

Control Number: 43121



Item Number: 3

Addendum StartPage: 0

House Bill (HB) 1600 and Senate Bill (SB) 567 83rd
Legislature, Regular Session, transferred the functions
relating to the economic regulation of water and sewer
utilities from the TCEQ to the PUC effective
September 1, 2014.

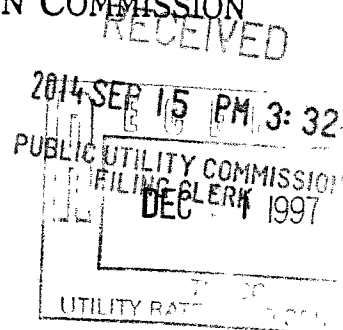


TEXAS NATURAL RESOURCE CONSERVATION COMMISSION



WATER UTILITY TARIFF

FOR



RCH Water Supply Corporation
(Utility Name)

107 S. San Jacinto
(Business Address)

Rockwall, Texas 75087

(972) 722-5800

This tariff is effective for utility operations under the following Certificate(s) of Convenience and Necessity:

Certificate Number 10087

This tariff is effective in the following county(ies):

Rockwall

This tariff is effective in the following cities or unincorporated towns (if any):

City of Heath, City of Rockwall, McLendon - Chisholm

This tariff is effective in the following subdivisions or systems:

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SECTION 1.0 - RATE SCHEDULE

Section 1.01 - Rates

<u>Meter Size</u>	<u>Monthly Minimum Charge</u>	<u>Gallonge Charge</u>	
		<u>Volume (Gallons)</u>	<u>Charge per 1,000 Gallons</u>
All Meters	\$7.00 (INCLUDING 3,000 GALLONS)	3,000 to 30,000	\$2.60
		30,000 to 100,000	\$4.00
		100,000 and above	\$6.00

Section 1.02 - Miscellaneous Fees

TAP FEE \$1,850.00
TAP FEE IS APPLICABLE PER LOT BASED UPON A STANDARD RESIDENTIAL CONNECTION OF 5/8" OR 3/4" METER AND WILL BE CHARGED ON A METER EQUIVALENCY BASIS.

RECONNECTION FEE

- a) Non payment of bill \$10.00
- b) Customer's request \$10.00

TRANSFER FEE \$10.00
THE TRANSFER FEE WILL BE CHARGED FOR CHANGING AN ACCOUNT NAME AT THE SAME SERVICE LOCATION WHEN THE SERVICE IS NOT DISCONNECTED.

LATE CHARGE \$2.00 or 5%
A ONE TIME PENALTY MAY BE MADE ON DELINQUENT BILLS BUT MAY NOT BE APPLIED TO ANY BALANCE TO WHICH THE PENALTY WAS APPLIED IN A PREVIOUS BILLING.

RETURNED CHECK CHARGE \$15.00

CUSTOMER DEPOSIT \$50.00

METER TEST FEE
CUSTOMER WILL PAY LABORATORY FEE IF METER IS CORRECT PLUS ACTUAL COST OF INSTALLING NEW METER.

SECTION 2.0 - SERVICE RULES AND REGULATIONS

The utility will have the most current Texas Natural Resource Conservation Commission Rules, Chapter 291, Water Rates, available at its office for reference purposes. The Rules and this Tariff shall be available for public inspection and reproduction at a reasonable cost. The latest Rules or Commission approved changes to the Rules supersede any rules or requirements in this Tariff.

Section 2.02 - Application for and Provision of Water Service

All applications for service will be made on the utility's standard application or contract form (attached in the Appendix to this Tariff) and will be signed by the Applicant before water service is provided by the utility. A separate application or contract will be made for each service location.

After the applicant has met all the requirements, conditions and regulations for service, the utility will install tap, meter and utility cut-off valve and/or take all necessary actions to initiate service. The utility will serve each qualified applicant for service within 5 working days unless line extensions or new facilities are required. If construction is required to fill the order and if it cannot be completed within 30 days, the utility will provide the applicant with a written explanation of the construction required and an expected date of service.

