

Water Utility Terms and Conditions of Service Tariff

APPLICABLE TO:

- Global Water Santa Cruz Water Company, Inc. ("GW-Santa Cruz");
- Global Water Belmont Water Company, Inc. ("GW-Belmont");
- Global Water Turner Ranches Irrigation, Inc. ("GW-Turner");
- · Global Water Saguaro District Water Company, Inc; ("GW-Saguaro"); and
- Any other GWRI affiliated utility that files a tariff sheet joining in this tariff.
- Each of these utilities is referred to as "Utility" and will be collectively referred to as the "Global Water Utilities".

WATER UTILITY TERMS AND CONDITIONS OF SERVICE:

- 1.0 Applicability. This Terms and Conditions of Service Tariff applies to all services provided by the Utility.
- 2.0 Adoption of Rules. For potable water service, the Utility adopts the Rules of the Arizona Corporation Commission for water service (A.A.C. R14-2-401 to R14-2-411), as supplemented by this Tariff.
- 3.0 Special provisions for non-potable water service.
 - 3.1 "Non-potable water service" means the delivery of water, other than water for human consumption or recycled water.
 - 3.2 The following provisions apply to non-potable water service.
 - 3.2.1 Establishment of service. Establishment of non-potable water service will be in accordance with A.A.C. R14-2-403.
 - 3.2.2 Customer information. The Utility will provide the information to non-potable water customers as required in A.A.C. R14-2-404.
 - 3.2.3 Main extensions. Main extensions for non-potable water service will be subject to the requirements of A.A.C. R14-2-406.

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- 3.2.4 Provision of Service. Non-potable water service will be subject to the requirements of A.A.C. R14-2-407, except that R14-2-407(E), Minimum Delivery Pressure, shall not apply because non-potable water is an unpressurized service.
- 3.2.5 Meter reading. Meter reading for non-potable water service will be subject to the requirements of A.A.C. R14-2-408.
- 3.2.6 Billing. Billing and collection for non-potable water service will be subject to the requirements of A.A.C. R14-2-409.
- 3.2.7 Termination of service. Termination of service for non-potable water service will be subject to the requirements of A.A.C. R14-2-410.
- 4.0 Electronic Billing. Electronic Billing is an optional billing service whereby Customers may elect to receive, view, and pay their bills electronically. The Utility may modify its Electronic Billing services from time to time. A Customer electing an electronic billing service may receive an electronic bill in lieu of a paper bill. Customers electing an electronic billing service may be required to complete additional forms and agreements. Electronic Billing may be discontinued at any time by the Utility or the Customer. An Electronic Bill will be considered rendered at the time it is electronically sent to the Customer. Failure to receive bills or notices which have been properly sent by an Electronic Billing system does not prevent these bills from becoming delinquent and does not relieve the Customer of the Customer's obligations therein. Any notices which the Utility is required to send to a Customer who has elected an Electronic Billing service may be sent by electronic means at the option of the Utility. Except as otherwise provided in this section, all other provisions of the Utility's tariffs and the Commission's Rules and Regulations are applicable to Electronic Billing. The Customer must provide the Utility with a current email address for electronic bill delivery. If the Electronic Bill is electronically sent to the Customer at the email address that Customer provided to the Utility, then the Electronic Bill will be considered properly sent. Further, the Customer will be responsible for updating the Utility with any changes to this email address. Failure to do so will not excuse the Customer from timely paying the Utility for utility service.

5.0 Liability.

5.1 Water pressure for Private Fire Service and Public Fire Hydrant Service. The Utility will supply only such water at such pressures as may be available from time to time as a result of the normal operation of its water system. The Utility does

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not guarantee a specific water pressure or gallons per

minute flow rate at any public fire hydrant or private fire service. In the event service is interrupted or irregular or defective or fails from causes beyond the Utility's control or through ordinary negligence of its employees or agents, the Utility will not be liable for any injuries or damages arising therefrom. Ratepayers shall not be required to reimburse through rates, damages from the acts or omissions of the Utility, its principals, agents or employees.

- 5.2 Limitation of Utility responsibility. The Utility does not assume the responsibility of inspecting or maintaining any customer's piping or apparatus and will not be responsible therefor; however, the Utility reserves the right to refuse water service unless the customer's piping or apparatus is installed in such manner as to prevent cross connections or backflow into the Utility's system in compliance with the Utility's Cross-Connection/Backflow Tariff as approved by the Commission.
- 5.3 Third party claims. Utility will not be responsible for any third-party claims against Utility that arise from Customer's use of Utility's utility service unless such claims are caused by the Utility's willful misconduct or gross negligence.
- 5.4 Indemnity. Customer will indemnify, defend and hold harmless the Utility (including the costs of reasonable attorney's fees) against all claims (including, without limitation, claims for damages to any business or property, or injury to, or death of, any person) arising out of any wrongful act or negligent omission of the Customer, or the Customer's agents, in connection with the Utility's service or facilities.
- 5.5 Limitation of damages. The liability of the Utility for damages of any nature arising from errors, mistakes, omissions, interruptions, or delays of the Utility, its agents, servants, or employees, in the course of establishing, furnishing, rearranging, moving, terminating, or changing the service or facilities or equipment shall not exceed an amount equal to the charges applicable under the Utility's tariff (calculated on a proportionate basis where appropriate) to the period during which the error, mistake, omission, interruption or delay occurs, except if such damages are caused by the Utility's willful misconduct or gross negligence.
- 5.6 Incidental, indirect, special, or consequential damages. In no event will the Utility be liable for any incidental, indirect, special, or consequential damages (including lost revenue or profits) of any kind whatsoever regardless of the cause

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or foreseeability thereof.

5.7 Interference with Utility facilities. The Utility will not be responsible in any occasion for any loss or damage caused by the negligence or wrongful act of the Customer or any of his agents, employees or licensees in installing, maintaining, using, operating or interfering with any Utility facilities.

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