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SAN JOSE WATER COMPANY (U168 San Jose, California		sed Cal. sed Cal.		
	Form No.	4		
	MAIN EXTENSION "B RULE" - IN <u>UTILITY IN</u>	DIVIDUAL		
PLEASE 1	REFER TO TARIFF B	OOK FOR SAMPLE	FORM	
(To be inserted by utility)	Issued by	(To be	inserted by (Cal. P.U.C.)
Advice No. <u>254</u>	<u>Fred R. Meyer</u> Vice President	Effecti	led <u>Jun 14 1</u> .ve <u>Jul 23 1</u>	.993
Dec. No	<u>Regulatory</u> Affa:	<u>irs</u> Resolut	ion No	

SAN JOSE WATER COMPANY (U-168-W)

FORM NO. 4

MAIN EXTENSION CONTRACT "B RULE" - INDIVIDUAL UTILITY INSTALL

THIS AGREEMENT, made and entered into this _____ day of ______, 19__, by and between the person or persons listed in paragraph 1 hereof, hereinafter collectively referred to as "Applicant," and SAN JOSE WATER COMPANY, a California corporation, hereinafter referred to as "Utility",

$\underline{W} \underline{I} \underline{T} \underline{N} \underline{E} \underline{E} \underline{S} \underline{S} \underline{E} \underline{T} \underline{H}$:

WHEREAS, Applicant desires to have water service available to certain real property ("Property") situate, lying and being in the County of Santa Clara, State of California, delineated on that certain map attached hereto as Exhibit A; and

WHEREAS, Applicant desires to have water service available to the Property through and by means of an extension ("Extension") of Utility's existing mains to be installed substantially as shown on Exhibit A hereto; and

WHEREAS, upon the terms and conditions herein set forth Utility is willing to install the Extension and to furnish water to the Property through and by means thereof at the rates and in accordance with the rules of Utility now in force or that may

from time to time hereafter be lawfully established in its service area;

NOW, THEREFORE, for and in consideration of the premises and of the mutual covenants, agreements, terms and provisions herein contained, it is agreed as follows, to wit:

 <u>Applicant</u>. The names, addresses and descriptions of the person or persons herein collectively referred to as "Applicant" are as follows:

<u>Name</u> <u>Address</u> <u>Description</u>

2. <u>Applicable Rule</u>. This Agreement is entered into pursuant to the requirements and in accordance with the form of agreement and the various applicable provisions of Utility's Main Extension Rule, hereinafter referred to as the "Rule", in effect and on file with the California Public Utilities Commission ("Commission"); a copy of the Rule is attached hereto as Exhibit B. This Agreement does not, therefore, require specific authorization of the Commission to carry out its terms and conditions.

3. <u>Applicant's Advance</u>. The estimated reasonable cost of the Extension (based upon main size not exceeding six inches (6") in diameter except where a larger main is required by the special

needs of the applicant), hereinafter referred to as the "Estimated Cost", is \$_____. Applicant has paid to Utility an amount equal to the Estimated Cost, receipt whereof is hereby acknowledge by Utility.

The cost of Extension shall include any income tax component authorized by the Commission at the date of execution of this agreement.

Installation of Extension. Utility agrees that it 4. will, as soon as necessary material and labor are available, and necessary permits, franchises, licenses or other governmental authorizations have been obtained, commence and prosecute to completion with all reasonable diligence the work of installing the Extension. Within sixty (60) days after Utility has ascertained its actual costs for installing the Extension (based upon main sizes non exceeding six inches (6") in diameter except where a larger main is required by the special needs of the applicant), it will provide Applicant with a statement of the same showing in reasonable detail the costs incurred for materials, labor and other direct and indirect costs, overheads and total costs, or unit costs or contract costs, whichever are appropriate. If such actual costs shall not have been determined within one hundred twenty (120) days after completion of construction work, a preliminary determination of actual costs shall be submitted, based upon the best available information at that time. If such actual costs as finally determined, (based upon main sizes not exceeding six inches (6") in diameter except

where a larger main is required by the special needs of the applicant), shall be greater or less than the Estimated Cost, the difference shall be paid by Applicant to Utility or repaid by Utility to Applicant, as the case may be, and the Estimated Cost adjusted accordingly. The Estimated Cost as so adjusted shall be Applicant's Advance Subject to Refund.

The income tax component will also be adjusted to actual costs.

5. <u>Applicant's Agreements</u>.

(a) Applicant agrees to use its best efforts to assist Utility to obtain any and all permits, franchises or other governmental authorizations which may be required for the installation of the Extension. Applicant further agrees to convey or cause to be conveyed to Utility any and all easements and rights of way which may be necessary or reasonably appropriate for installation of the Extension.