Where service has previously been provided, service will be reconnected within one working day after the applicant has met the requirements for reconnection.

The customer will be responsible for furnishing and laying the necessary customer service pipe from the meter location to the place of consumption. Customers may be required to install a customer owned cut-off valve on the customer's side of the meter or connection.

Section 2.03 - Refusal of Service

The utility may decline to serve an applicant until the applicant has complied with the regulations of the regulatory agencies (state and municipal regulations) and for the reasons outlined in the TNRCC Rules. In the event that the utility refuses to serve an applicant, the utility will inform the applicant in writing of the basis of its refusal. The utility is also required to inform the applicant a complaint may be filed with the Commission.

Section 2.04 - Customer Deposits

If a residential applicant cannot establish credit to the satisfaction of the utility, the applicant may be required to pay a deposit as provided for in Section 1.02 of this Tariff. The utility will keep records of the deposit and credit interest in accordance with TNRCC Rules.

SECTION 2.0 - SERVICE RULES AND REGULATIONS (CONT.)

Residential applicants 65 years of age or older may not be required to pay deposits unless the applicant has an outstanding account balance with the utility or another water or service utility which accrued within the last two years.

Nonresidential applicants who cannot establish credit to the satisfaction of the utility may be required to make a deposit that does not exceed an amount equivalent to one-sixth of the estimated annual billings.

Refund of deposit - If service is not connected, or after disconnection of service, the utility will promptly refund the customer's deposit plus accrued interest or the balance, if any, in excess of the unpaid bills for service furnished. The utility may refund the deposit at any time prior to termination of utility service but must refund the deposit plus interest for any customer who has paid 18 consecutive billings without being delinquent.

Section 2.05 - Meter Requirements, Readings, and Testing

All water sold by the utility will be billed based on meter measurements. The utility will provide, install, own and maintain meters to measure amounts of water consumed by its customers. One meter is required for each residential, commercial or industrial facility in accordance with the TNRCC Rules.

Service meters will be read at monthly intervals and as nearly as possible on the corresponding day of each monthly meter reading period unless otherwise authorized by the Commission.

Meter tests. The utility will, upon the request of the customer, and, if the customer so desires, in his or her presence or in that of his or her authorized representative, make without charge a test of the accuracy of the customer's meter. If the customer asks to observe the test, the test will be made during the utility's normal working hours at a time convenient to the customer. Whenever possible, the test will be made on the customer's premises, but may, at the utility's discretion, be made at the utility's testing facility. If within a period of two years the customer requests a new test, the utility will make the test, but if the meter is found to be within the accuracy standards established by the American Water Works Association, the utility will charge the customer a fee which reflects the cost to test the meter up to a maximum \$25.00 for a residential customer. Following the completion of any requested test, the utility will promptly advise the customer of the date of removal of the meter, the date of the test, and who made the test.

Section 2.06 - Billing

Bills from the utility will be mailed monthly unless otherwise authorized by the Commission. The due date of bills for utility service will be at least sixteen (16) days from

SECTION 2.0 - SERVICE RULES AND REGULATIONS (CONT.)

the date of issuance. The postmark on the bill or, if there is no postmark on the bill, the recorded date of mailing by the utility will constitute proof of the date of issuance. Payment for utility service is delinquent if full payment, including late fees and the regulatory assessment, is not received at the utility or the utility's authorized payment agency by 5:00 p.m. on the due date. If the due date falls on a holiday or weekend, the due date for payment purposes will be the next work day after the due date.

A late penalty of either \$2.00 or 5.0% will be charged on bills received after the due date. The penalty on delinquent bills will not be applied to any balance to which the penalty was applied in a previous billing. The utility must maintain a record of the date of mailing to charge the late penalty.

Each bill will provide all information required by the TNRCC Rules. For each of the systems it operates, the utility will maintain and note on the monthly bill a telephone number (or numbers) which may be reached by a local call by customers. At the utility's option, a toll-free telephone number or the equivalent may be provided.

In the event of a dispute between a customer and a utility regarding any bill for utility service, the utility will conduct an investigation and report the results to the customer. If the dispute is not resolved, the utility will inform the customer that a complaint may be filed with the Commission.

