issued for private systems, although such systems may receive water pursuant to contract.

2.02.1 Issuance. A License will be issued if the requirements in Rule 2.06 have been satisfied and upon payment by the applicant of all required fees, including, but not limited to, those described in Rules 2.07, 2.08 and 2.09.

2.02.2 Initial Activation. Denver Water will activate the License when the meter has been set and the account has been activated for billing. After activation, the License will remain valid unless it is suspended under Rule 2.10, revoked under Rule 2.11 or deactivated under Rule 2.12.

2.02.3 Tap Connection. Denver Water, or an authorized contractor or Distributor, will install a Tap on the Water Main to serve the Licensed Premises as described in Rule 9.02.2. The Licensee shall comply with the provisions of Denver Water's Engineering Standards regarding connections for water.

2.02.4 Meter Setting. Denver Water will inspect the meter pit and, upon completion of a successful inspection, Denver Water will install the meter and activate the water service.

2.03 Fire Protection License. Denver Water may issue a License for private (i.e., Licensee-owned) fire protection service only. Denver Water assumes no obligation for adequacy of private fire protection service.

2.03.1 Conditions for Issuance of Fire Protection License.

a. The applicant shall have secured a License for fire protection water service from Denver Water, the local fire department and, if applicable, the Distributor. Licenses for Licensee-owned fire hydrants are issued only in extraordinary circumstances and with approval of Denver Water's Chief Engineering Officer or the Chief's designated representative. Private fire sprinkler systems shall be installed at the expense of the Licensee at such locations as may be designated by the Licensee and approved by the appropriate fire department and Denver Water. An advance cash deposit may be required as a condition of maintaining such service.

b. Water taken under a fire protection License may only be used for fire suppression. Any other use of water, except routine testing, shall be deemed an unauthorized use of

water, which may result in suspension or revocation of the Licenses for the Licensed Premises.

c. If the water for fire protection service is to be supplied through the same service line used to supply water for other purposes, then all water use shall be metered.

2.04 Auxiliary License. Denver Water may issue a License for a backup or emergency Tap to premises which require full time water service (e.g., hospitals or prisons). Auxiliary Licenses may be issued without payment of additional SDCs. Auxiliary taps may not be used to increase the volume of regular water service above historic levels unless authorized by Denver Water. The taps may be maintained in an operational or non-operational status, and are governed by the Operating Rules and Engineering Standards.

2.05 Stub-In Permit.

2.05.1 Stub-In Tap Installed Prior to Meter Setting. Denver Water may issue a Stub-In permit to allow installation of a portion of a service line prior to setting a meter. Issuance of a permit will be contingent upon payment of all applicable fees, as defined in Rule 2.07.5. A Stub-In shall include a Tap, and a valve at the property line.

2.05.2 Disconnection. If the Stub-In permit is cancelled, Denver Water may, at its discretion, disconnect the Stub-In at the Water Main.

2.05.3 Compliance with Standards. Before the meter is set, the permittee shall bring the Stub-In into compliance with the then-current Operating Rules and Engineering Standards. If necessary, the permittee will be required to excavate and modify or relocate the Stub-In as necessary to obtain full compliance.

2.05.4 Unauthorized Use of Stub-In. Unauthorized use of water from a Stub-In before the meter is set is prohibited. Any unauthorized use may result in cancellation of the Stub-In permit and revocation of the License under Rule 2.11.

2.06 Requirements for Obtaining a License.

2.06.1 General Requirements.

a. Eligibility. To receive a License, the premises shall be eligible for service from Denver Water as specified in Rule 2.01.2.

b. Main Accepted. No License shall be issued or SDC accepted, until the Water Main on which the Tap will be installed to serve the particular premises has been approved for use by Denver Water, and the appropriate agency has tested and approved the use of the Water Main as evidenced by a certificate of acceptance issued by that agency. This provision does not apply if construction plans for water facilities approved by Denver Water require the installation of the Tap during the Water Main installation process.

c. Separate Licenses. Each independent structure requiring water service, whether or not under common ownership, shall be individually licensed, tapped and metered, unless Denver Water, in the exercise of its reasonable discretion, determines that other means are more suitable or the Licensed Premises includes an Accessory Dwelling Unit as defined by City and County of Denver ordinance or an equivalent zoning regulation in areas served by

Distributors. For the purpose of this Section, structures shall be considered to be independent if they do not have a common foundation, walls, and roof.

d. Single Tap for Each License. Each structure on a Licensed Premises should be served by a single Tap, unless Denver Water in the exercise of its reasonable discretion determines that other means are more suitable.

e. Manifold License. Denver Water may issue a Manifold Tap License for service line configurations consistent with the definition of Manifold Tap. Each Manifold Tap shall have its own License and shall be owned by the governing authority or instrument (HOA, party wall, or other type of agreement), unless Denver Water, in the exercise of its reasonable discretion, determines that other means are more suitable.

f. Multiple Licenses for Single Premises. Denver Water may require an additional License, Tap, service line and meter for the same premises for fire protection service or for separate irrigation-only service.

g. Required Information. A License will be issued only when the applicant or the applicant's agent executes a License providing the following information:

(1) Description of the Licensed Premises to be served under the License, by reference to a land survey, or recorded plat acceptable to Denver Water.

(2) Statement of the purpose for which the water is to be used.

(3) An acknowledgment and agreement by the Licensee that use under the License shall comply with all provisions of the License, applicable law and the Denver Water's Operating Rules and Engineering Standards.

(4) An agreement on the part of the applicant to pay a SDC, and such other rates, tolls, fees, charges, or combinations thereof as are established pursuant to these Operating Rules.

(5) An agreement that any charge due is a charge against the premises and that water service may be discontinued whenever any charge is past due.

2.06.2 License for Service from a Distributor. Denver Water will not issue a License from a Distributor Water System unless the following conditions have been satisfied:

a. The applicant is eligible for service and has a signed Denver Water License from the Distributor.

b. Denver Water has been authorized, in writing, by the Distributor to make service connections to the Distributor's facilities.

c. The applicant has complied with such reasonable conditions of service, including payment of charges, as may be imposed by the Distributor.

2.06.3 Tap Allocations. Except as may otherwise be provided in a Water Service agreement or Distributor's contract, Licenses will only be accepted within the limits of any allocation

of Taps adopted by Denver Water. Allocated Taps shall not be sold, traded or conveyed from one Distributor to another.

2.06.4 Common Service for Individual Units. An individual unit within an independent structure is not generally required to have separate water service. If an owner of an individual unit within an independent structure requests a separate water service, costs of providing separate water service shall be borne solely by the owner.

2.06.5 Separate Service Required. If a dispute arises between owners of individual units within an independent structure, or between owners of independent structures supplied through a common service pipe, regarding compliance with the Board's Rules or failure to pay charges due, Denver Water may require separate water service. If Denver Water requires separate water service in order to provide separate bills for each unit or structure, it shall notify the owners of each individual unit or independent structure by means of written or posted notice, pursuant to ordinance. Such notice shall provide that the owners need to arrange for the installation of separate water service for each unit or structure within 30 days of such notice. If the owners of the individual units or structures fail to comply within the specified time, Denver Water may, at its discretion, install the separate water services and bill each owner an appropriate share of the costs of such installation. If any owner fails to pay the apportioned share of the costs of installation by the due date on the bill, Denver Water may suspend water service for non-payment under Rule 2.10, or may assess a lien against the property pursuant to ordinance.

2.07 SDC.

2.07.1 Payment of SDC Required. Effective January 1, 1973, Denver Water will not issue a standard metered service License without prior payment of an appropriate SDC. Pursuant to Charter Section 10.1.12, Licenses issued to the municipal government of the City and County of Denver (not including agencies or authorities sponsored or supported by the City and County of Denver) do not require payment of an SDC. Licenses originally issued to the City and County of Denver may not be transferred to any other entity without payment of the appropriate SDC.

2.07.2 Assessment of SDC.

a. Potable Water. The SDC for a License for Potable Water will be based on one of the following methods, as determined by Denver Water:

(1) The size of the Licensed Premises; unless legally subdivided, the entire premises shall be included for assessment of the SDC.

(2) The number of residential units on the Licensed Premises.

(3) The size of the Tap purchased.

(4) The volume of water to be taken on an annual basis.

b. Nonpotable Water. The SDC for a License for Nonpotable Water will be based on one of the following methods, as determined by Denver Water:

(1) The size of the Licensed Premises; unless legally subdivided, the entire premises shall be included for assessment of the SDC.

(2) The size of the Tap purchased.

(3) The volume of water to be taken on an annual basis.

c. Irrigation Water. The SDC for any License supplying Potable or Nonpotable irrigation-only service, or service that is predominantly for irrigation, will be based on one of the following methods, but will not be less than the SDC for the size of the Tap to be installed:

(1) The size of the entire Licensed property.

(2) The volume of water to be taken on an annual basis.

d. Charges for Excessive Use. If the SDC is based on the annual allowable volume of water, additional charges of five times the applicable water rate will be assessed if the Licensee's water use during a calendar year exceeds the volume of water on which the original SDC payment was based, or in the case of the municipal government of the City and County of Denver, the amount of water approved in the water budget for the property. The Board may make adjustments to the annual allowable volume of water for weather related reasons or as part of a drought response program under Chapter 15 of these Rules.

2.07.3 Schedules of SDCs. The Board will adopt schedules of SDCs from time to time. SDCs may be different for customers in Denver and Outside Denver; for different classes of customers; and for customers who receive different types of service.

2.07.4 Changes in SDCs. The Board shall provide notice of any proposed changes in SDCs at least 25 days prior to Board action. Any change in SDCs will be effective no sooner than 60 days following approval by the Board.

2.07.5 Deferred SDC for Stub-Ins. If a Stub-In permit is issued under Rule 2.05.1, payment of the SDC for the premises shall be deferred until the Stub-In is converted to a Standard Service License.

a. Permit Fees. No Stub-In permit will be issued until the permittee has paid an administrative fee, the Installation Charge described in Rule 9.02.2(b), and a fee to cover the costs of a field visit to the premises after the connection has been installed. These fees are nonrefundable.

b. Payments at Time of Conversion. To convert a Stub-In permit to a Standard Service License, the permittee shall pay all accrued fees and fines, the SDC and any applicable Participation Charges in effect at the time of the conversion.

2.07.6 SDC Credits When Water Service Modified. This Section applies when redevelopment of a Licensed premises changes the use allowed under the existing License, otherwise requires a new License, or results in any increased demand on Denver Water's supply, above historic levels, that would be caused by the redevelopment. No refund will be granted if the redevelopment lowers demand below historic levels. The use of SDC credits rather than direct payment of the SDC does not alter any of the Rules and deadlines applicable to water service at the Licensed Premises.

a. Calculation of SDC Credit. The SDC required for the redevelopment will be the difference between the SDC applicable to the new modified service connection and the SDC

that would apply to the old service connection. Denver Water will determine the dollar amount of the SDC credit in accordance with the Board-approved SDC schedule, and the amount of SDC credit will be finalized on the date of the first application for a new modified service connection at the Licensed Premises being redeveloped.

b. Eligibility for SDC Credit. To be eligible for SDC credit, the following conditions need to be satisfied.

(1) The old service connection at the Licensed Premises shall be physically disconnected from the Water Main, or the Licensee may be required to pay a refundable deposit in an amount determined by Denver Water that will be held until the Tap is cut off.

(2) The SDC credit applies only when the new modified service connection is licensed to serve a premises which incorporates all or part of the original Licensed Premises, or is entirely contained within the original Licensed Premises.

(3) All outstanding water and sewer bills, fees and charges shall be paid.

(4) The existing License needs to still be valid.

c. Consolidation of SDC Credits. Whenever redevelopment involves modification of more than one service connection and construction of a new building, SDC credits may be combined and moved within the redevelopment project, except that SDC credits may only be used within an area bounded by dedicated streets or ways. SDC credits may not be transferred across an existing dedicated street, right-of-way, private road, or easement.

2.07.7 SDC Efficiency Program. This Section applies to qualifying development and redevelopment projects that implement water efficiency measures. In accordance with the terms of the program, up to twenty (20) percent of the current SDC value may be credited back to the Licensee. No refund will be granted in the event the credits from the modification of water service and the SDC Efficiency Program exceed the SDCs owed.

a. SDC Efficiency Program. The Chief Water Resource Strategy Officer will determine the program requirements, which shall be published on Denver Water's website.

b. Changes to the SDC Efficiency Program. Any change in the SDC Efficiency Program will be effective no sooner than sixty (60) days following posing notice of such change on Denver Water's website.

2.08 Participation Charges.

2.08.1 Participation Policy. Denver Water's policy is that infrastructure needed to serve a specific area or customer should be financed by the beneficiaries, not through the rates of other customers. Therefore, service to a particular property may be required to pay Participation Charges to extend water service to the property. Denver Water will own and operate the participation facilities as part of its Water System.

a. Participation In Denver. Applicants for water service in Denver may be required to participate in the cost of transmission conduits from the nearest available source.

b. Participation Outside Denver. Applicants for water service Outside Denver may be required to participate in the cost of the transmission conduits, pumping and treated water storage facilities from the nearest available source.

2.08.2 Method for Calculation of Participation Charges. Participation charges are measured by the costs of constructing the participation facilities; however the applicant acquires no right to be served by means of specific facilities. Participation Charges will be assessed using one or a combination of the following methods:

a. Participation Contracts. When new facilities need to be constructed to provide service to a particular area, Denver Water may require a participation contract under which the applicant agrees to pay the actual costs of constructing the necessary improvements in return for entitlement to a specified capacity in the water distribution system. The contract shall set forth the capacity for which the applicant is paying, the estimated cost of construction, the method of payment, and the schedule for payment. Denver Water may, at its discretion oversize facilities, for which Denver Water will pay the incremental cost of oversizing, without adjusting the Participation Charges required of the applicant.

b. Participation Charges. Where new infrastructure is needed to serve a geographic area not owned or controlled by a single developer, Denver Water may impose a Participation Charge on that geographic area. Participation Charges based on an area shall be considered Special Service Fees and set in accordance with Operating Rule 6.06.1.

2.08.3 Application of Participation Charges. Participation Charges shall apply in addition to SDCs for Licenses within the area.

2.09 Other Fees and Charges as Conditions of Service.

2.09.1 Costs of Water Main Extensions. To facilitate the development of the Integrated System and accommodate future requirements, Denver Water may require an applicant for water service, or any person requesting modification to the Water System, to install, at the applicant's expense, extensions, modifications, replacements or relocations to the distribution system that exceed the applicant's individual requirements. Modifications to the Water System may include relocation or replacement of existing service lines including meter pits serving other Licensed Premises as required by Denver Water. If the required extension involves pipes larger than 20 inches in diameter, Participation Charges under Rule 2.08 may apply.

2.09.2 Cost of Service Lines. Costs required to connect the Licensed Premises to the Denver Water Water Main shall be paid by the Licensee. Such costs typically include, but are not limited to, labor charges, corporation stop, service insulator, curb stop, stop box, service saddle, meter pit or vault, meter setter, water meter, automatic meter reading (AMR) devices, and service pipe.

2.09.3 Cost of Public Fire Hydrants. The applicant or owner of a Licensed Premises is responsible for all costs to install fire hydrants as required by the local fire department or fire protection district. Hydrants become a part of the distribution system to which they are connected and are owned and maintained in the same manner as other parts of the distribution system.

a. Standard Location of Public Fire Hydrants. Public fire hydrants shall be located as specified in Denver Water's Engineering Standards, unless a physical obstruction prohibits the installation or use of a fire hydrant at a standard location.

b. Relocation of Fire Hydrant. Relocation of a fire hydrant shall be approved by the relevant fire department or fire protection district. The cost of relocation is the responsibility of the party requesting the installation or whose activities necessitate the hydrant relocation.