(b) Applicant agrees to comply with applicable provisions of local building codes and/or ordinances relating to (i) interior plumbing requirements in new buildings covering toilets, shower heads, and kitchen and lavatory faucets, as set forth in Section A.4.e.1. of the Rule, and (ii) design and operation of automatic irrigation systems in parks, median strips, landscaped public areas and landscaped areas surrounding condominiums, townhouses, apartments and industrial parks, as set forth in Section A.4.e.2. of the Rule.

6. <u>Refund</u>. If from time to time another applicant or applicants ("New Applicant") shall apply to Utility for service and shall be directly connected to the Extension, Utility agrees that as a condition to the furnishing of service by it to each New Applicant, Utility will require each New Applicant to pay to it, in addition to all other sums required to provide such service, an amount equal to the total installed cost of 100 feet of the Extension. Utility agrees that upon receipt of such amount from each New Applicant, it will promptly refund the same amount to Applicant provided that Applicant is not in default hereunder. However, no refunds will be made hereunder to Applicant after a period of ten (10) years from the date of completion of the Extension, and the total amount so refunded to Applicant shall not exceed Applicant's Advance Subject to Refund.

The applicant's advance subject to refund shall include any income tax component authorized by the Commission and collected by Utility.

7. <u>Utility's Right to Offset</u>. In the event Applicant shall become entitled to a repayment or refund under the provisions of this Agreement, Utility shall have the right at such time to offset against the amount then due applicant hereunder the total amount of any indebtedness then due or owing by Applicant to Utility.

8. <u>Ownership</u>. The Extension to be installed hereunder and all construction work in connection therewith shall be and remain

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at all times the property of Utility, and Applicant shall have no right, title or interest whatsoever in or to the same.

Street Grades. If at the Applicant's request the 9. Extension is installed in easements or rights of way where final grades have not been established or in streets whose grades have not been brought to those established by public authority, Applicant, upon written notice by Utility, shall deposit with Utility forthwith the estimated cost, as determined by Utility, of relocating, raising or lowering the Extension upon establishment of final grades. Adjustment of any difference between the amount so deposited and the actual cost of relocating, raising or lowering the Extension shall be made within ten (10) days after Utility has ascertained such actual cost. The net deposit representing actual cost shall not be subject to refund. Utility will refund the entire deposit relating to such proposed relocation, raising or lowering when appropriate authority determines that such displacements are not required.

10. <u>Construction Delay</u>. Utility shall not be responsible for any delay in construction resulting from any cause beyond its control, including, without limiting the generality of the foregoing, any delay resulting from inability to obtain sufficient proper materials and supplies, labor disturbances or shortages, or weather conditions, or inability to obtain necessary permits, licenses, franchises or other governmental

authorizations. In the event Utility is unable to obtain sufficient materials to meet all construction requirements necessary to provide adequate service to all its customers, it shall be entitled to allocate materials obtained by it to such construction projects as in its sole discretion it deems most important to service needs of its customers, and any delay in construction of the Facilities resulting from any such allocation of materials by Utility shall be deemed to be a cause beyond its control and it shall not be responsible for such delay.

11. <u>Notices</u>. Any notice which it is herein provided may or shall be given by either party to the other shall be deemed to have been duly given when deposited in the United States mail, registered or certified, postage prepaid and addressed to the party to whom such notice is given at the following respective addresses:

To Applicant:

To Utility: San Jose Water Company 374 W. Santa Clara St. San Jose, CA 95196

Either party, by notice given as hereinbefore provided, may change the address to which notices shall thereafter be addressed.

12. <u>Nature of Obligations; Assignment</u>. If more than one person is named in paragraph, hereof, the obligations of the persons executing this Agreement as Applicant shall be joint and

several. Until Applicant shall notify Utility in writing to the contrary, all refunds hereunder shall be paid by Utility to . Applicant may assign

this Agreement only after (a) determination of the amount of Applicant's Advance Subject to Refund, (b) settlement of any amounts owing to Utility or Applicant under paragraph 4 hereof by reason of a difference between Estimated Cost and actual cost, and (c) written notice to Utility. Any such assignment shall apply only to those refunds hereunder which become due more than thirty (30) days after the date of receipt by Utility of such notice of assignment. Utility will not make any single refund payment hereunder to more than one person.

13. <u>Successors and Assigns</u>. Subject to the provisions of the preceding Paragraph 11, this Agreement shall inure to the benefit of and shall bind the respective heirs, executors, administrators, successors and assigns of the parties hereto.

14. <u>Jurisdiction of Public Utilities Commission</u>. This Agreement shall at all times be subject to such changes or modifications by the Commission as the Commission may from time to time direct in the exercise of its jurisdiction.

IN WITNESS WHEREOF, the parties hereto have executed this agreement in duplicate the day and year first above written.

SAN JOSE WATER COMPANY

By_____ Its Vice President

By_____ Its Secretary

Utility

Applicant