Section 2.07 - Service Disconnection

Utility service may be disconnected if the bill has not been paid in full by the date listed on the termination notice. The termination date must be at least 10 days after the notice is mailed or hand delivered.

The utility is encouraged to offer a deferred payment plan to a customer who cannot pay an outstanding bill in full and is willing to pay the balance in reasonable installments. However, a customer's utility service may be disconnected if a bill has not been paid or a deferred payment agreement entered into within 26 days from the date of issuance of a bill and if proper notice of termination has been given.

Notice of termination must be a separate mailing or hand delivery in accordance with the TNRCC Rules.

Utility service may also be disconnected without notice for reasons as described in the TNRCC Rules.

Utility personnel must be available to collect payments and to reconnect service on the day of and the day after any disconnection of service unless service was disconnected at the customer's request or due to a hazardous condition.

SECTION 2.0 - SERVICE RULES AND REGULATIONS (CONT.)

Section 2.08 - Reconnection of Service

Service will be reconnected within 24 hours after the past due bill and any other outstanding charges are paid or correction of the conditions which caused service to be disconnected.

Section 2.09 - Service Interruptions

The utility will make all reasonable efforts to prevent interruptions of service. If interruptions occur, the utility will re-establish service within the shortest possible time. Except for momentary interruptions due to automatic equipment operations, the utility will keep a complete record of all interruptions, both emergency and scheduled and will notify the Commission in writing of any service interruptions affecting the entire system or any major division of the system lasting more than four hours. The notice will explain the cause of the interruptions.

Prorated Bills - If service is interrupted or seriously impaired for 24 consecutive hours or more, the utility will prorate the monthly base bill in proportion to the time service was not available to reflect this loss of service.

Section 2.10 - Quality of Service

The utility will plan, furnish, and maintain production, treatment, storage, transmission, and distribution facilities of sufficient size and capacity to provide a continuous and adequate supply of water for all reasonable consumer uses. Unless otherwise authorized by the Commission, the utility will maintain facilities as described in the Texas Natural Resource Conservation Commission Rules and Regulations for Public Water Systems.

Section 2.11 - Customer Complaints and Disputes

If a customer or applicant for service lodges a complaint, the utility will promptly make a suitable investigation and advise the complainant of the results. Service will not be disconnected pending completion of the investigation. If the complainant is dissatisfied with the utility's response, the utility must advise the complainant that he has recourse through the Texas Natural Resource Conservation Commission complaint process. Pending resolution of a complaint, the Commission may require continuation or restoration of service.

The utility will maintain a record of all complaints which shows the name and address of the complainant, the date and nature of the complaint and the adjustment or disposition thereof, for a period of two years after the final settlement of the complaint.

SECTION 2.20 - SPECIFIC UTILITY SERVICE RULES AND REGULATIONS

Section 2.201 - Application Procedures and Requirements.

For the purposes of this Tariff, service requested by an Applicant and provided by the Corporation shall be divided into the following two (2) classes with requirements for application as listed:

a.) Standard Service is defined as a single residential tap on an existing pipeline where pipeline or service facility extensions are not required. Standard Service may also be defined as a tap where a pipeline extension or road boring is required, but the Corporation determines that the extension does not warrant full or partial compliance with the Service Extension Section of this Tariff. Requirements for Standard Service shall be as follows:

(1) The Corporation's Standard Service Application and Agreement Form shall be completed in full and signed by the Applicant.

(2) A Right-of-Way Easement Form, approved by the Corporation, must be completed by the Applicant for the purpose of allowing future extensions of facility additions to improve or provide service to future applicants.

(3) The Applicant shall provide proof of ownership or title to property for which service has been requested in a manner acceptable to the Corporation.

b. Non-Standard Service is defined as any service applied for or provided which is not Standard Service. Service requirements as prescribed by Section 3.0 of this Tariff shall be met by the Applicant prior to extension of such pipeline and/or service facilities.

c. Requirements of Standard and Non-Standard Service:

(1) All Service Applications approved and cost of service fees quoted by the Corporation shall stand approved at quoted costs for a period not to exceed thirty (30) days. After thirty (30) days, each applicant shall re-apply for service under the terms of this Tariff.