2.10 Suspension of Service under a License.

2.10.1 Causes for Suspension of Service. Denver Water may physically suspend the supply of water including fire protection service, to a Licensed Premises, without any obligation to refund any payment received from the Licensee, for any of the following reasons:

a. Failure to pay when due proper charges for water delivered, or failure to pay any other charges relating to the provision of water service to the Licensed Premises.

b. Failure to comply with any of Denver Water's Operating Rules or Engineering Standards, including any unauthorized cross-connection or failure to install or maintain a required backflow prevention device (BFP) or a meter on the service line.

c. Any unauthorized use of water, including use of water for purposes or on property not authorized by the License.

2.10.2 Suspension for Non-Payment.

a. Notice of Proposed Suspension. When charges remain unpaid after sufficient notice, Denver Water will provide notice of proposed suspension in writing to the Licensed Premises; to the person normally billed for water service at the premises; and to a third party if Denver Water has been notified of the name and address of the third party. The notice of proposed suspension will include the following information:

(1) The effective date of the proposed suspension, which shall be no sooner than 10 days following the date of the notice.

(2) The amount of payment due.

(3) A contact phone number for questions about the proposed suspension.

(4) Notice that the owner or occupant is entitled to use the procedures contained in Chapter 16 of these Rules to dispute water charges. Current water charges (not overdue charges) need to be paid in full during the hearing process.

b. Effect of Hearing and Appeal. Water service to the Licensed Premises will not be suspended if the procedures described in Chapter 16 are followed, including the requirement in Chapter 16 to keep current with all ongoing water service payments and to pay a deposit equal to the disputed amount in the event of an appeal to the CEO/Manager of Denver Water. At the conclusion of the Chapter 16 process, if the suspension is approved, water service may be discontinued, but no sooner than 10 days after the date of mailing of the decision that concludes the process.

c. Reinstatement of Water Service After Suspension. Water service will not be resumed after suspension unless and until sufficient payment, as determined by Denver Water, has been paid.

2.10.3 Suspension for Reasons other than Non-Payment. This Section applies to suspension of water service for reasons other than non-payment, emergencies, or unauthorized use of water.

a. Notice of Proposed Suspension. Denver Water will provide notice of proposed suspension in writing to the Licensed Premises, to the person normally billed for water service at the premises, and to a third-party, if Denver Water has been notified of the name and address of the third party. The notice of proposed suspension will include the following information:

(1) The effective date of the proposed suspension, which shall be no sooner than 15 days following the date of the notice.

(2) The reasons for suspension and the corrective action that needs to be resolved to avoid suspension of service.

(3) A contact phone number for questions about the proposed suspension.

(4) Notice that the owner or occupant is entitled to use the procedures contained in Chapter 16 of these Rules to avoid suspension of service.

b. Effect of Hearing and Appeal. If no request for a hearing in accordance with Chapter 16 has been received by Denver Water, then water service will be suspended on or after the date specified in the notice. If a hearing is requested in accordance with Chapter 16, water service to the Licensed Premises will not be suspended if the procedures described in Chapter 16 are followed. At the conclusion of the Chapter 16 process, if the suspension is approved, water service may be discontinued, but no sooner than 10 days after the date of mailing of the decision that concludes the process.

c. Reinstatement of Water Service After Suspension. Water service will not be resumed after suspension until the following conditions have been satisfied:

(1) The corrective action necessary to resolve the problem described in the Notice of Proposed Suspension has been taken, as verified by an inspection conducted by Denver Water.

(2) The service connection is in compliance with Denver Water's Engineering Standards.

d. Fees and Charges. The actual cost of suspension and reinstatement, plus any special charges for the suspension and resumption of service, to be determined by Denver Water, shall be added to the next regular billing for the premises.

2.10.4 Suspension of Service for Emergencies or Unauthorized Use. This Section applies when the cause for the proposed suspension involves personal observation by Denver Water employees of unauthorized use of water, including failure to have or maintain a functioning

accessible water meter in accordance with the current Engineering Standards, or of an immediate threat of harm to property, or public health, safety or welfare.

a. Notice. Denver Water will make every reasonable effort to contact the owner of the premises verbally prior to discontinuing water service. A notice of the suspension will be posted in a conspicuous location at the premises. As soon as possible after the suspension, Denver Water will provide notice in writing to the Licensed Premises, to the person normally billed for water service at the premises, and to a third-party, if Denver Water has been notified of the name and address of the third-party. The notice of suspension will include the following information:

(1) The reasons for suspension that need to be resolved for water service to be resumed.

(2) A contact phone number for questions about the suspension.

(3) Notice that the owner or occupant is entitled to use the procedures contained in Chapter 16 of these Rules.

b. Reinstatement of Water Service After Suspension. Water service will remain suspended during the pendency of Chapter 16 procedures. Water service will be resumed if the Chapter 16 process results in a determination that reasonable grounds did not exist for the suspension of service. If the Chapter 16 process determines that the suspension was justified, the water service will not be resumed after suspension until the following conditions have been satisfied:

(1) The corrective action described in the Notice of Suspension has been taken, as verified by an inspection conducted by Denver Water.

(2) The service connection is in compliance with Denver Water's Engineering Standards.

c. Fees and Charges. The cost of suspension and reinstatement and special charges for the suspension and resumption of service, to be determined by Denver Water, shall be added to the next regular billing for the premises.

2.11 Revocation of Licenses. Denver Water may revoke any License at the Licensed Premises, without any obligation to refund any payment received from the Licensee, when repeated, deliberate or willful violations of the conditions of service, including failure to have or maintain a functioning accessible water meter in accordance with current Engineering Standards, or of these Rules have occurred at the Licensed Premises.

2.11.1 Notice of Proposed Revocation. Prior to revoking any License, Denver Water will provide notice in writing to the Licensed Premises; to the person normally billed for water service at the Licensed Premises; and, if a tenant occupant has notified Denver Water of the name and address of the landlord, also to the landlord. The notice of proposed revocation shall include the following information:

a. The effective date of the proposed revocation, which shall be no sooner than 30 days following the date of the notice.

b. The reasons for revocation that need to be resolved prior to the effective date to avoid revocation of the License.

c. A contact phone number for questions about the proposed revocation.

d. Notice that the owner or occupant is entitled to use the procedures contained in Chapter 16 of these Rules to avoid revocation of service.

2.11.2 Effect of Hearing and Appeal. If no request for hearing in accordance with Chapter 16 is received by Denver Water, the License will be revoked on or after the date specified in the notice. If a hearing is requested in accordance with the procedures of Chapter 16, the License will not be revoked so long as the procedures described in Chapter 16 are followed. If water service has been suspended, the service will remain suspended during the Chapter 16 proceedings. At the conclusion of the Chapter 16 process, the License may be revoked but no sooner than 10 days after the date of mailing of the decision that concludes the process. When a License has been revoked, the service connection may be cut off at the Water Main.

2.11.3 New License Required. After a License has been revoked, the subject premises shall not thereafter be served with water unless and until a new License for service is issued. No such new License shall be issued until the following conditions have been satisfied:

a. The corrective action described in the Notice of Proposed Revocation has been taken, as verified by an inspection conducted by Denver Water.

b. The service connection is in compliance with Denver Water's Engineering Standards.

c. The applicant has paid the cost of revocation and reactivation, including the costs incurred by Denver Water to disconnect the service, and special charges reasonably calculated by Denver Water to be necessary to prevent the recurrence of the kind of violations which caused the revocation of the previous License.

2.12 Deactivation of Licenses. A License may be deactivated by Denver Water at the request of the Licensee or by action of Denver Water in response to inactivity.

2.12.1 Water Service Discontinued. At the discretion of Denver Water, the service connection for the deactivated License may be disconnected at the Water Main at the Licensee's expense. After a License has been deactivated under this Section, the subject premises shall not thereafter be served with water until the License is reactivated.

2.12.2 Reactivation of License. A deactivated License shall not be reactivated until the following conditions have been satisfied.

a. All components of the service connection shall comply with Denver Water's Engineering Standards applicable at the time of reactivation, as verified by a Denver Water inspection.

b. The water service shall be physically turned on and available for use at the premises.

c. All charges due against the property shall be paid, including unassessed Fixed Monthly Charges.

d. All costs associated with the reactivation of the Tap, including a turn-on charge, shall be paid.

e. If the service has been deactivated for 5 years or longer, the License may not be reactivated, and a new License will be required.

2.12.3 Inactive Licenses Under Prior Rule. Any License issued between July 1, 2007 and July 1, 2012 which is not activated by setting the meter within five years of the date of application has been cancelled. Denver Water will refund any System Development Charge or other deposit previously paid in connection with the issuance of the cancelled License under the following conditions:

a. The Tap shall be disconnected from the Water Main at the Licensee's expense.

b. Any costs incurred by Denver Water in cancelling the License and disconnecting the service will be deducted from the SDC or deposit to be refunded.

The subject premises shall not thereafter be served with water until a new SDC is paid and a new License is issued.

Chapter 3 - TEMPORARY WATER SERVICE

3.01 Temporary Use of Water. Denver Water may grant permission to use water from the Denver Water distribution system or a Distributor Water System for limited periods of time, subject to the provisions of this Chapter. This Chapter does not regulate temporary supplies of fixed amounts of Nonpotable Water, which are governed by specific lease provisions.

3.02 Hydrant Use Permit. Denver Water may issue a permit to take water from a fire hydrant for limited periods of time for such uses as construction, dust control, cleaning or special events. Such permits are available in Denver and in Total Service, Total Service Improvement, and Read and Bill contract areas. Master Meter contract areas shall establish their own rules, procedures and fees for special hydrant uses.

a. Permit Required. Water to be used for purposes other than extinguishing fires may be withdrawn from fire hydrants only if a permit has been issued by Denver Water and if appropriate, the Read and Bill Distributor.

b. Limits on Use. Permits may be issued for specific hydrants or specific tank vehicles and may be limited to specific uses. Meters may be required for some uses. Permits shall be valid only during the dates specified in the permit.

c. Access. Employees of Denver Water will be permitted to examine the permit at any time a hydrant is being used.

d. BFP. All connections to fire hydrants shall have an approved BFP device as required under Chapter 11.

e. Permit Fee. Denver Water will charge a permit fee to recover the costs of meter testing, billing, collecting and monitoring a hydrant permit. The permit fee may be established for the use of a specified hydrant for a limited period of time; or may be an annual charge for unlimited usage of hydrants. Charges for water used under hydrant permits shall be calculated based on actual or estimated usage. Charges for damage to hydrants may be billed to the holder of the hydrant water use permit.

f. Penalties for Violation of Permit. Any person involved in the unauthorized use of hydrant water shall pay for all water taken, together with the costs incurred by Denver Water to discover and correct the unauthorized use, and any penalty fees imposed. Such payments shall not in any way affect the right of Denver Water to pursue such other remedies as may be authorized by law or approved by Denver Water. Any person or entity involved in previous unauthorized use of hydrant water shall be ineligible for new hydrant water use permits until Denver Water is fully compensated for past hydrant water use and penalties for unauthorized use have been paid. Any unauthorized use may result in suspension of all permits issued to the particular permit holder.

3.03 Construction Water Use. For Licenses issued prior to July 1, 2012, Denver Water has required the Licensee to pay a fee to use water at the Licensed Premises for construction purposes prior to the time a meter can be properly set. The following requirements apply only to Licenses issued prior to July 1, 2012. Licenses issued after July 1, 2012 are subject to the

requirement that the meter be set, so that construction water use will be metered, and the provisions of this Rule 3.03 are not applicable.

a. License Required. No water may be used at a premises before the service connection is made and a meter is set, unless the applicant has been issued a License and has paid the construction water use fee. Payment of a construction water use fee allows the premises to receive unmetered water service for construction use only during the interval between installation of the Tap connection and initial meter installation.

b. Limits on Use. Unmetered use of water for construction is permitted only until the water service is activated, as required in Rule 2.02.1, or the License is cancelled under Rule 2.12, whichever occurs first. Landscape irrigation and occupancy of the premises prior to the installation of a meter are prohibited and shall constitute unauthorized use of water.

c. Backflow Prevention Required. During construction, the Potable Water System must be protected from backflow and potential contamination. At any premises where a permanent backflow prevention device would be required under Chapter 11 but cannot be installed immediately, a temporary backflow prevention device must be used until the permanent device is installed.

d. Construction Water Use Fee. A non-refundable construction water use fee will be charged, and will be based on the size of the service and the rate schedule applicable to the premises. The fee shall be sufficient to generate the revenues estimated to have been collected if a meter had been installed and to recover costs of administration and monitoring the use of water prior to meter installation. Payment of the fee will be recorded on the License.

e. Penalties for Violation of Restrictions. Any person or premises involved in the unauthorized use of construction water shall pay for all water estimated to have been taken, together with the costs incurred by Denver Water to discover and correct the unauthorized use, and any penalty fees imposed. Such payments shall not in any way affect the right of Denver Water to pursue such other remedies as may be authorized by law or approved by Denver Water. Any person or entity involved in previous unauthorized use of construction water shall be ineligible for new Licenses until Denver Water is fully compensated for past construction water charges and penalties for unauthorized use have been paid. Denver Water may also require a deposit, and may pursue such legal remedies as are available pursuant to state law or municipal ordinance.

3.04 Temporary Water Use License. Denver Water may issue Licenses to use water for special purposes and for limited periods of time. Such special purposes include, but are not limited to service to temporary buildings, temporary irrigation, and special events.

a. Limits on Use. The Licensee shall comply with all conditions imposed by Denver Water to prevent injury or waste of water. Unless renewed, temporary water use Licenses expire and the Licensee shall, at its own expense, disconnect water service at the end of the period specified in the temporary License.

b. Temporary Water Use License Fee. Denver Water may charge a fee to cover the issuance and use of the temporary water use License. In addition, Denver Water may require a deposit of a sum adequate to cover payments likely to become due as a result

of use of the License and the cost of disconnecting the temporary service line after the License expires. A bond satisfactory to Denver Water may be used in lieu of cash.

c. Penalties for Violation of Temporary Water Use License. Any person involved in the use of water without a License or in a manner contrary to the terms of the License shall pay for all water taken, together with the costs incurred by Denver Water to discover and correct the unauthorized use, and any penalty fees imposed. Such payments shall not in any way affect the right of Denver Water to pursue such other remedies as may be authorized by law or approved by Denver Water.

Chapter 4 - NONPOTABLE WATER SERVICE

4.01 Applicability. This Chapter applies to Nonpotable Water service supplied through a distribution system to Licensed Premises within the Combined Service Area. Unless otherwise provided in a water lease or supply agreement, all rules and standards pertaining to the use of Potable Water are applicable to Nonpotable Water Licenses and service.

4.02 Nonpotable Policy. To encourage the most efficient use of water, Denver Water's policy is to use Nonpotable Water whenever Potable Water is not required (e.g., irrigation and commercial use). Eligibility for Nonpotable service will be based on the type of water use and the availability of Nonpotable Water. Denver Water will determine whether Nonpotable Water is available and may require the use of Nonpotable Water by either applicants for new Licenses or existing Potable Water Licensees.

4.02.1 New Licenses.

a. Nonpotable Required at Time of License. If Nonpotable Water service is determined to be suitable for an applicant for a new license, Denver Water may require such use.

b. Subsequent Conversion Required. If Nonpotable Water is required but not available at the time of application, Denver Water may issue a License for Potable Water service, but may require conversion to Nonpotable service, when available, at the applicant's expense. Even though Potable Water will be provided temporarily, the SDC for Nonpotable Water will be assessed at the time of application.

4.02.2 Conversion of Existing Potable License.

a. Conversion Required. If Denver Water requires an existing Potable Water service License to convert to Nonpotable Water, Denver Water will pay for any necessary Water Main extension, Tap, service line, and stop box and/or control valve. Unless otherwise agreed to in writing by Denver Water, the customer shall be responsible for other conversion costs, including costs incurred on the customer's property. No additional SDC will be assessed for service to the same property in the same volume. No SDC credit will be created by such transfer of service.

b. Conversion Requested. If a customer requests conversion from Potable to Nonpotable service, the customer shall pay all the costs required for the conversion, including additional SDCs if the new service increases demand over historic levels. No SDC credit will be created by such transfer of service.

4.03 Requirements of Nonpotable Service.

4.03.1 Interconnections Prohibited. Interconnections between any system containing Nonpotable Water from Denver Water and any other water system are expressly prohibited without prior approval of Denver Water's Chief Engineering Officer or the Chief's designated representative.