(2) If the water main has been located in the public right-of-way and is adjacent to Applicant's property due to the Applicant's previous refusal to grant easement to the Corporation for the purposes of installing the water main and appurtenances, the Applicant shall grant the easement to the

SECTION 2.20 - SPECIFIC UTILITY SERVICE RULES AND REGULATIONS (CONT.)

Corporation. In addition to the normally required Extension Fees set forth in Section 3.0 of this Tariff, the Applicant shall be responsible for the cost associated with the removal of the water main from the public right-of-way and for the re-installation onto the Applicant's property. The Corporation shall retain the right to delay relocation of existing facilities onto private easement.

Section 2.202 - Activation of Service

- a. New Tap - Subject to fees and deposit set forth in section 1.0 of this Tariff.
- b. Re-Service - An application for service for which the meter has been removed for any reason may be approved by the Corporation provided that the Applicant pays back-charges, penalties, and service charges of the previous account necessary to restore service. Any Applicant unwilling to pay such fees and charges shall apply for service under the terms of this Tariff for Standard Service.
- c. Performance of Work - All tap and equipment installations shall be specified by the Corporation and shall be completed by the Corporation staff or the Corporation's designated representative. The tap shall be completed within ten (10) working days after receipt of payment of quoted installation fees.

Section 2.203 - Activation of Non-Standard Service

Activation of Non-Standard Service shall be conducted as prescribed by terms of Section 3.0 of this Tariff.

Section 2.204 - Owners and Renters

Any RCHWSC customer renting or leasing property to other parties is responsible for all charges due the Corporation in the event a renter or leasee leaves the Corporation with any unpaid bills. The Corporation will bill the renter or leasee for water service as a third party, but the customer is fully responsible for any and all unpaid bills left by the renter/leasee. The customer shall take responsibility for any necessary deposits from the renter/leasee to ensure payment of a past due bill. The Corporation may notify the customer after two months of the renter's past due payment status subject to service charges.

Section 2.205 - Denial of Service

The Corporation may deny service for the following reasons:

SECTION 2.20 - SPECIFIC UTILITY SERVICE RULES AND REGULATIONS (CONT.)

- a. Failure of the Applicant or Transferee to complete all required forms and to pay all fees and assessments.
- b. Failure of the Applicant or Transferee to comply with rules, regulations, policies and By-Laws of the Corporation.
- c. Existence of a hazardous condition at the Applicant's property which would jeopardize the welfare of the customers of the Corporation upon connection.
- d. Failure of the Applicant or Transferee to comply with all governmental rules and regulations of the Corporation on file with the state regulatory agency governing the service applied for by the Applicant.
- e. Failure of the Applicant or Transferee to provide proof of ownership, to the satisfaction of the Corporation, of property for which the tap has been requested.
- f. Applicant's service facilities are known to be inadequate or of such character that satisfactory service cannot be provided.

Section 2.206 - Applicant's or Transferee's Recourse

In the event the Corporation refuses to service an Applicant under the Provisions of these rules, the Corporation must notify the Applicant, in writing, of the basis of its refusal and the Applicant may file for an appeal, in writing, with the Board of Directors of the Corporation and if denied may file an appeal with the TNRCC.

Section 2.207 - Insufficient Grounds for Refusal of Service

The following shall not constitute sufficient cause for the refusal of service to an applicant.

- a. Failure to pay a bill to correct previous underbilling due to misapplication of rates more than six (6) months prior to the date of application.
 - b. Violation of Corporation's rules pertaining to operation of non-standard equipment or unauthorized attachments which interferes with the service of others, or other services such as communication services, unless the customer has first been notified and been afforded reasonable opportunity to comply with said rules; or
 - c. Failure to pay a bill of another customer as guarantor thereof unless the guaranty was made in writing to the Corporation as a condition precedent to service.
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SECTION 2.20 - SPECIFIC UTILITY SERVICE RULES AND REGULATIONS (CONT.)