4.03.2 Marking of Facilities. Denver Water may require facilities used to provide Nonpotable Water service to bear prominent and permanent markings to warn that the contents are Nonpotable.

4.03.3 Use Schedule. As a condition of using Nonpotable Water. Denver Water may establish timing and flow rate requirements for each Nonpotable License. The licensee is responsible for designing and operating its Water System to comply with such schedules.

4.04 Special Conditions for Use of Recycled Water.

4.04.1 Compliance Required. Licensees using Recycled Water shall comply with Denver Water's Operating Rules, Engineering Standards, and any applicable state or federal law, including Colorado Department of Public Health and Environment Regulations 61 and 84. Failure to comply may result in suspension of service or revocation of the License under the provisions of Chapter 2.

a. The Licensee shall identify a person responsible for ensuring compliance with all applicable laws and regulations.

b. The Licensee shall train all maintenance personnel in the safe use of Recycled Water.

4.04.2 Recordkeeping. The licensee shall prepare and keep current record drawings showing Recycled Water facilities and make them available to Denver Water on request. The drawings shall include the location of all piping, valves, BFP devices, system controllers and any other Recycled Water facilities. The Licensee shall also maintain a record of its current operation schedules for each system controller and place a copy of the appropriate operation schedule and area of coverage in each controller box in a waterproof container.

4.04.3 Operational Requirements. The Licensee shall operate its Recycled Water facilities to minimize pooling, ponding and excessive runoff of Recycled Water. If Recycled Water is used for irrigation, the Licensee shall adjust and maintain all irrigation spray heads to minimize overspray and windblown spray into other areas used by the public, including sidewalks, streets, playgrounds, drinking fountains, and food preparation and picnic areas. If such conditions occur, the Licensee shall take steps to adjust its operations or facilities to resolve the condition and prevent a recurrence including, but not limited to, repairing leaking pipes, broken sprinkler heads, and unreliable valves.

4.04.4 Modifications to Recycled Water Facilities. The Licensee shall obtain prior approval for proposed changes or modifications to its Recycled Water facilities that might impact the operation of Denver Water's Recycled Water System including, but not limited to, increasing Recycled Water impoundments. Changes to facilities shall comply with Colorado Department of Public Health and Environment Regulations 61 and 84, if applicable.

4.04.5 Signage. In areas where Recycled Water is being used, the licensee shall install signs or labels in the dominant language(s) expected to be spoken in the area, indicating that Recycled Water is being used. The sign or labels shall read "Nonpotable Reclaimed Domestic Wastewater in Use," "Do Not Drink – Irrigation Water" or other similar language approved by Denver Water.

a. Industrial Use. Where Recycled Water is used for industrial or commercial uses, signs shall be placed at sufficient locations to provide adequate notice to employees, contractors and the public that Recycled Water is being used. Each sign shall be at least 12 inches by 15 inches.

b. Irrigation Use. Where Recycled Water is used for irrigation at a park, schoolyard or similar area, at least one sign shall be located at each parking lot or surfaced vehicular or pedestrian entry to the area. There shall also be one sign for every 5,000 feet of perimeter of the area, and at least one sign per area. A single sign may be used to fulfill more than one of these requirements. Each sign shall be at least 12 inches by 15 inches.

c. Golf Courses. Where Recycled Water is used for irrigation at a golf course, a sign shall be located at the first and tenth tees, near entrances to any driving range and near any practice putting green. Each sign shall be at least 12 inches by 15 inches.

Chapter 5 - SERVICE OUTSIDE DENVER

5.01 Contractual Relationships. In Denver, Denver Water provides water supply pursuant to the Charter of the City and County of Denver. Outside Denver, Denver Water provides water supply pursuant to contract. Each contract is subject to the Charter, Denver Water's Operating Rules and Engineering Standards and amendments thereto, all of which are part of every contract for water supply.

5.02 Distributor Contracts (Water Service Agreements). Within the Combined Service Area, Potable Water supply is provided pursuant to contracts with Distributors. Under Distributor contracts executed after 1993, Denver Water agrees to furnish all Potable Water necessary to serve the full development of the land within the Distributor's contract area. Denver Water's obligations under older Distributor contracts are governed by the specific provisions of those contracts. A Distributor contract does not give the Distributor the exclusive privilege of supplying water service to a given service area. Distributor contracts vary based on the level of service provided by Denver Water.

5.02.1 Total Service. Under Total Service contracts, Denver Water has dominion or ownership of the Water System and is responsible for its operation, maintenance and replacement. Denver Water reads each customer's meter and bills each customer at the established Total Service rate. In Total Service Areas, water service is provided to the customers in the same manner as that provided to customers in Denver.

a. Total Service Improvement. A Distributor whose system does not currently meet Denver Water's Engineering Standards may request to convert to Total Service status. This can be accomplished through a Total Service Improvement contract under which Denver Water takes dominion over the existing Distributor Water System pursuant to a plan to upgrade it to Total Service standards. Denver Water will decide whether the upgrades will be constructed before or after taking dominion of the system. In either case, the costs of constructing the upgrades will be recovered by assessing a surcharge to each customer within the Distributor's contract service area.

5.02.2 Read and Bill. Under Read and Bill contracts, the Distributor owns and is responsible for construction, operation, maintenance, and replacement of its Water System into which Denver Water delivers water. Denver Water reads the meter of each customer and bills each customer at the established Read and Bill rate.

5.02.3 Master Meter. A Master Meter Distributor owns and is responsible for construction, operation, maintenance, and replacement of its water system. Denver Water delivers water to the Distributor through one or more master meters. Denver Water is responsible for maintenance, repair and replacement of the master meter and will determine the timing and extent of repair and replacement of the master meter, at its discretion. Denver Water reads the master meter and bills the Distributor at the established Wholesale (Master Meter) rate. The Distributor is responsible for reading the meters of its customers and for billing its customers according to rate schedules established by the Distributor.

5.03 Integrated and Consecutive Systems.

5.03.1 Water Quality Regulation. Under the Colorado Primary Drinking Water Regulations, every public drinking water system shall engage individually in monitoring, reporting and certification unless it is part of an Integrated System, using a common set of standards for protecting drinking water quality. Denver Water's goal is to treat Distributors and their customers as part of an Integrated System installed, operated and maintained in a common manner. Denver Water's Operating Rules and Engineering Standards establish the minimum operational requirements; however, individual Distributors may adopt their own rules and regulations to supplement these Rules and Denver Water's Engineering Standards.

5.03.2 Integrated System. Denver Water's Integrated System consists of the City and County of Denver, systems under Total Service or Total Service Improvement Distributor contracts, and those systems under Read and Bill, or Master Meter Distributor contracts that meet all Denver Water's operational and maintenance standards. These systems are treated as part of the Water System for testing and reporting under water quality regulations.

5.03.3 Consecutive Systems.

a. Distributors. Any water system operated under a Read and Bill or Master Meter Distributor contract that does not conform to Integrated System requirements as defined by Denver Water shall be considered a Consecutive System. Consecutive System Distributors are a different class of customer from Integrated System Distributors, and may have different rates, cross-connection control requirements and water quality testing and reporting requirements. A Consecutive System Distributor is responsible for meeting all regulatory requirements for water quality testing and reporting under its own PWSID.

b. Private Systems. A water system controlled by an individual entity, such as a government installation, large industrial operation, apartment/townhome complex, HOA, shopping center or trailer park, is a Consecutive System. The Entity is responsible for all aspects of the water distribution system and for meeting all regulatory requirements for water quality within its property.

c. BFP Required. Any Consecutive System shall be completely isolated from the Integrated System by means of adequate BFP.

5.03.4 Change in Status. If an Integrated System Distributor fails to maintain its water distribution system in compliance with Denver Water's Operating Rules and Engineering Standards, Denver Water may, at its discretion, designate the Distributor Water System as a Consecutive System.

a. Opportunity to Correct Deficiencies. Denver Water will provide written notice to the Distributor of deficiencies in its operation or maintenance practices that need to be corrected to maintain Integrated System status. Depending on the degree of hazard to the Integrated System posed by the Distributor Water System, the Distributor will be given 1 to 30 days to isolate its distribution system or complete remedial action.

b. Corrective Action by Denver Water. If the deficiency poses an imminent threat to public health, Denver Water may take immediate corrective action. Denver Water may charge the Distributor for any expenses incurred to isolate or protect the Integrated System.

5.04 Other Water Supply Contracts.

5.04.1 Connector Agreement. A single premises Outside Denver may be connected to a Denver Water-owned Water Main. The Total Service rate applies to Connector Agreements. However, Denver Water's policy is to require premises served with Potable Water to be part of a Distributor's contract area, and Connector Agreements will be permitted only under rare circumstances.

5.04.2 Nonpotable Water Contracts. Within the Combined Service Area, Denver Water may deliver Nonpotable Water to a customer for irrigation, augmentation, commercial use, or other Nonpotable purposes. Denver Water will deliver such Nonpotable Water to the purchaser through one or more master meters or gauging devices and will bill the purchaser at the applicable Nonpotable Water rate. Nonpotable Water service through Licenses is governed by Chapter 4.

5.04.3 Carrier Facility Contracts. Contracts for water from carrier facilities (e.g., ditches) are administered according to specific contractual rights for each carrier facility.

5.05 Contracts for Water Supply Outside the Combined Service Area. Denver Water may enter into contracts to provide specified amounts of either Potable or Nonpotable Water outside the Combined Service Area under fixed-amount contracts.

5.05.1 SDCs and Rates. Delivery of water on a permanent basis under fixed-amount contracts will be conditioned on payment of Potable or Nonpotable Water SDCs applicable to customers outside the Combined Service Area. Denver Water may adopt outside Combined Service Area rates to apply to water delivered under fixed-amount contracts.

5.05.2 Obligations under Fixed-Amount Contract. Denver Water's obligation under a fixed-amount contract is to deliver the agreed-upon amount of water, under the terms and conditions contained in the contract. If the contractor is an entity that distributes water to customers, the contractor bears the sole responsibility for providing an adequate supply of water for its future development.

5.05.3 Limitations on Delivery. Each fixed-amount contract shall contain provisions to limit water delivery as necessary to provide an adequate supply of water to the people of Denver. The extent of such limitations is a fact to be determined by the Board in the exercise of its reasonable discretion.

Chapter 6 - RATES AND BILLING

6.01 Payment Responsibility. Rates and charges are assessed against the Licensed Premises. It is the responsibility of the Licensee to keep the License in force by paying all charges against the Licensed Premises, even in the absence of receiving a bill.

6.01.1 Payment Required for Continued Service. Water service, including fire protection service, may be suspended, using the procedures described in Chapter 2, at any premises against which any charge becomes delinquent and remains unpaid. Charges include any rate, fee, cost, charge, surcharge or rent relating to the provision of water service to the Licensed Premises. For those premises against which bankruptcy or other legal actions are pending or filed, Denver Water will abide by the law and orders of the court.

6.01.2 Billing Address. A bill for water service will be sent to the Licensed Premises. If the Licensed Premises is a rental, a bill will be sent to both the Licensed Premises and the owner of the property. Denver Water will also send bills to an address other than the Licensed Premises upon request. Mailing of a bill for water service to an address other than the Licensed Premises shall in no way affect the power of Denver Water to enforce payment of charges by discontinuing service to the Licensed Premises.

6.02 Metered Service Rates.

6.02.1 Cost of Service. Denver Water sets rates for water service based on a cost of service study. Customers are grouped into various customer classes based on several factors, including the following:

a. Type of premises or use (e.g., single family residential, multi-family residential, commercial).

b. Outside Denver. Licensed Premises Outside Denver are further classified by level of service provided under the applicable Distributor contract.

c. Type of water provided.

6.02.2 Establishing Rates for Metered Service. Denver Water periodically establishes rate schedules, including Consumption Charges and Fixed Monthly Charges, for the various types of metered service. Rates are adopted at public meetings of the Board and are made available on Denver Water's website.

6.03 Nonmetered Service. Denver Water may establish rate schedules for nonmetered water service, such as deliveries of Nonpotable Water directly to a customer or use of Nonpotable Water in augmentation plans.

6.04 Billing Procedures.

6.04.1 Billing Frequency.

a. Monthly Accounts. Monthly accounts will be billed 12 times per calendar year. The due date for payments for water service billed on most monthly accounts will be at

least 12 calendar days after the billing date. For City and County of Denver and Master Meter Distributor accounts, the due date will be 25 calendar days after the billing date.

b. Bimonthly Accounts. Bimonthly accounts will be billed 6 times per calendar year. The due date for payments for water service billed on a bimonthly basis will be at least 20 calendar days after the billing date.

c. Other Billing Periods. Denver Water may require or permit billing at intervals established by an agreement or as determined by the Board.

6.04.2 Group Billing. Denver Water may establish group billing for multiple, noncontiguous, separately Licensed Premises whose consumption is paid by a single entity. Each meter within the group will be assessed a Fixed Monthly Charge; consumption for each meter will be separately calculated based on the appropriate rate schedule. A statement (in summary or detail) for all the meters within the group will be sent to one pay agent indicating the total amount due. A single due date for each bill group will be established by Denver Water and will apply to all Licensed Premises in the group. Any penalty, delinquency charge or suspension of service will be applied equally to all accounts within the group.

6.04.3 Interconnected System Billing. Interconnected systems consist of separately Licensed Premises that are interconnected behind the meters. Each meter in the interconnected system will be assessed a Fixed Monthly Charge; a Consumption Charge for each meter will be calculated based on the appropriate rate schedule. A statement (in summary or detail) for all the meters within the system will be sent to one pay agent indicating the total amount due. The due date for each interconnected system will be established by Denver Water and will apply to all Licensed Premises within the system. Any penalty, delinquency charge or suspension of service will be applied equally to all interconnected meters.

6.04.4 Billing for Separately Owned Structures or Units Within a Structure. Where independent structures or separate units within a structure on a Licensed Premises are supplied through a common service pipe with a single meter, only one bill will be generated, even if the structures have different ownership. Denver Water will provide multiple copies of the bill, if requested. If a charge against the premises becomes delinquent, the delinquency is attributed to all users at the Licensed Premises served through the common service pipe.

6.04.5 Account Adjustments. When an error has been made in an account, Denver Water may adjust the amount due or the consumption on the account.

a. Inaccurate Meter. If a meter has become inaccurate, Denver Water may charge the account for an estimated level of consumption. Denver Water will remove and test a meter at the request of the customer or if Denver Water suspects that the meter has become inaccurate. If a meter is removed and tested at the request of the customer and found to be accurate, the Licensed Premises shall be subject to special charges to recover Denver Water's reasonable costs in removing and testing the meter.

b. Difference between Meter and AMR Device. If a difference in readings occurs between an AMR device installed at a premises and the register of the water meter, billing will be based on the reading from the register of the water meter. The AMR device will be repaired or replaced at Denver Water's expense and the customer's account will be adjusted to represent the consumption shown on the meter register. Denver Water will inspect an AMR device at the request of the customer or if Denver Water suspects the

device has become inaccurate or has malfunctioned. If a device is inspected at the request of the customer and found to be accurate, the Licensed Premises shall be subject to special charges to recover Denver Water's reasonable costs in inspecting the device. If the reading on the AMR device matches the reading on the meter register, the AMR device shall be considered accurate.

c. Leak Adjustments. Denver Water may adjust a customer's bill if a leak has occurred at a Licensed Premises that was not reasonably discoverable by the customer. The estimated water loss will be determined by comparing the water use in dispute with the customer's 3 year average use within the same portion of the calendar year. The charges for the estimated water loss will be credited to the customer's account. The adjustment will be conditioned upon Denver Water's verification of a repair or correction that will prevent additional loss of water. No more than 3 consecutive monthly bills may be covered by a single adjustment. Adjustments under this Section will be limited to no more than two occurrences at a Licensed Premises in a rolling 12-month period. Following the first bill adjustment at a Licensed Premises, any subsequent adjustment will be contingent upon an audit and inspection by Denver Water of the Licensed Premises.