Section 2.208 - Charge Distribution and Payment Application

- a. Service Availability Charge is defined as a minimum monthly charge which is applied from 15 of the month to the 15 day of the month. Billings for this amount shall be mailed on the 20th of the month preceding the month for which this charge is due. All Standard and Non-Standard service shall be subject to this charge whether or not the service is in use by the Customer.
- b. Gallonage Charge is defined as water usage in excess of the water allotment included in the Service Availability Charge shall be billed at the rate specified in Section 1.0, and shall be billed in 1,000 gallon increments. Readings used in all billing calculations shall be taken by the Corporation's employee or representative.
- c. Posting of Payments. All payments shall be posted against previous balances prior to posting against current billings.

Section 2.209 - Due Dates, Delinquent Bills and Service Disconnection Date

The Corporation shall mail all bills on the 20th of the month preceding the month in which the bill is due. All bills shall be due by the 5th of the month. A bill is delinquent if not paid by the 5th due date. If the due date for the regular or final billing is on a weekend or holiday, the next due date for payment purposes shall be the next day the Corporation office is open for business after said weekend or holiday.

Section 2.210 - Rules for Disconnection of Service

The following describes the rules and conditions for disconnection of service:

- a. Disconnection with Notice - Water utility service may be disconnected for any of the following reasons after proper notification has been given:
 - (1) Failure to pay a delinquent account within 60 days for utility service.
 - (2) Violation of the Corporation's rules pertaining to the use of service in a manner which interferes with the service of others or the operation of non-standard equipment if a reasonable attempt has been made to notify the customer and the customer is provided with a reasonable opportunity to remedy the situation.
 - (3) Failure of the customer to comply with the terms of the Corporation's service agreement, Tariff, By-Laws or Special Contract provided that the

SECTION 2.20 - SPECIFIC UTILITY SERVICE RULES AND REGULATIONS (CONT.)

Corporation has given notice if said failure to comply and customer has failed to comply within a specified amount of time after written notification.

(4) Failure to provide access to the meter under the terms of this Tariff.

(5) Misrepresentation by the Applicant or Transferee of any fact on any form, document, or other agreement required to be executed by the Corporation.

b. Disconnection Without Notice - Water utility service may be disconnected without notice for any of the following conditions:

(1) A known dangerous condition exists for which it may remain disconnected for as long as the condition exists.

(2) Service is connected without authority by a person who has not made application for service or who has re-connected service without authority following termination of service for non-payment.

(3) In instances of tampering with the Corporation's meter or equipment, bypassing the meter equipment, or other diversion of service.

Where reasonable, given the nature of the hazardous condition, a written statement providing notice of disconnection and the reason thereof shall be posted at the place of common entry or upon the front door of each affected residential unit as soon as possible after service has been disconnected.

c. Disconnection Prohibited - Utility service may not be disconnected for any of the following reasons:

(1) Failure of the customer to pay for merchandise or charges for non-utility service provided by the Corporation.

(2) Failure of the customer to pay the account of another member as guarantor thereof, unless the Corporation has in writing the guarantee as a condition precedent to service.

(3) Failure of the customer to pay charges arising from an underbilling due to any faulty metering, unless the meter has been tampered with or unless such underbilling charges are due to meter error.

SECTION 2.20 - SPECIFIC UTILITY SERVICE RULES AND REGULATIONS (CONT.)

(4) Disconnection for Ill and Disabled - The Corporation may elect not to discontinue service to a delinquent residential customer permanently residing in an individually metered dwelling unit when the customer establishes that the discontinuance of service will result in some person at that residence becoming seriously ill or more seriously ill if the service is discontinued. The prohibition against service termination shall last 60 days from the issuance of the utility bill or such lesser period as may be agreed upon by the Corporation payment agreement as set forth by the Corporation.

Section 2.211 - Billing Cycle Changes

The Corporation reserves the right to change its billing cycles if the work load requires such practice. After a billing period has been changed, the billings shall be sent on the new change date unless otherwise determined by the Corporation.