6.04.6 Disputed Charges. A Licensee who disputes the amount of a charge or rate of charge made against the Licensed Premises or otherwise billed to or alleged to be owing from the Licensee may request a revision or modification of such charge or rate of charge from Denver Water. Such request shall be made in writing no later than 1 year after having been billed for any such charge. Compliance with the provisions of this section shall be a jurisdictional prerequisite to any action brought under the provisions of Chapter 16 of these Rules, and failure of compliance shall forever bar any action challenging the charge or rate of charge.

6.04.7 No Authorization to Accept Payment. Denver Water employees are not authorized to accept payment for water service at the Licensed Premises or in any manner other than in the usual course of business.

6.05 Delinquency in Payment of Charges. The failure to pay charges assessed by Denver Water, including charges for fire protection service, in a timely manner shall result in the assessment of a delinquency charge and may result in suspension of water service to the premises under the procedures described in Chapter 2.

6.05.1 Timing of Delinquency. Charges not paid by the due date listed on the bill shall be delinquent.

6.05.2 Delinquency Charge. All charges that become delinquent during a billing period or remain delinquent from a prior billing period shall be assessed a delinquency charge on the next billing statement of the account. No delinquency charge will be assessed on any account that is paid in full within 5 days after the scheduled due date. The amount of the delinquency charge to be assessed against delinquent charges is determined by applicable state law.

6.05.3 Payment Plans. Denver Water may grant permission to a customer to pay unpaid water charges pursuant to a specific schedule. To keep the payment plan in effect, the customer shall make the plan payments as scheduled and also pay all current charges.

a. Plan Payments Unpaid. If a scheduled plan payment is not made, the payment plan is considered void, and the remaining balance will become due and subject to delinquency charges and suspension of service for non-payment under Rule 2.10.

6.05.4 Suspension of Service for Delinquency. Whenever the billing statement of an account includes a delinquency charge or a past due amount, the entire amount of the bill, including delinquent charges, shall be paid in full by the due date of the billing statement. If such payment is not made by the due date, additional delinquency charges shall be added to all unpaid charges on subsequent billing statements, and suspension procedures under Rule 2.10 may be initiated.

6.06 Other Charges.

6.06.1 Special Service Fees. Where employees of Denver Water perform special services for or at the request of an applicant or Licensee or where special services are performed at or in connection with Licensed Premises to establish compliance with Denver Water's Operating Rules and Engineering Standards that the Licensee refuses or fails to perform, Denver Water shall be reimbursed for such work.

a. Determination of Special Service Fees.

(1) The CFO shall set special service fees based on direct and indirect cost to perform the work, including reasonable administrative expenses.

(2) The special service fee schedule shall be published on Denver Water's website. Any changes to the special service fees schedule shall take effect no less than thirty (30) days after publication on Denver Water's website.

b. Billing.

(1) Denver Water will bill the applicant, Licensee, owner or occupant for reimbursement. However, upon failure of such person to pay, the cost of the work shall be charged to the Licensed Premises at which such work was accomplished. The special service fees will be included in the water bill and will become subject to delinquency charges and suspension of service for non-payment under Rule 2.10.

(2) The cost of the reimbursement shall be either in accordance with a standard schedule of special fees or based on actual cost of the services with respect to services not included in the schedule.

6.06.2 Penalty Fees.

a. Charges for Excessive Use. Additional charges may be assessed if the Licensee's consumption in a calendar year exceeds the volume of water on which the original SDC was based or the volume of water established in a water budget as a condition of using water to irrigate landscapes of more than one acre under Rule 14.02.2(c).

b. Charges for Unauthorized Use. Denver Water may assess a penalty fee for any unauthorized use of water or any diversion of utility service. The fee will be established in an amount intended to discourage future violations of the Operating Rules and may be charged directly to the Licensed Premises.

c. Charges for Unauthorized Operations. Denver Water may assess penalties, including revocation of permits, against any person who operates any valve or fire hydrant or modifies any portion of the Water System without approval from Denver Water.

d. Subject to Delinquency. Penalty fees will be included in the water bill and will become subject to delinquency charges and suspension of service for non-payment under Rule 2.10.

6.06.3 Distributor Improvement Charge. An additional charge or credit may be added to a customer's water bill at the request of a Distributor under a Total Service, Total Service Improvement or Read and Bill Distributor contract. Denver Water will transfer the proceeds of the Distributor Improvement Charges to the Distributor. Distributor Improvement Charges are subject to all requirements applicable to other charges imposed by Denver Water.

Chapter 7 - RESERVED

Chapter 8 - WATER MAINS AND CONDUITS

8.01 Ownership. Denver Water owns all Conduits in the Combined Service Area and all Water Mains located in the City and County of Denver and owns or has dominion over all Water Mains located in areas served under Total Service or Total Service Improvement Distributor contracts. The Distributor owns Water Mains providing service to premises located in areas served under Read and Bill, and Master Meter Distributor contracts. Private systems are the responsibility of the Licensee, and may be subject to regulation by the Colorado Water Quality Control Commission.

8.02 Operation and Maintenance.

8.02.1 Water Mains and Conduits Owned by Denver Water. Denver Water operates and maintains all Water Mains and Conduits and appurtenances it owns. Denver Water will repair any Water Mains or Conduits damaged by the acts of third-parties and will charge the expense of repair to the responsible third-party.

8.02.2 Water Mains Owned by Distributors. All Water Mains owned by Distributors under Rule 8.01 shall be operated and maintained by the Distributors in conformity with Denver Water's Operating Rules and Engineering Standards.

8.02.3 Variations in Operation. Water pressure and water flow in the Water System may vary as part of normal operations. Denver Water reserves the right at any time, without notice, to modify water pressure or shut off the water as part of its operation, repair, replacement, modification and maintenance of the Water System. Denver Water is not responsible or liable for damage resulting from pressure changes or stoppage of the flow of water through the Water System. Outages to the Water System cannot be guaranteed during load season.

8.03 Construction of Water System.

8.03.1 Denver Water May Require Construction. To provide adequate water service to property within its service area, Denver Water may at its discretion require the construction of new Water Mains or Conduits or modifications to existing Water Mains or Conduits. Such required construction may include oversizing of new Water Mains, up to 20 inches in diameter or extension or modification to Conduits. The applicant for service or the party whose activities create the need for modifications shall pay the full costs of construction, including the costs of any oversizing. Denver Water reserves the right to design and install Water Mains and to install connections to its Conduits or Water Mains, at its discretion, and at the responsible party's cost.

a. Enlargement of Water System. If an applicant requests new or increased service that will impose a demand in excess of the capacity of the existing Water Main or Conduit, in the determination of Denver Water, Denver Water may require that the existing Water Main or Conduit be replaced with one of appropriate size, which may be larger than required solely for the applicant's needs.

b. Extension of Water System. No person may extend, modify, replace or relocate any Water System without the specific permission of Denver Water. Denver Water establishes procedures for applying for Water Main or Conduit extensions or modifications.

c. Looping and System Improvements. To provide adequate water supply and fire protection service, and to protect water quality and system integrity, Denver Water may require that the Water System be replaced, extended or otherwise modified. Except in rare circumstances, Denver Water requires that Water Mains be looped, i.e., connected to more than one Water Main owned or controlled by Denver Water or a Distributor. Denver Water at its discretion will determine the extent of looping required.

8.03.2 Water System Extensions in Denver, Total Service and Total Service Improvement Areas.

a. Responsibility for Installation. In most circumstances, the applicant will install Water Mains that are 20 inches in diameter and smaller; Denver Water may design and install Conduits 24 inches in diameter and larger. Denver Water reserves the right, at its discretion, to install connections to its Water Mains or Conduits. Regardless of who performs the installation of the Water Main or Conduit, the applicant shall pay all costs associated with designing and constructing the Water Main or Conduit, including appurtenances and fire hydrants. The applicant; shall ensure design and installation complies with, Denver Water's Engineering Standards and Operating Rules.

b. Location. Unless Denver Water decides on another arrangement, Water Mains and appurtenances shall be attached to the Denver Water owned or controlled Water System.

c. Work Performed by Denver Water. If Denver Water determines that it will perform all or any portion of the work, the applicant shall reimburse Denver Water for any design and construction costs memorialized in an Agreement.

d. Work Performed by Contractor. If a contractor will perform the work, the applicant shall:

(1) Submit plans and specifications prepared by a professional engineer registered in the State of Colorado for the proposed installation. Plans and specifications need to be approved in writing by Denver Water prior to award of contract and the beginning of installation.

(2) Pay all costs of plan review and inspection as determined by Denver Water.

(3) Ensure the work is performed by a contractor pre-qualified by Denver Water.

8.03.3 Water Main Extensions in Other Distributor Contract Areas.

a. Ownership of Water Mains. In Read and Bill and Master Meter contract areas, the Distributor shall own and maintain all Water Mains installed in its service area that distribute water provided by Denver Water to its customers.

b. Responsibility for Installation. The Distributor or the individual applicant for service shall pay all costs for extending the Water Main, including plan review and inspection costs. Denver Water reserves the right at its discretion to install connections to its Conduits and Water Mains at the Distributor's cost.

c. Approval of Water Main Extensions. The Distributor shall submit plans and specifications prepared by a professional engineer registered in the State of Colorado for the proposed installation. Plans and specifications need to be approved in writing by Denver Water prior to award of contract and the beginning of installation.

8.04 Engineering Standards. The criteria and scope of extensions or modifications shall be determined by the Chief Engineering Officer or the Chief's designated representative. Specific requirements for minimum design or operating criteria, preparation of plans and specifications, and construction practices are prescribed in Denver Water's Engineering Standards or will be determined by the Chief Engineering Officer or the Chief's designated representative.

Chapter 9 - SERVICE CONNECTIONS

9.01 Service Connection Defined. Water is conveyed from Water Mains owned by Denver Water or a Distributor to Licensed Premises by service lines and their appurtenances. The service connection comprises the Tap and the Service Line, which together move water from Denver Water's Water Main to the plumbing within a Licensed Premises. Meters are installed on the service line, as described in Chapter 10.

9.01.1 Ownership. The service line and fittings through which a Licensee receives water service from the facilities of the Water System, including the meter pit and the meter, shall be owned by and installed at the expense of the Licensee, except as otherwise provided by these Operating Rules.

9.01.2 Dividing Point. The dividing point between Denver Water-owned Water Mains or Distributor-owned Water Mains and Licensee-owned service lines shall be defined as the connection on the corporation stop tapped into the Water Main or the discharge side of the valve closest to the Denver Water-owned or Distributor-owned Water Main. At the dividing point, water irrevocably leaves the common, public system and enters privately owned facilities to serve individual premises.

9.02 Taps.

9.02.1 Authorized Persons. Notwithstanding the issuance of a License, no connection may be made to any Water Main carrying water from the Water System except as authorized by Denver Water. Denver Water may authorize a Distributor to make taps two inches and smaller, if Denver Water approves plans and inspections for such installations. Denver Water may also authorize a contractor or a Distributor to make taps larger than two inches, if Denver Water approves plans and conducts an inspection of such installations.

9.02.2 Procedure.

a. Service Line Required.

(1) Taps two inches or smaller. Except as permitted under a Stub-In permit issued pursuant to Rule 2.05, prior to the installation of a Tap two inches or smaller, the service line, stop box, meter pit and all other appurtenances shall be installed and ready for inspection and installation of the meter.

(2) Taps three inches and larger. Taps three inches and larger may be installed prior to the installation of service lines, but only after plans for such installations are approved by Denver Water.

b. Installation Charge. In addition to the fees applicable to Licenses under Chapter 2, the applicant shall pay to Denver Water at the time of submitting an executed License and pay the fees to cover the cost of installing a Tap, including the cost of materials and labor for the requested connection.

c. Location and Size of Tap. At the time of application, Denver Water will specify the Water Main to be tapped and the location of the Tap. The Tap shall be reasonably sized,

in the judgment of Denver Water, based on the size of the Licensed Premises, the applicant's statement of projected water use, and the applicable Engineering Standards.

d. Notice for Tap Connection. After the prerequisites in subsection (a) have been satisfied, Denver Water, or an authorized contractor or Distributor, will install the Tap on the Water Main. If the Distributor is not authorized to make taps, the Licensee or other party responsible for the installation of the service connection shall make arrangements for tapping of the Water Main by providing notice to Denver Water not less than 3 business days before the desired date of the Tap installation.

9.02.3 Abandoned, Deactivated or Unused Taps. If a License is deactivated pursuant to Rule 2.12, Denver Water may cut off the Tap at the Water Main at the Licensee's expense. If Denver Water cuts off the Tap, the cost of the work will be charged to the property.

9.03 Service Lines.

9.03.1 Definitions. Service lines include all pipe and fittings up to and including the stop and waste valve in a building with an outside meter setting, and up to and including the valve at the downstream side of the meter for an inside meter setting.

9.03.2 Location.

a. Service Line Connections. No connection between the Water System and the water facilities of a Licensee may be made except in a public street adequate to accommodate water works facilities, or in a paved easement to which Denver Water has as free a right of vehicular access as it would have in a public street; provided, however, that where a property lacks water main frontage and Denver Water determines that a water main extension is not feasible, Denver Water may permit service via a Service Line within a recorded easement. The curb stop, service box and meter pit or vault shall be conveniently accessible by vehicle from the street or from a paved easement to which Denver Water has as free a right of access as it would have in a public street.

b. Service Line Easements. A recorded service line easement is required when a property lacks water main frontage and Denver Water determines that extending a water main is not feasible. The easement must be in a form acceptable to Denver Water. The Licensee is responsible for all easement and service line costs, including ownership, operation, maintenance, and repair of the private facilities.

9.03.3 Installation. All service pipes, valves, and appurtenances shall be installed by the licensee at the cost of the Licensee. The Engineering Standards shall prescribe standards relating to the number, location, size and strength of pipes and the number, location, size and type of valves, to enable Denver Water to control the water supply to the premises.

9.03.4 Maintenance. The maintenance and protection of privately owned piping, including service pipe and fittings, fixtures and water-using appliances, except meters, whether located in or upon public or private property, is the exclusive responsibility of the owner thereof, except as set forth in these Operating Rules.

9.03.5 No Guarantee of Pressure or Continuous Flow. Denver Water is not responsible or liable for damage from any cause whatsoever to service connections, fixtures, and water-using appliances, and no person is entitled to damages or payment of refunds by reason of temporary

or permanent pressure changes or stoppage of the flow of water through the Water System. Dirt or debris can enter water lines for any number of reasons under normal operations of the Water System, and no person is entitled to damages by reason of dirt or debris entering a Licensee's service connection.

9.03.6 Protection of Water-Using Devices. The protection of water-using devices and systems which require limited or sustained water pressure or a continual water supply is the responsibility of the Licensee or the owner of the device or system. The Licensee or owner of any such device or system shall take suitable protective measures at the owner's expense. The Licensee or owner should also protect water-using devices and systems from dirt or debris that may enter the service connection.

9.03.7 Maintaining Conformity with Standards. If at any time an existing service connection does not conform to these Rules or the Engineering Standards, the licensee, or any party causing non-conformance with the Engineering Standards is responsible for bringing the connection into compliance.

9.03.8 Licensee Responsibility. Licensee shall be responsible for all damage to persons or property resulting from leaks on the Licensee's service line or appurtenances. All service line fixtures replaced or installed by Denver Water hereunder shall upon installation become the property and the responsibility of the owner of the premises served thereby.

9.04 Replacement of Existing Service Connections.

9.04.1 Replacement by Denver Water. When proper management, operation or maintenance of the Water System requires, Denver Water may relocate at its expense all or a portion of the service connection to a Licensed Premises. The replaced service connection shall be the property of the Licensee.

9.04.2 Required Replacement by Others. Denver Water may require replacement of all or a portion of any service connection that could pose a risk to service levels, public health, or water quality, as determined by Denver Water.

9.04.3 Replacement Required Due to Construction on Licensed Premises. In cooperation with municipal building departments, Denver Water will review certain building permit applications to determine whether the construction might have an impact on the service connection to a Licensed Premises that would pose a risk to water service, public health, or water quality. If Denver Water determines that such an impact is likely, the following corrective actions will be required.

a. Current Engineering Standards. Outdated portions of the service connection shall be brought into compliance with the current Engineering Standards.

b. Age of Original Tap. If the year of the original Tap installation or year that the structure located at the premises was constructed is 1950 or earlier, and there are no records or other information that indicate that the service line had been replaced since 1950, all non-copper components of the service line shall be replaced from the Water Main to the first copper or brass fitting within the structure.

c. Inside Meter. If the construction activity requires the relocation of an inside meter, the meter shall be relocated to an outside meter pit in compliance with the current Engineering Standards.

9.04.4 Replacement Required Due to Construction in the Street. If construction activities in the street result in relocation, cutting or damage to a service line, the party responsible for construction shall be required to repair or restore the line. If the service line is lead, the responsible party shall replace all non-copper components of the service line from the Water Main to the first copper or brass fitting within the structure.

9.04.5 Approval and Inspection of Service Connection Replacements. Replacement required under this Rule 9.04 needs to be pre-approved by Denver Water or the Distributor. Replacement work needs to be inspected by Denver Water or the Distributor at the cost of the party performing the work. Water service lines that have not been inspected by Denver Water or the Distributor may not be reactivated or reconnected to the Water System.

9.04.6 Cut-Off Permits.

a. Application. Prior to the initiation of any service line cut-off, a completed Cut-Off Permit application form needs to be approved by Denver Water, and the Licensee shall pay all outstanding charges.

b. Deposit. Denver Water may require payment of a deposit prior to issuance of a Cut-Off Permit. Denver Water may retain such deposit to the extent necessary to fully compensate Denver Water for its costs and expenses, or to rectify any failure by the Licensee to properly perform the cut-off.

c. Responsibility. Cut-offs will not be performed by Denver Water, except when deemed by Denver Water to be in its best interest. If Denver Water decides to perform any portion of the work, the Licensee shall deposit the estimated cost of the work prior to issuance of the Cut-Off Permit, and shall be responsible for paying the actual costs incurred by Denver Water.

d. Inspection. Denver Water personnel will need to inspect and verify any service line cut-off prior to any backfilling operations.

9.05 Leak Repair Service.

9.05.1 Repair Services Available. Although the Licensee owns and is responsible for maintaining the service connection, Denver Water may provide limited leak repair services to Licensed Premises located in Denver or in areas served under Total Service or Total Service Improvement Distributor contracts. The availability of leak repair services as a service to Licensees under this Rule 9.05 shall not impose any duty upon Denver Water, and Denver Water will not be liable for any consequence of not providing such service.

a. Normal Wear and Aging. The repair service described in this Section shall be provided only for those leaks attributed to normal wear and aging of the service pipe. Leaks caused by actions such as excavation, demolition, landscaping, or by any construction activity initiated by any third-party that impacts the service line or Denver Water's operation of the Licensee's facilities as required to enforce these Rules, are not

included in the repair service provided by Denver Water. The repair of such leaks is the sole responsibility of the Licensee.

b. Notice and Availability. Denver Water will perform the repairs described in this Section only if (1) Denver Water has actual notice of the leak; and (2) Denver Water determines that sufficient manpower and equipment are available to make repairs.

c. Without Cost. The leak repair service described in this Section will be performed by Denver Water without cost to the Licensee.

d. Limitations. Repair services provided by Denver Water under this Section shall not include any responsibility for replacement of service lines, the thawing of frozen service pipes or appurtenances, or repairs to Stub-In connections.

9.05.2 Extent of Leak Repair Services. The leak repair service shall consist of the following:

a. Curb Stop. Denver Water may repair leaks on service lines with curb stops which originate between the Water Main and the outlet (house) side of the curb stop. The Licensee shall repair leaks on the outlet side of the curb stop, beginning at the tube nut which threads onto the curb stop on the outlet side.

b. Outdoor Meter Without Curb Stop. Denver Water may repair leaks on service lines with outdoor meters and no curb stop, which originate between the Water Main and the inlet side of the meter. The Licensee shall repair all leaks emanating from the service line or any of its appurtenances located on the outlet side of the meter. The Licensee shall maintain the meter pit.

c. Lines Without Curb Stops or Outdoor Meters. Denver Water may repair leaks on service lines without curb stops or outdoor meters, which originate between the Water Main and the property boundary of the Licensed Premises. The Licensee shall repair all leaks emanating from the service line or any of its appurtenances located inside the property line of the Licensed Premises.

d. Private Lines. Repair of leaks on domestic service lines connected to privately owned fire protection service lines shall be performed as set forth above, except that Denver Water will also make repairs of leaks on the fire protection service line between the Water Main and the inlet side of the property line valve on the fire protection service line. Denver Water will not maintain or repair fire protection service lines that are not connected to domestic service lines.

9.06 Access to Property. Authorized employees of Denver Water or authorized Denver Water contractors shall be allowed free and unimpeded access at all reasonable hours to any building or premises where water is used, for purposes of inspection, repair, service line replacement, meter reading, and meter or AMR installation and maintenance. Where a meter or AMR device is installed inside a building or in another location where access is limited, the Licensee shall provide access to the meter or AMR device upon notice to do so.

Chapter 10 - METERS AND METER PITS

10.01 Ownership. Meters read by Denver Water and the meter pits in which they are located shall be owned by and installed at the expense of the Licensee, except as otherwise provided in these Operating Rules.

10.02 Specifications.

10.02.1 Meter Pits or Vaults. Meter pits are manholes or vaults intended to house meters and protect them from contact and from the elements. Meter pits shall comply with specifications in the Engineering Standards, including requirements dealing with proper materials, frost and freeze protection, and the pit being set to and maintained at final grade of the ground or of the surrounding property.

10.02.2 Meters. A meter, as distinguished from a meter pit, is a device used to measure a Licensee's water consumption. Meters must comply with specifications in the Engineering Standards.

a. Size and Type. The Engineering Standards establishes specifications for all meters. These standards shall provide for accurate measurement of water flow, excellence of material and minimum line loss under all anticipated conditions of use for each size meter.

b. AMR. All meters that are read by Denver Water have an electronic digital encoder or pulsar register and an AMR device as specified by the Engineering Standards.

c Purchase. Meters two inches and smaller shall be purchased from Denver Water. Meters larger than two inches shall be purchased from another source, provided that such a meter may not be installed unless that meter complies with requirements in the Engineering Standards and unless the meter has been tested, numbered and inspected by Denver Water.

10.02.3 Interconnection of Meters. Denver Water, at its discretion, may permit the interconnection of two or more meters to serve a single distribution system on a Licensed Premises if the combined capacity of the meters is at least equal to the anticipated service demand of the premises. Approval of a combination or interconnected meter installation will require Denver Water's review of the hydraulic calculations for the premises and detailed design of the installation. A BFP device shall be installed after each meter. Billing for interconnected meters is governed by Rule 6.04.

10.03 Location.

10.03.1 Accessibility Required. Meters, whether located in meter pits or inside buildings, shall be located to allow Denver Water unimpeded and non-hazardous access to the meter at reasonable times. Meters shall also be located so that the radio frequency signal from the AMR device can be obtained from a publicly-accessible street or another location conveniently accessible to Denver Water's meter reading vehicles and equipment.

10.03.2 Meter Pit or Inside Building. The specific location of meters installed at Licensee expense shall be designated by the Licensee, subject to the provisions of this Section.

a. Meter Pit. All meters on services activated after January 1, 2007, shall be installed outside the structure being served, unless specifically approved by Denver Water. Meters shall be installed in a frost proof meter pit or vault: (1) within the boundaries of a public street or in an easement as accessible to Denver Water as a public street would be; or (2) in front of the premises to be served, either in the right-of-way or on the property of the premises, not more than five feet from the property line and adequately protected from hazards and interferences. Meters may not be installed in paved areas without prior approval by Denver Water.

b. Inside Building. With prior approval from Denver Water, a meter may be installed at an easily accessible location inside a commercial or industrial building on the premises to be served, provided there will be no reasonable possibility for water to be taken from the service line without passage through the meter. The location of the indoor meter shall be heated to prevent freezing, shall be adjacent to a floor drain and shall not be obstructed. The meter shall be equipped with a remote type AMR device that will be mounted on the outside of the structure in accordance with the Engineering Standards.

10.03.3 Maintain Conformity. If an existing meter location does not conform to the standards enumerated in this Section or the Engineering Standards, the installation shall be modified at the Licensee's expense so that it does conform.

10.04 Meter Installations. Specifications for meter settings and AMR devices shall be prescribed by the Engineering Standards, including but not limited to such standards as necessary to provide for prior approval of meter settings and location of the meter or meter pit before installation.

10.05 Maintenance.

10.05.1 Meter Pit. The maintenance and protection of privately owned meter pits and appurtenances, including maintaining the meter pit at grade, is the responsibility of the Licensee.

10.05.2 Maintenance of Meter.

a. Ordinary Wear and Tear. To provide for the accurate measurement of water, Denver Water will maintain at its cost, against ordinary wear and tear, all meters it reads for billing purposes, except meters serving Master Meter Distributor contract areas. Denver Water will repair or replace meters in need of maintenance, testing, or replacement. Upon installation, the replacement meter and the AMR device shall become the property of the Licensee of the premises served thereby. The timing of meter replacement and the extent of modifications required to accommodate the installation of a new meter is at the discretion of Denver Water.

b. Damage due to Other Cause. The maintenance service described in this Section shall be provided only for damage to meters or AMR devices attributed to normal wear and aging. Damage to meters or AMR devices caused by actions such as excavation, demolition, landscaping, freezing, hot water, tampering, water hammer, construction, or any cause other than ordinary wear and tear are not included in the maintenance service provided by Denver Water. When a meter has been damaged as a result of any such

causes, the Licensee shall bear the entire expense of removing, repairing, resetting and replacing the meter or AMR device.

10.05.3 Convenience of Denver Water. When proper management, operation or maintenance of the Water System requires, Denver Water may relocate meters and AMR devices, or modify meter settings at Denver Water expense. All meters and devices so relocated shall be the property of the Licensee.

10.05.4 Licensee Responsibility. Regardless of the maintenance service provided by Denver Water under this Section, the Licensee shall be responsible for damage to person or property resulting from the Licensee's meter or meter pit.

Chapter 11 - CROSS-CONNECTIONS

11.01 Protection of Potable Water Quality. Denver Water is responsible for protecting the Potable public water supply from contamination or pollution that could enter the Water System through a connection from another Water System or by means of backflow from a Licensee's system.

11.02 Commingling Prohibited. Except as specifically permitted by written agreement, Potable Water from the Water System shall not be commingled with water from any other source. Water from other sources shall be distributed only through an entirely independent system. Interconnection of another source of water with Denver Water's distribution system or a Licensee's water facilities is prohibited.

11.02.1 Dual Supply Premises. Premises supplied with water from a non-Denver Water source will not be issued a Potable Water service License unless the owner of such premises enters into an agreement, binding upon the owner and any successors, not to make or permit any cross-connection between any non-Denver Water source and the Licensee's service connection and water system supplied from Denver Water's distribution system.

11.02.2 Exceptions for Approved Systems. Denver Water's distribution system may be interconnected with an approved water system under a written agreement between Denver Water and the owner of the approved system.

a. Physical Connection. The physical connection with an approved system shall be a swing connection, a removable spool, or other arrangement approved by Denver Water's Water Quality Section and shall conform to the Engineering Standards.

b. Approval Process. To be permitted to commingle Potable Water, a public Potable Water system needs to be investigated and approved by Denver Water's Water Quality Section. Approved systems will be monitored regularly. The Water Quality Section may withdraw approval to commingle for good cause.

c. BFP Device Required. Any device connecting an approved system with Denver Water's Potable Water system shall have a BFP device installed and maintained in compliance with the Engineering Standards.

11.03 BFP. Backflow from any connection into Denver Water's Potable Water system or the facilities of a Licensee is prohibited.

11.03.1 BFP Device Required. No water service connection to serve a Licensee's premise will be installed or maintained by Denver Water unless the Potable Water supply is protected from backflow as required by the Engineering Standards. An approved BFP device shall be installed on each service line within a Licensee's water system, and shall be tested annually and maintained on a regular basis. During construction, a temporary BFP device may be required under Rule 3.03(c).

11.03.2 Enforcement.

a. Inspection. The Licensee's system will be subject to inspection by Denver Water at all reasonable times to determine whether cross-connections or other structural or sanitary hazards exist.

b. Suspension of Service. Water service to any premises may be discontinued if a required BFP device is not installed, tested and maintained, or if a BFP device has been removed or bypassed. An unprotected cross-connection on a Licensed Premises may also result in suspension of service. Service will not be restored until such conditions or defects are corrected.

c. Procedures for Suspension of Service. When one of the conditions described becomes known, Denver Water will follow the procedures outlined in Rule 2.10 for suspension of water service. The absence of a proper BFP device, or the existence of an unprotected cross connection, may constitute an immediate threat of harm to public health, safety or welfare, in which case the procedures in Rule 2.10.4 for suspension of service for emergencies may apply.

Chapter 12 - EXISTING DENVER WATER FACILITIES

12.01 Third Party Operation of Denver Water Facilities.

12.01.1 Prior Approval Required. The Water System shall not be operated, modified, or otherwise impacted without prior approval from Denver Water. Any extension, installation, disconnection, connection, abandonment or replacement of any Distribution Main shall require submission of plans and approval in advance by Denver Water, and may also require Denver Water inspection.

12.01.2 Standards for Work. All work affecting the Water System shall conform to these Operating Rules, the Engineering Standards and local plumbing and fire codes. It is the responsibility of the person performing the work to ensure that any affected valve boxes are raised to the proper grade after the work is completed.

12.01.3 Permits. The third party performing work on Denver Water facilities shall be responsible for obtaining all permits and licenses required by the jurisdiction in which the work shall be performed, and for having such permits and licenses available for inspection at the work site.

12.01.4 Penalties for Unauthorized Operation. Denver Water may assess penalty fees against and may revoke permits of any person who violates this Section or operates any valve or fire hydrant without approval from Denver Water.

12.02 Relocation of Denver Water Facilities.

12.02.1 Facilities in Public Rights-of-Way. If relocation of Denver Water facilities located in public rights-of-way is required by a county, municipality or authorized street improvement district to accommodate a public transportation project of the county, municipality or district, Denver Water will pay the costs of relocation.

a. Exception for Later Dedication. Denver Water will not pay the costs of relocation if its facilities are located in a right-of-way or easement that predates the dedication of the property as a public right-of-way.

b. Exception for Other Entities. Denver Water will not pay the costs of relocation of its facilities if relocation is required to accommodate projects of utilities, enterprises or other special districts, including but not limited to entities providing water, stormwater, sanitation, sewer, telecommunication or electric service. The costs to relocate Denver Water facilities for such projects shall be paid by the entity causing the relocation.

c. Contribution from Other Sources. Denver Water's cost to relocate its facilities shall be reduced by any applicable private, state or federal funding for the transportation project.

12.02.2 Facilities Located in Denver Water Property and Easements. The cost to relocate Denver Water facilities located within Denver Water property and easements shall be borne by the entity causing the relocation.

12.02.3 Costs of Relocation. The costs to relocate Denver Water facilities shall include costs for survey, design, inspection, materials, construction, permits and licenses, transportation and administrative costs.

Chapter 13 - RESERVED

Chapter 14 - WATER CONSERVATION

14.01 Water Waste Prohibited. Water shall be used only for beneficial purposes and shall not be wasted.

14.01.1 Water Waste Defined. Prohibited water waste includes, but is not limited to:

a. Applying more water than is reasonably necessary to establish and maintain a healthy landscape. Routine watering of turf shall be limited to 3 days per week, except for watering for up to 21 days to establish new turf from sod or seed; and except for syringing golf course greens when necessitated by weather conditions.

b. Watering with spray irrigation between the hours of 10.00 a.m. and 6.00 p.m. during the period from May 1 to October 1, except for the following uses:

(1) Watering for up to 21 days to establish turf from seed or sod.

(2) Watering new plant material on the day of planting (e.g., flowers, trees, and shrubs).

(3) Watering that is essential to preserve turf subject to heavy public use.

(4) Operating an irrigation system for installation, repair or reasonable maintenance, if the system is attended throughout the period of operation.

c. Watering landscaped areas during precipitation events (e.g., rain, snow, or hail) or high wind.

d. Applying water intended for irrigation to an impervious surface, (e.g., a street, parking lot, alley, sidewalk or driveway).

e. Using water instead of a broom or mop to clean outdoor impervious surfaces (e.g., sidewalks, driveways, and patios), except when cleaning with water is necessary for public health or safety reasons or when other cleaning methods are impractical.

f. Allowing water to pool or flow across the ground or into any drainage way (e.g., gutters, streets, alleys or storm drains).

g. Failing to repair, for a period of more than 10 business days after notice, leaking or damaged irrigation components, service lines or other plumbing fixtures.

h. Washing vehicles with a hose that lacks an automatic shut-off valve.

14.01.2 Water Use Restriction Distinguished. These prohibitions on water waste are not related to drought response, insufficient water supply or system emergency and therefore do not constitute water use restrictions within the meaning of Denver Water's various water supply agreements and environmental permits.

14.02 Irrigation Uses.

14.02.1 Xeriscape.

a. Definition. Xeriscape is a set of seven horticultural principles that combine climate-compatible vegetation and other techniques to conserve irrigation water.

b. Policy. It is Denver Water's policy to encourage Xeriscape landscapes throughout the service area. Prohibitions on the use of Xeriscape are contrary to public policy.

14.02.2 Irrigation of More Than One Acre. To extend the yield of Denver Water's water supply and to encourage the efficient use of water, the irrigation of landscape of more than one acre may be subject to special review.

a. Contiguity Not Required. "Open space of more than one acre" may include contiguous parcels or, in the discretion of Denver Water, several non-contiguous parcels located in close proximity to one another.

b. Raw Water. Denver Water may require water service from raw water sources for irrigation of open space of more than one acre if Denver Water determines, at its discretion that: (1) alternative raw water service can be made available by Denver Water; and (2) the cost of raw water service is competitive with the cost of additional Potable or Recycled Water supply and is financially practical.

c. Potable or Recycled Water. Irrigation of open space of more than one acre with Potable or Recycled Water will be permitted only after plan review and upon a finding by Denver Water that the proposed landscape and irrigation design will use water efficiently in view of the intended uses of the open space. Denver Water may require the use of Recycled Water rather than Potable Water if it determines that Recycled Water is reasonably available.

14.02.3 Irrigation of Narrow Strips of Land. Spray irrigation of narrow strips of land almost inevitably results in water waste. Therefore, the following irrigation system and design requirements apply to irrigation of any strip of land less than 25 feet in width, including medians, parkways, traffic islands, parking lot islands and perimeters, rights-of-way along streets and other public or private areas along roadways.

a. For strips of land less than six feet in width - Spray irrigation shall be prohibited. Low-flow irrigation systems shall be required.

b. For strips of land between six feet and 15 feet in width - Only low-flow irrigation, or spray irrigation using low-angle spray nozzles designed for the specific width to be irrigated shall be permitted. All spray heads shall be pressure-reducing and designed to prevent low-head drainage.

c. For strips of land between 15 feet and 25 feet in width - Only gear-driven rotors with low-angle nozzles may be used to irrigate turf areas. Planting beds may be irrigated with low-flow or spray irrigation. All spray heads shall be pressure-reducing and designed to prevent low-head drainage.

14.02.4 Rain Sensors Required. A functioning rainfall sensor, with a battery backup, capable of turning off an automatic clock-controlled irrigation system is required on the following irrigation systems installed after January 1, 2008. A list of approved devices is available from Denver Water.

a. Irrigation systems connected to all irrigation-only taps, including those related to single-family residential Licensed Premises.

b. All irrigation systems connected to regular taps, except those serving single-family residential Licensed Premises.

14.03 Industrial, Commercial and Public Use.

14.03.1 Best Management Practices (BMPs). Denver Water encourages all industrial, commercial and public use Licensees to implement BMPs for efficient use of water. A list of BMPs is available from Denver Water.

14.03.2 Heating or Process Water. A water conservation device conforming to such specifications as may be required by Denver Water shall be installed on heating, processing or other industrial or commercial uses of water whenever Denver Water determines at its discretion that recycling of the water without treatment is practical.

a. Water Conservation Device. For purposes of this Section, a water conservation device is any equipment, process or procedure whereby all water used for heating or processing is either consumed in the intended use, or is recycled for the same purpose until it is unusable.

14.03.3 Cooling. All evaporative or refrigerated cooling uses and air conditioning facilities that deliver water to a drain or other discharge facility without recycling or further use, are prohibited. This includes any equipment, process or procedure which relies upon the temperature of the water supply for cooling purposes.

14.03.4 Car Washing.

a. Fleet Vehicles. Vehicles in commercial operations or fleets may be washed only by means of a car wash that practices the efficient use of water.

b. Commercial Car Washes. Commercial car washes shall practice efficient use of water and implement industry BMPs.

14.03.5 Commercial Power Washing. Commercial enterprises for which cleaning with water is an essential element of business shall use only high-efficiency equipment..

14.04 Decorative and Interactive Water Features. Decorative and interactive water features or similar water operating devices installed or refurbished as part of a capital renewal project that use Potable or Recycled Water shall use a recirculating system within the Feature, designed and installed in accordance with applicable local, state and federal codes and regulations. Each device connected to the Water System shall have an approved BFP device as required by Denver Water's Engineering Standards. The requirement to have a recirculation system does not apply to Low Flow Water Features.

14.05 Lakes and Ponds. Potable Water shall not be used to fill or maintain water levels in lakes and ponds with a surface area over ½ acre, individually or in aggregate, or with an estimated annual consumptive use of 3 acre-feet (one million gallons) unless:

a. No other source of water is available, as determined by Denver Water;

b. The Chief Water Resource Strategy Officer or the Chief's designated representative determine that the use of water will not adversely impact the Water System; and

c. Potable Water will be used only on a non-recurring temporary basis.

14.06 Emergency Water Use Restrictions. If conditions of supply or quality so limit the water supply of the Water System that unrestricted water use may endanger the adequacy of that supply or quality, Denver Water may by resolution adopt emergency water use restrictions. Emergency water use restrictions shall remain in force and effect until Denver Water determines that the conditions requiring their imposition no longer exist. Denver Water may also adopt such regulations and restrictions as are reasonably calculated under all conditions to conserve and protect its supply and to ensure a regular flow of water through its system. Water use restrictions that may be imposed during drought conditions are contained in Chapter 15 of these Rules.

14.07 Enforcement. The owner or occupant of the Licensed Premises shall be responsible for complying with Denver Water's regulations and restrictions. Those who violate these regulations or restrictions shall be subject to the penalties in force at the time of the violation. Penalties may include the following:

a. In the event of a first violation, the owner or occupant will be advised in writing and be informed that a monetary charge will be added to the water bill for subsequent violations.

b. In the event of a second violation at the same premises, the owner or occupant will be advised in writing, and a $50 charge may be added to the water bill.

c. In the event of a third or any subsequent violation at the same premises, the owner or occupant will be advised in writing, and a $100 charge may be added to the water bill.

d. Continuing waste of water or willful violation of Denver Water regulations or restrictions is cause for temporary suspension of the License.

14.07.1 Enforcement During Drought Conditions. During a drought response program implemented under Chapter 15 of these Operating Rules, water waste may be deemed a drought violation and penalized as provided in that Chapter.

Chapter 15 - DROUGHT AND WATER SHORTAGE RESPONSE

15.01 Application of this Chapter. Denver Water has developed a framework for addressing current and/or projected drought/water shortages. The goal of the Board's response is to maintain the health, safety and economic vitality of the community to the extent possible in the face of drought/water shortages. Four levels of response have been identified by the Board based on various drought/water shortage indicators, such as:

- Current and projected supply reservoir contents;
- Watershed characteristics in the Colorado and South Platte River basins such as temperature, precipitation, snowpack, streamflow, wind, and soil moisture;
- Water use, including projected water use;
- Weather forecasts;
- Actions taken by local, regional, and/or state governments or water suppliers regarding water use;
- Drought response actions taken by state water officials;
- Water availability conditions and/or drought conditions in the Colorado and South Platte River basins; and
- A failure or emergency in the Water System.

These four responses are:

1) Drought/Water Shortage Watch – increased communication and outreach; possible water use restrictions as provided by contract.
2) Stage 1 Drought/Water Shortage – mandatory water use restrictions, including limited outdoor watering.
3) Stage 2 Drought/Water Shortage – increased mandatory water use restrictions, including certain prohibitions on outdoor watering.
4) Stage 3 Drought/Water Shortage – rationing of water.

Water shortages may be caused by drought, system failures, system emergencies, or other factors that cause a shortage in the Board's water supply. Historically, the Board has referred to a particular water shortage response using drought terms, such as "Stage 1 Drought." This Chapter will continue to refer to water shortage responses using such terms for ease of reference, it being the Board's intent that water shortages requiring a particular response will have the water use restrictions as outlined in this Chapter, whether caused by drought, system failures, system emergencies, or other factors.

The Board implements a particular drought/water shortage response by declaration and adopts an effective date for applicable restrictions. Upon a declaration, restrictions are enforceable pursuant to the Charter, the Denver Revised Municipal Code, these Rules, this Chapter, and provisions in Denver Water's water service agreements and water leases. This Chapter contains rules that apply during a particular response as declared by the Board, provided that nothing herein shall limit the ability of the Board to adopt, modify, change, expand, or otherwise take appropriate and necessary measures to address water shortages. Other aspects of drought and water shortage response will be contained in other documents, such as administrative and enforcement guidelines. Rules for a Stage 3 Drought will be adopted by the Board as the need arises.

15.01.1 Drought/Water Shortage Response within Distributor Contract Areas. Water service furnished by Denver Water within Total Service, Read and Bill, and Master Meter Distributor contract areas (as such Distributors are defined in Rule 5.02) is governed by the Rules, including this Chapter 15. Distributors, if applicable and as provided in their respective water service agreements, retain the right to make and enforce their own rules that are not inconsistent with the Rules, and also agree to exercise their powers to assist Denver Water in enforcing the Rules.

15.01.2 Drought/Water Shortage Response to Recycled Water Licensees. Recycled Water has different supply characteristics than Potable Water, and its source water may be more abundant than Potable Water during periods of drought or water shortage. Licensees who use Recycled Water are subject to regulations on usage that do not apply to Licensees of Potable Water. In recognition of these differing circumstances, Denver Water reserves the right to adopt different water use restrictions for Recycled Water Licensees, or to refrain from imposing any water use restrictions on Recycled Water Licensees, depending on the availability of the Recycled Water source at the time of a declaration.

15.01.3 Definitions.

a. "Green Roof" means "vegetated roofs" as defined in Article XIII of Chapter 10 of the Denver Revised Municipal Code ("Green Building Ordinance") that are in compliance with the Green Building Ordinance, including the rules governing the building requirements of such Article, as each may be amended from time to time.

b. "Compliance Period" means:

(1) A period of time:

A. Beginning on the effective date for an applicable response first adopted by the Board to address a drought/water shortage; and

B. Ending on the effective date on which the Board declares an end to a drought/water shortage.

(2) A Compliance Period shall last the entire duration that a drought/water shortage persists.

(3) A Board declaration that increases or decreases the response during a drought/water shortage does not constitute the beginning of a new Compliance Period. For example, a declaration increasing the response from a Stage 1 Drought Response to a Stage 2 Drought Response does not mark the beginning of a new Compliance Period; the then current Compliance Period continues until the Board declares an end to the drought/water shortage.

c. Unless otherwise defined in this Chapter, all other terms used in this Chapter shall have the same meaning as defined in Chapter 1 of these Rules.

15.02 Drought Watch Response. A Drought Watch may include any or all of the following responses.

15.02.1 Increased Communication and Education. Denver Water will increase communication to:

a. Alert the general public that water supplies are below average, conditions are dry and/or continued dry weather could lead to mandatory water use restrictions.

b. Encourage efficient water use.

c. Provide suggestions for reducing water use.

15.02.2 Voluntary Water Use Restrictions. Denver Water may encourage Licensees to voluntarily avoid outdoor water use/irrigation between the hours of 10:00 a.m. and 6:00 p.m.

15.02.3 Fixed-Amount Water Contracts. In connection with a Drought Watch, the Board may determine that providing an adequate supply of water for the people of Denver requires water use restrictions for water deliveries to lessees who receive Nonpotable Water or Potable Water under fixed-amount contracts. (Charter, Art. 10.1.13.). If such a determination is made, water deliveries pursuant to applicable contracts will be restricted as follows:

a. For agreements with provisions for reduction in deliveries under drought/water shortage conditions, the amount delivered shall be reduced as determined by the Board (by up to 10%) or as otherwise provided in the fixed-amount contract.

b. For agreements with provisions requiring progressive curtailment or the adoption of the same or similar water use restrictions as the Board during drought/water shortage conditions, the lessee shall implement the responses and voluntary water use restrictions contained in 15.02.1 and 15.02.2.

c. For all agreements, the Board reserves the ability to take all appropriate and necessary measures to address water shortages, including the adoption of drought pricing or other methods to achieve reduction in water consumption outside Denver as necessary to provide an adequate supply of water to the people of Denver.

15.03 Stage 1 Drought Response.

15.03.1 Irrigation. All Licensees shall conduct all watering without any water waste, as defined in Chapter 14.

a. Irrigation Watering Restrictions. All Licensees shall comply with the following watering restrictions, except as specifically allowed or exempted by Rule 15.03, specific written permission of the Board, by means of a Board-approved water budget, or by Board declaration.

(1) Watering shall be limited to one or two days per week in accordance with a schedule adopted by the Board. By way of example, the following is a watering schedule that may be adopted:

Example: 2-day per week watering schedule	
Single-family residential properties with odd-numbered addresses	Wednesday Saturday
Single-family residential properties with even-numbered addresses	Sunday Thursday
All others	Tuesday Friday

(2) Irrigation shall be done in accordance with any restriction limiting the number of minutes of irrigation that an area of turf may receive and/or a maximum total amount of time during which irrigation at a Licensed Premises may occur.

(3) Watering may be prohibited between the hours of 10:00 a.m. and 6:00 p.m.

(4) Outdoor lawn watering may be prohibited between October and April.

b. Trees, Shrubs and Perennials. Trees, shrubs, and perennials may be watered by means of a hand-held hose with an automatic shut-off nozzle or low-volume non-spray irrigation on any day, but not between 10:00 a.m. and 6:00 p.m. between May 1st and October 1st.

c. Annuals and Vegetables. Annuals and vegetables may be watered any day by means of a hand-held hose with automatic shut-off nozzle or low-volume non-spray irrigation, but not between 10:00 a.m. and 6:00 p.m. between May 1st and October 1st.

d. Irrigation System Installation, Operation, and Repair. An irrigation system may be operated outside the watering schedule for installation, repair, or reasonable maintenance, so long as the system is attended throughout the period of operation and water waste does not occur. All irrigation control systems must be reprogrammed for operation in compliance with the schedule provided by the Board or must be operated manually.

e. Green Roofs. The Board, in the interest of public safety and fire prevention, may exempt irrigation of Green Roofs in the Denver Water service area from the water schedule restrictions provided the Green Roof is irrigated within the limits specified by the Board.

15.03.2 Outdoor Water Features. Licensees shall be prohibited from operating any existing Decorative Water Feature. No new Decorative Water Feature may be put into operation during a Stage 1 response.

15.03.3 Washing of Vehicles.

a. Personal Vehicles. At locations other than commercial car washes, washing of personal vehicles shall be done using a bucket or a hand-held hose equipped with an automatic shut-off nozzle.

b. Fleet Vehicles. Vehicles in commercial operations or fleets may be washed no more than once per week, unless public health or safety requires more frequent washing.

c. Commercial Car Washes. Commercial car washes shall practice efficient use of water.

15.03.4 Washing of Impervious Surfaces.

a. Power Washing by Individuals. Power washing may occur only on the assigned watering days, except for immediate health or safety reasons. Cleaning without water should be done prior to power washing.

b. Commercial Power Washing. Commercial enterprises for whom cleaning with water is an essential element of their business are not subject to day-of-the-week restrictions, but they must clean without water prior to power washing, use only high-efficiency equipment, and ensure that water waste does not occur.

15.03.5 Water Restriction Variances. The Board may, in its discretion, grant variances from the restrictions in Rule 15.03.

a. The Board may approve written variances for specific uses, sources of water, times or seasons of use, or as otherwise needed. Variances are based on several factors, including public use of the Licensed Premises, frequency of use, extent and impact of each use, water efficiency practices, and whether the Licensee has a Board-approved water budget.

b. In addition to the penalties described in Rule 15.06, violation of any term or condition of a variance may result in immediate rescission of the variance.

15.03.6 Fixed-Amount Water Contracts. In connection with a Stage 1 response, the Board has determined that providing an adequate supply of water for the people of Denver requires the restrictions contained in this Rule 15.03.6. (Charter, Art. 10.1.13). Water deliveries to Licensees who receive Nonpotable Water or Potable Water under fixed-amount contracts will be restricted as follows:

a. For agreements with provisions for reduction in deliveries under drought/water shortage conditions, the amount delivered shall be reduced as determined by the Board (by up to 30%) or as otherwise provided in the fixed-amount contract.

b. For agreements with provisions requiring progressive curtailment or the adoption of the same or similar water use restrictions as the Board during drought/water shortage conditions, the lessee shall implement the water use restrictions contained in Rule 15.03.

c. For all agreements, the Board reserves the ability to take all appropriate and necessary measures to address water shortages, including the adoption of drought pricing or other methods to achieve reduction in water consumption outside Denver as necessary to provide an adequate supply of water to the people of Denver.

15.04 Stage 2 Drought Response.

15.04.1 Irrigation. All Licensees shall conduct any watering, if allowed, without any water waste, as defined in Chapter 14.

a. Prohibition on Irrigation. Irrigation shall be prohibited, except as specifically allowed or exempted by Rule 15.04, by specific written permission of the Board, by means of a Board-approved water budget, or by Board declaration.

b. Trees, Shrubs, and Perennials. Existing trees, shrubs, and perennials may be watered by means of a hand-held hose with an automatic shut-off nozzle or low-volume non-spray irrigation in accordance with the schedule set forth in the declaration. Such irrigation may not occur between the hours of 10:00 a.m. and 6:00 p.m. between May 1st and October 1st. The planting of new trees, perennials, or shrubs may be prohibited.

c. Annuals and Vegetables. Existing annual and vegetable plantings in household and community gardens may be watered by means of a hand-held hose with an automatic shut-off nozzle or low-volume non-spray irrigation in accordance with the schedule set forth in the declaration. Such irrigation may not occur between the hours of 10:00 a.m. and 6:00 p.m. between May 1st and October 1st. The planting of new annual or vegetable plantings may be prohibited.

d. Irrigation System Installation, Operation, and Repair. An irrigation system may be operated despite the prohibition in Rule 15.04.1.a for installation or repair, so long as the system is attended throughout the period of operation and water waste does not occur.

e. Green Roofs. The Board, in the interest of public safety and fire prevention, may exempt irrigation of Green Roofs in the Denver Water service area from the water schedule restrictions provided the Green Roof is irrigated within the limits specified by the Board.

15.04.2 Outdoor Water Features.

a. Decorative Water Features. Licensees shall be prohibited from operating any existing Decorative Water Feature. No new Decorative Water Feature may be put into operation during a Stage 2 response.

b. Low Flow and Interactive Water Features. Operation of outdoor Low Flow and Interactive Water Features is allowed unless prohibited by the declaration.

c. Swimming Pools. Single-family residential pools shall not be filled or refilled. Operation of other pools is permitted.

15.04.3 Washing of Vehicles.

a. Personal Vehicles. Washing of personal vehicles shall be prohibited except at commercial car washes as described in subsection (c).

b. Fleet Vehicles. Vehicles contained in commercial operations or fleets may be washed no more often than once per month, unless public health or safety requires more frequent washing, and must be accomplished with no water waste.

c. Commercial Car Washes. Commercial car washes shall practice efficient use of water.

15.04.4 Washing of Impervious Surfaces.

a. Power Washing by Individuals. Use of water to clean outdoor impervious surfaces such as sidewalks, driveways and patios is prohibited, except when cleaning with water is necessary for immediate public health or safety reasons.

b. Commercial Power Washing. Commercial enterprises shall clean with water only for health or safety purposes, and must clean without water prior to power washing, use only high-efficiency equipment and ensure that water waste does not occur.

c. Hydrant Permits. Water obtained by means of a hydrant permit shall not be used for cleaning equipment or any other use prohibited during a Stage 2 response.

15.04.5 Water Restriction Variances. The Board may, in its discretion, grant variances from the restrictions in Rule 15.04.

a. The Board may approve written variances for specific uses, sources of water, times or seasons of use, or as otherwise needed. Variances are based on several factors, including public use of the Licensed Premises, frequency of use, extent and impact of each use, water efficiency practices, and whether the Licensee has a Board-approved water budget.

b. In addition to the penalties described in Rule 15.06, violation of any term or condition of a variance may result in immediate rescission of the variance.

15.04.6 Fixed-Amount Water Contracts. In connection with a Stage 2 response, the Board has determined that providing an adequate supply of water for the people of Denver requires the restrictions contained in this Rule 15.04.6. (Charter, Art. 10.1.13.). Water deliveries to Licensees who receive Nonpotable Water or Potable Water under fixed-amount contracts will be restricted as follows:

a. For agreements with provisions for reduction in deliveries under drought/water shortage conditions, the amount delivered shall be reduced as determined by the Board (by up to 50%) or as otherwise provided in the fixed-amount contract.

b. For agreements with provisions requiring progressive curtailment or the adoption of the same or similar water use restrictions as the Board during drought/water shortage conditions, the lessee shall implement the water use restrictions contained in Rule 15.04.

c. For all agreements, the Board reserves the ability to take all appropriate and necessary measures to address water shortages, including the adoption of drought pricing or other methods to achieve reduction in water consumption outside Denver as necessary to provide an adequate supply of water to the people of Denver.

15.05 Stage 3 Drought Responses.

15.05.1 A Stage 3 response activates a rationing program for the Board's Licensees. The Board may implement a rationing program for an indefinite period of time to ensure, to the extent possible, that there is adequate water for essential uses (e.g., domestic indoor use). All outdoor watering may be prohibited, and indoor water use may be restricted.

15.06 Enforcement of this Chapter.

15.06.1 Compliance. The Licensee shall be responsible for complying with all provisions of this Chapter, including the terms of any exemptions or variances. Those who fail to comply with any of the provisions in this Chapter will be subject to the provisions and penalties in this Rule 15.06.

a. For a first violation of any water use restriction during a Compliance Period, Denver Water will provide a written notice of a warning and that a monetary charge may be added to the water bill for subsequent violations. The notice will be provided to the Licensed Premises; the person normally billed for water service at the Licensed Premises; and a third party if Denver Water has been notified of the name and address of the third party.

b. For a second violation of any water use restriction at the same Licensed Premises during a Compliance Period, Denver Water will provide written notice of the violation and that a charge will be added to the water bill. The notice will be provided to the Licensed Premises; to the person normally billed for water service at the Licensed Premises; and to a third party if Denver Water has been notified of the name and address of the third party. The added charge may be up to $250 for single family residential accounts and up to $500 for all other accounts.

c. For a third violation of any water use restriction at the same Licensed Premises during a Compliance Period, Denver Water will provide written notice of the violation and that a charge will be added to the water bill. The notice will be provided to the Licensed Premises; to the person normally billed for water service at the Licensed Premises; and to a third party if Denver Water has been notified of the name and address of the third party. The added charge may be up to $500 for single family residential accounts and up to $1,500 for all other accounts.

d. For a fourth violation of any water use restriction at the same Licensed Premises during a Compliance Period, for violation of any term or condition of a variance granted under Rules 15.03.5 and 15.04.5, or for willful violation of any water use restriction, Denver Water will provide written notice of the violation and that a charge will be added to the water bill. The notice will be provided to the Licensed Premises; to the person normally billed for water service at the Licensed Premises; and to a third party if Denver Water has been notified of the name and address of the third party. The added charge may be up to $1,000 for single family residential accounts and up to $2,000 for all other accounts. In addition, Denver Water may install a flow restrictor on the service line that will remain in

place until it is no longer deemed necessary or may suspend service temporarily until the cause of the violation is corrected and all outstanding penalty and water service charges have been paid.

15.06.2 Suspension of Service. Failure to comply with any provisions of this Chapter 15, including failure to pay penalties assessed, shall be considered causes for suspension of service as provided in Chapter 2 and the Board may take any action authorized by Chapter 2.

15.06.3 Appeal Process. The Licensee or occupant of a Licensed Premises subject to a penalty for violation of a provision of this Chapter 15 may request an appeal pursuant to provisions of Chapter 16. Unless the appeal has already been approved, any charges that appear on the water bill must be paid by the due date of the water bill. If the appeal is approved after payment has been made, the disputed charge will be credited on the next water bill.

15.07 Use of Water Not Controlled or Provided by Denver Water. Some Licensees may have available to them sources of water that are not owned, controlled or provided by the Board. While the use of such water in a drought/water shortage is not under the direct control of the Board, the following rules apply to the owner or occupant of a Licensed Premises using non-Board water. Failure to comply with these rules will be deemed to be a response violation under Rule 15.06.

15.07.1 Certification. To ensure that the water is in fact not the Board's, the Licensee shall provide certification demonstrating the source of the water and that the water is being used in compliance with any legal restrictions on the use of water from that source.

15.07.2 Contamination Prevention. To avoid potential contamination of the Board's Potable Water system, any irrigation or other system using non-Board water shall be physically disconnected from the Board's Potable Water system. In addition, the Board service line providing Potable Water to the Licensed Premises must include an approved backflow prevention device, and the Licensee must execute a Dual Water Supply Agreement with the Board.

Chapter 16 - HEARING PROCEDURES FOR DISPUTES UNDER THE OPERATING RULES

16.01 Application of this Chapter. Except as provided in Chapters 15 and 19 of these Rules, the hearing and appeal procedures established by this Chapter 16 shall apply to complaints concerning the interpretation, application or enforcement of Denver Water's Operating Rules, as applied to a specific Licensee or other individual or entity ("Denver Water Action").

16.02 Matters Not Subject to Appeal. The following matters are not subject to appeal:

16.02.1 The administration of Denver Water's Engineering Standards, including interpretation, enforcement, revision, waiver and variance, which has been delegated by the CEO/Manager to the Chief Engineering Officer.

16.02.2 The decision by Denver Water to grant or deny any request for a variance to its Operating Rules.

16.02.3 Any claim not arising from the Operating Rules, such as tort type claims for damages.

16.03 Alternative Processes for Appeal. The following matters are not subject to appeal under this Chapter 16, because they may be appealed through other Denver Water processes:

16.03.1 Complaints arising out of the interpretation of the terms of Denver Water contracts, which are governed by the provisions of Chapter 17 of these Rules.

16.03.2 Personnel matters, which shall be governed exclusively by Denver Water's Personnel Policies.

16.04 Submittal of a Claim for Resolution. All complaints concerning Denver Water Action shall be presented in writing by the impacted party ("Complainant") to the Sales Administration Customer Relations Manager ("Customer Relations Manager"), via email at watersales@denverwater.org or by U.S. Mail. Licensees who are disputing the amount of a charge or rate of charge made against the Licensed Premises or otherwise billed to or alleged to be owing from the Licensee ("Billing Problems"), as provided in Rule 6.06, or potential suspension of service under a License, as provided in Rule 2.10, may notify Denver Water by telephone. By submitting a claim via email, Complainant consents to notices being provided via email.

16.04.1 Contents of Complaint. All complaints must include:

a. The Complainant's name, mailing address, and email address.

b. If Complainant has legal representation, the name, mailing address, email address, and telephone number of that representative.

c. Reference to the specific Denver Water Operating Rule interpretation, application or enforcement at issue, the dollar amount in controversy, and the time during which the matter at issue accrued or occurred.

d. A copy of the Denver Water Action being appealed.

e. The basis upon which the Complainant believes the Denver Water Action was improper.

f. A statement of the relief requested (e.g., desired outcome).

g. If appropriate, exhibits supporting Complainant's position.

h. The signature of Complainant or the legal representative.

16.04.2 Timing for Submitting a Claim. Except for Billing Problems, as provided in Rule 6.04.6, all complaints must be submitted to the Customer Relations Manager within 45 business days of the challenged Denver Water Action. Strict compliance with this subpart is a requirement for any review under these rules. Any complaint submitted more than 45 business days after Denver Water Action shall be denied by the Customer Relations Manager.

16.04.3 Right to Reject Complaint. Denver Water reserves the right to reject any complaint that is incomplete or that otherwise does not comply with these rules.

16.05 Non-payment Claims. If the claim involves a proposed suspension of service for non-payment of charges due, service will not be suspended while such claim is pending if the Complainant deposits the amount of disputed charges and pays current bills. If no such deposit is made to Denver Water, service may be suspended.

16.06 Informal Resolution for Billing Problems, Complaints Regarding Suspension of Service, and Water Use Restriction Violations. All complaints submitted by Customers affected by Billing Problems, as provided in Rule 6.04.6, or potential suspension of service under a License, as provided in Rule 2.10, or appeals of water use restriction violations, as provided in Rule 15.06.3, shall be reviewed through the Informal Resolution process described herein.

16.06.1 Review and Investigation. The Customer Relations Manager shall conduct a thorough review and investigation into the allegations contained in the complaint.

16.06.2 Resolution Determination. After completing the review and investigation, the Customer Relations Manager shall notify the Complainant of the resolution of the matter by electronic mail, unless a Complainant specifically requests to be notified by U.S. mail in the initial complaint, within 15 business days after the investigation is complete; and shall take such action as may be warranted. Unless a request for a Formal Hearing is submitted as provided below, the decision of the Customer Relations Manager in the Informal Resolution process constitutes the final decision of Denver Water.

16.06.3 Request for Formal Resolution Review of Informal Resolution Decision. If Complainant is unsatisfied with the Customer Relations Manager's decision in the Informal Resolution process, he or she may request this matter be submitted to Formal Resolution. To do so, the Complainant must provide such request to the Customer Relations Manager via email, within 15 business days after the date the Customer Relations Manager's decision is emailed to Complainant, or the date postmarked in cases of decisions sent via regular mail. A request for

Formal Resolution Review must include a concise statement of the reasons why the Customer Relations Manager's decisions as to interpretation, application or enforcement of Denver Water's Operating Rules by Denver Water was insufficient, along with supporting facts.

16.07 Formal Resolution. Other than those matters specifically identified in Rule 16.06, above, all complaints submitted under this Chapter 16, along with any appeals for Informal Resolution Decisions, shall proceed through this Formal Resolution process.

16.07.1 Appointment of Hearing Officer. The Customer Relations Manager shall notify the CEO/Manager, who will designate a Hearing Officer to investigate and conduct hearings under this Chapter 16. The Hearing Officer may be an officer, agent, or employee of Denver Water, but shall not have participated in any manner in the decision or action complained of by Complainant.

16.07.2 Scheduling a Formal Hearing. Within 30 business days after receipt of a complaint from the Customer Relations Manager, the Hearing Officer shall conduct a hearing in accordance with this Chapter or shall schedule a hearing on a date agreeable to both parties.

16.07.3 Current Accounting Requirement. If the complaint involves a proposed suspension of service under Rule 2.10.2, Denver Water will provide to the Complainant a statement of current account on the subject premises within a reasonable period of time prior to the date set for the hearing.

16.07.4 Notice of Hearing. A Complainant shall be given notice of the hearing before a Hearing Officer by electronic mail at least 5 business days prior to the date of the hearing, unless the Complainant requests or agrees to a hearing in fewer than 5 business days from the date of scheduling. When a Complainant is represented by an attorney, the Complainant shall provide notice of such representation along with the attorney's contact information (including electronic mail address) to Denver Water at least 2 business days prior to the hearing. Upon learning a Complainant is represented by an attorney, notice of any action, finding, determination, decision or order affecting the Complainant shall also be served upon the attorney by electronic mail.

16.07.5 Conduct of Formal Hearing. The hearing shall be conducted generally in accordance with this Chapter 16 regardless of whether it conforms to common law or statutory rules of procedure or rules of evidence.

a. Attendance. The Complainant shall be permitted to appear in person. The Hearing Officer has discretion to authorize telephonic or virtual attendance by the Complainant, Complainant's authorized representative, or any witnesses at the formal hearing. Denver Water may have an authorized representative attend the hearing, which may include legal counsel. When the Complainant is a legal entity and not an individual, it must designate an authorized representative, other than legal counsel, to appear at the hearing. In such event, the Complainant shall provide written authorization for such representation by U.S. mail at least 5 business days prior to the hearing, unless the parties have agreed to a hearing in less time, in which case such written authorization shall be provided no later than the date of the Formal Hearing.

b. Order of Proceedings.

(1) Hearing Officer calls the hearing to order.

(2) Administration of oath.

(3) Opening Statements. Each party shall have five (5) minutes to present an opening statement summarizing their respective positions.

(4) Presentation of testimony and other evidence by Complainant, providing a summary, explanation, and rationale as to why the challenged Denver Water Action was improper. Unless stated otherwise by the Hearing Officer, the Complainant shall have fifteen (15) minutes to present testimony and evidence. Response rebuttal time is not included in this time limit.

(5) Presentation of testimony or other evidence by Denver Water to rebut the testimony and evidence provided by Complainant. Unless stated otherwise by the Hearing Officer, Denver Water shall have fifteen (15) minutes to represent its rebuttal case.

(6) Closing Statements. After receipt of evidence, and unless stated otherwise by the Hearing Officer, each side shall have five (5) minutes to present a closing statement.

(7) Rebuttal. The Complainant shall have two (2) minutes to present a rebuttal argument.

(8) The Hearing Officer, in his or her sole discretion, may extend the time of any portion of the hearing as necessary, so long as each party is afforded equal time.

c. Evidence. The Hearing Officer may rely on the Colorado Rules of Civil Procedure or Colorado Rules of Evidence in conducting a hearing but is not bound to do so. The Hearing Officer may receive and consider any evidence, regardless of whether it would be admissible under the Colorado Rules of Evidence, if it possesses probative value commonly accepted by reasonably prudent persons in the conduct of their affairs.

d. Burden of Proof.

(1) Denver Water Action is presumed correct. The Denver Water Action serves as *prima facie* proof of the existence of evidence to supporting the decision.

(2) The Complainant must prove by a preponderance of the evidence that the Denver Water Action is contrary to the Denver Water Operating Rules or that the facts presented do not support the Denver Water Action.

(3) For procedural efficiency, the Hearing Officer may alter the order of proceedings to require Denver Water to present its case in support of the Denver Water Action first. The burden of persuasion, however, remains with the Complainant to show the correctness of its position by a preponderance of the evidence.

e. Recording. All hearings must be recorded or transcribed. A copy of the recording or transcript of recording will be provided at the expense of the requesting party. The Complainant, however, may employ a certified stenographer at Complainant's expense.

f. Ex Parte Communications. The Hearing Officer shall not initiate, permit, or consider communications concerning the subject matter of a claim pending a Formal Hearing outside the presence of all parties or their authorized representatives.

16.07.6 Decision of Hearing Officer. The Hearing Officer shall determine whether reasonable grounds exist to support the challenged interpretation, application or enforcement of the Operating Rules and, if so, whether the challenged interpretation, application or enforcement should be undertaken in the particular case, with due consideration for such extenuating circumstances as may exist. The Hearing Officer's decision shall be based solely upon evidence presented at the hearing. The Hearing Officer shall issue written findings and an order resolving the matter and shall provide the Complainant with a copy of such decision by electronic mail, unless requested otherwise by Complainant, as soon as possible after the completion of the Formal Hearing. Unless accepted on appeal by the CEO/Manager as provided below, the decision of the Hearing Officer shall be the final decision of Denver Water.

16.08 Appeals of Formal Resolution to CEO/Manager. Denver Water or the Complainant may appeal the Hearing Officer's decision to the CEO/Manager. The party wishing to appeal shall submit a notice of appeal to the CEO/Manager within 15 business days of the date of the Hearing Officer's decision.

In order for the CEO/Manager to agree to hear the appeal, the notice of appeal shall demonstrate one of the following grounds:

a. The decision of the Hearing Officer involves an erroneous interpretation of these Rules, other Denver Water policies or applicable law; or

b. The decision of the Hearing Officer may set a precedent and involves policy considerations that may have effect beyond the case at hand.

The CEO/Manager shall have 15 business days to determine whether the notice of appeal establishes the required grounds for appeal. If the CEO/Manager determines the notice of appeal does not establish any of the required grounds for appeal, the CEO/Manager shall reject the appeal and inform the parties that the decision of the Hearing Officer is the final decision of Denver Water. The CEO/Manager will notify the parties if the appeal is accepted.

16.08.1 Non-payment Appeal. If the matter involves a proposed suspension of service for non-payment of charges due, service will not be suspended while the appeal is pending if the complainant deposits the amount of disputed charges and pays current bills. If no such deposit is made to Denver Water, service may be suspended.

16.08.2 Procedure for Appeals to the CEO/Manager. The CEO/Manager shall confine the review to the record made before the Hearing Officer, supplemented by additional statements from the Complainant and Denver Water staff in support of their respective positions. A new hearing is not allowed.

16.08.3 CEO/Manager's Decision. If the CEO/Manager accepts the appeal, the CEO/Manager shall have 30 days after receipt of the record to enter an order affirming, reversing or modifying the Hearing Officer's decision and shall inform the Complainant of the order by U.S. mail. The CEO/Manager's decision exhausts the Denver Water appeal process and constitutes the final decision of Denver Water.

16.09 Final Decision and Judicial Review. Final decisions of Denver Water may be subject to judicial review as provided in Colorado Rule of Civil Procedure 106(a)(4) of the Colorado Rules of Civil Procedure. The District Court of the Second Judicial District of the state shall have jurisdiction to review claims arising under Rule 106(a)(4).

Chapter 17 - HEARING PROCEDURES FOR DISPUTES ARISING UNDER DENVER WATER CONTRACTS

17.01 Application of this Chapter. The hearing and appeal procedures established by this Chapter 17 shall apply to contract claims appealed by a contractor for an administrative hearing as required by provisions contained in certain Denver Water contracts. Compliance with provisions of this Chapter 17 shall be a jurisdictional prerequisite to any action brought under the applicable contract, and failure to comply shall bar such actions.

17.02 Appointment of Hearing Officer. Denver Water's CEO/Manager may serve as the Hearing Officer and hold the administrative hearing, or in the CEO/Manager's sole discretion, the CEO/Manager may designate another person to serve as a Hearing Officer with authority to conduct the administrative hearing. The Hearing Officer may be an officer, employee or agent of Denver Water, provided that the Hearing Officer has not participated in any manner in the disputed claim being appealed.

17.03 Jurisdiction of Hearing Officer.

17.03.1 Hearing Officer to Decide. If either the contractor or Denver Water raises a question concerning whether any issue or claim raised in such administrative hearing is within the scope of the applicable contract, such question shall be decided by the Hearing Officer.

17.03.2 Scope of Relief. The Hearing Officer may resolve the contract dispute by granting any remedy or relief that the Hearing Officer deems just and equitable and within the scope of any agreement between the parties. The Hearing Officer shall not have the authority to alter or make any finding contrary to Denver Water's Operating Rules or Engineering Standards or the specific terms of the contract between the parties, or to compel specific performance.

17.04 Conduct of Hearings. The Hearing Officer will preside at the hearing and maintain order and decorum. The Hearing Officer will conduct the hearing as informally as possible and in an orderly and efficient manner.

17.04.1 Notice of Hearing. The Hearing Officer will provide written notice to the contractor and Denver Water of the date, time and location of the hearing. The presentation of evidence shall not exceed 3 business days per party unless the Hearing Officer determines that the number or complexity of the issues requires more time. The hearing may proceed in the absence of any party or representative who, after due notice, fails to be present or fails to obtain a postponement.

17.04.2 Attendance. Denver Water and the contractor shall have authorized representatives at the hearing, which may include legal counsel. If the contract dispute involves subcontractor claims, the contractor shall ensure the presence at the hearing of authorized representatives of the appropriate subcontractor. The Hearing Officer may apply to the Denver Municipal Court to issue a subpoena to compel the attendance of a witness if doing so is necessary to conduct an effective hearing.

17.04.3 Rights of the Parties. At the hearing, each party shall have the right to present evidence, testimony and argument and the right to confront and cross-examine the other party's witnesses. Witnesses shall testify under oath or affirmation. Witnesses may be sequestered at the discretion of the Hearing Officer.

17.04.4 Exchange of Evidence. If all parties consent, the Hearing Officer may authorize up to 10 hours total per party of depositions under oath to be conducted prior to the hearing. At least 15 days prior to a scheduled hearing date, the parties shall exchange and simultaneously submit to the Hearing Officer the exhibits to be offered at the hearing, a list of any agreed upon facts, and a list of witnesses to be examined at the hearing along with a description of their testimony. If a party intends to examine an expert witness at the hearing, a written summary of the expert's testimony or the expert's report, if one has been prepared, shall be included in the exchange and submission required by this subsection. The summary shall contain the qualifications of the expert and a complete statement describing the substance, basis and reasons for all opinions to be expressed; however, the summary need not meet the standards of related rules of civil procedure. No other pre-hearing discovery shall be allowed unless it appears that one party has previously acquired documents related to the hearing under the Colorado Open Records Act or by other means, in which case the Hearing Officer may allow additional discovery to the other party as necessary to remedy any imbalance in the information available to the parties. Discovery shall be limited as described in this paragraph unless all parties to the hearing agree otherwise.

17.04.5 Evidence. The Hearing Officer will receive and consider any evidence, including testimony of witnesses and documentary evidence or other exhibits, without strict adherence to rules of evidence that govern judicial or administrative proceedings, except that privileges such as attorney-client and work product shall apply. The Hearing Officer will endeavor to consider only relevant and trustworthy evidence and will reject any evidence that the Hearing Officer deems irrelevant or untrustworthy. The Hearing Officer shall determine the admissibility, relevance, and materiality of the evidence offered and may exclude evidence the Hearing Officer deems to be cumulative or irrelevant. The hearing shall consist of the presentation of evidence by each party followed by rebuttal and surrebuttal evidence if appropriate. Upon mutual agreement, the parties may waive the oral portion of the hearing and submit the dispute based on written submissions and other agreed-upon evidence.

17.04.6 Objections and Motions. The Hearing Officer will rule on all objections and may guide the discussion of issues by asking questions of the parties in order to obtain expeditiously information the Hearing Officer considers necessary. The Hearing Officer may entertain motions, including motions to dispose of all or part of a claim in general accordance with Civil Procedure Rules 41 and 56, and motions that may expedite the proceedings. The Hearing Officer may also make preliminary rulings and enter interlocutory orders.

17.04.7 Burden of Proof. The contractor shall have the burden of proof to show the correctness of the position of the contractor. Claims for monetary damages shall be supported by actual costs whenever possible rather than by estimate or opinion, and shall be supported by invoices, time cards and similar business records. The Hearing Officer may utilize his or her experience, technical competency, and specialized knowledge in the evaluation of the evidence presented.

17.04.8 Recording. Hearings shall be recorded by electronic means; transcripts of such recordings shall be made at the expense of the party requesting the transcript. The contractor may employ a court reporter at its own expense.

17.04.9 Costs. Except as specifically provided in this subsection 17.04, each party shall pay its own costs.

17.05 Decision of Hearing Officer. The Hearing Officer's decision shall be based upon evidence adduced at the hearing and the applicable law of Colorado. The decision and award of the Hearing Officer may not include interest. The Hearing Officer's final decision and award, if any, shall be provided in writing to both Denver Water and the contractor within 14 days of the completion of the hearing. In difficult or complex cases, this time may reasonably be extended by the Hearing Officer. The Hearing Officer's decision and award, if any, shall be final and binding on the parties.

17.06 Final Determination and Judicial Review. The decision of the Hearing Officer shall be considered the final order of Denver Water and may be reviewed under Rule 106(a)(4) of the Colorado Rules of Civil Procedure upon petition by any party. The District Court of the Second Judicial District of the state shall have jurisdiction to review questions of law and fact determined by the Hearing Officer under Rule 106(a)(4).

Chapter 18 - PUBLIC RECORDS

18.01 Purpose. It is the policy of Denver Water to make public records available for public inspection at reasonable times in accordance with the provisions of the Colorado Public Records Act (the Act), § 24-72-201, et seq., C.R.S. This Chapter 18 has been adopted to comply with the provision of the Act that permits public entities to adopt rules "reasonably necessary for the protection of such records and the prevention of unnecessary interference with the regular discharge of the duties" of Denver Water employees. This Chapter is also intended to establish reasonable fees for providing copies of records as authorized by the Act and to recover a portion of the cost of staff time spent responding to public records requests.

18.02 Official Custodian. The Information Governance and Privacy Manager of the Information Governance Section is the official custodian of records maintained by Denver Water.

18.03 Requests. Any request for records under the Act shall identify the full name, address, and telephone number of the requestor, set forth the particular records desired to be inspected, and indicate the request is made under the provisions of the Act. Other than requests from the media, requests shall be submitted in writing to the Records Management Manager and delivered in person, by U.S. mail, or to an email address designated by Denver Water for this purpose. Denver Water will make reasonable efforts to fill such requests within 3 working days as required by the Act. In the event of extenuating circumstances, the request may require up to 10 working days to complete as provided by the Act. The Office of General Counsel will be notified immediately of all requests and, as needed, will review records for confidentiality issues prior to their release.

18.04 Media Requests. Public records requests by the media shall be made in writing directly to Public Affairs and delivered in person, by U.S. mail or to an email address designated by Denver Water for this purpose. The Office of Public Affairs will coordinate with the official custodian and the Office of General Counsel to respond to the request.

18.05 Inspection of Public Records. The official custodian will notify the requesting party of the date, time and location where the requested records can be inspected. The requesting party will be notified if a requested public record is not available at Denver Water. Inspection of Denver Water public records available under the Act shall be permitted between the hours of 9:00 a.m. and 4:00 p.m., Monday through Friday, except on holidays, at a time specifically set by the official custodian for each particular request for inspection.

18.06 Fees for Copies, Printouts, or Photographs of Public Records. The official custodian shall charge for any copies, printouts or photographs of public records requested. The fee for a standard page shall be no greater than the maximum amount specified in the Act. A standard page is defined as one side of a paper page, 11 inch x 17 inch or smaller, in black and white or color. The fee for public records provided in a format other than a standard page will not exceed the actual cost of providing the copy. A price list for copies will be maintained by, and upon request, will be available from the Information Governance Section.

18.07 Record Generation and Research Fees. Denver Water will not charge for the first hour spent responding to a request under the Act. After the first hour, Denver Water will charge a fee of $41.37 per hour, billed in ½-hour increments, for the following:

18.07.1 The manipulation of data in order to generate a record in a form not used by Denver Water in the normal course of business.

18.07.2 Persons making a later request for the same record may be charged the same fee for the redaction of documents to excise privileged material.

18.07.3 Time spent responding to a request by performing research, including but not limited to, searching voluminous files for specific information.

18.07.4 The Official Custodian may require an advance deposit of fifty (50) percent of the expected cost before completing review beyond the first hour. Full payment is required before any records will be released.

18.08 Exemptions. No person shall be permitted to inspect or copy any records of Denver Water if, in the opinion of the official custodian, such inspection or copying would come within the prohibition of one or more exemptions contained in the Act.

Chapter 19 - RESERVED