Section 2.212 - Disputed Bills

In the event of a dispute between the customer and the Corporation regarding any bill, the Corporation shall forthwith make and conduct an investigation as shall be required by the particular case, and report the results thereof to the customer. All disputes under this Subsection must be reported to the Corporation in writing prior to the due date posted on said bill.

Section 2.213 - Inoperative Meters

Water meters found inoperative will be repaired or replaced within a reasonable time. If a meter is found not to register for any period, unless by-passed or tampered with, the Corporation shall make a charge for units used, but not metered, for a period not to exceed three months based on amounts used under similar conditions during the period preceding or subsequent thereto, or during corresponding periods in previous years.

Section 2.214 - Bill Adjustment Due to Meter Error

The Corporation shall test any customer's meter upon written request of the customer. In the event the test results indicate that the meter is faulty or inaccurate, the meter shall be calibrated or replaced. Billing adjustment shall be made to the degree of the meter's inaccuracy as determined by the test. A billing adjustment may go back as far as 3 months but not to exceed 4 months.

SECTION 2.20 - SPECIFIC UTILITY SERVICE RULES AND REGULATIONS (CONT.)

Section 2.215 - One Residential or Commercial Unit Per Meter

Loan covenants with the Corporation's lenders provide that ONLY ONE residential or commercial unit shall be serviced through each tap.

- a. Under the rules of the Corporation, each tap to the main pipeline is a unit and the monthly Service Availability Charge shall be paid, whether or not water is used.
- b. If the Corporation has sufficient reason to believe that more than one household/business is connected to a single meter, the customer shall be notified by mail, to the last known address, and make proper application for a new membership to accommodate all additional residential or commercial units.

Section 2.216 - Customer Responsibility

- a. Customer shall provide access to the tap at all reasonable times for the purpose of reading, installing, checking, repairing or replacing the meter. Customer shall provide a key to locked gates. If the gate to the customer premises is locked preventing the reading of the meter, an estimated bill shall be rendered to the customer for the month; and a notice shall be sent to the effect that entrance could not be gained and that a key should be furnished or the gate unlocked for each reading period. Should the gate remain locked for three (3) consecutive months after proper notification to the customer, then service shall be discontinued and the meter removed with no further notice. All dogs must be secured so the meter can be serviced upon written notice of Board of Directors.
 - b. The customer shall see that all plumbing connections shall be made to comply with the Texas Department of Health Rules and Regulations. All connections shall be designed to insure against back-flow or siphonage into the Corporation's water supply. In particular, livestock water troughs shall be plumbed into the top of the trough. Service shall be discontinued without further notice when installations are found to be in violation of this regulation until such time as the violation is corrected.
 - c. The Corporation's ownership and maintenance responsibility of water supply and metering equipment shall end at the point where the customer connects to the equipment provided by the Corporation during the installation of the metering equipment. Therefore, all metering equipment owned and provided by the Corporation shall be subject to charges as determined by the Corporation's Tariff as amended from time to time by the Board of Directors.
 - d. No cut off valve on customer side is required.
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SECTION 2.20 - SPECIFIC UTILITY SERVICE RULES AND REGULATIONS (CONT.)

Section 2.217 - Records Location and Availability

The records of the Corporation shall be kept in the Corporation Office in Rockwall, Texas. These records may, upon request, be examined by any Stockholder or Customer of the Corporation. The records may not be removed from the Corporation's office.

SECTION 3.0 - EXTENSION POLICY

Section 3.01 - Standard Extension Requirements

LINE EXTENSION AND CONSTRUCTION CHARGES. No contribution in aid of construction may be required of any customer except as provided for in this approved extension policy.

The customer will be given an itemized statement of the costs, options such as rebates to the customer, sharing of construction costs between the utility and the customer, or sharing of costs between the customer and other applicants prior to beginning construction.

The utility will bear full cost of any oversizing of water mains necessary to serve other customers in the immediate area. The individual residential customer shall not be charged for any additional production, storage, or treatment facilities. Contribution in aid of construction may not be required of individual residential customers for production, storage, treatment or transmission facilities unless otherwise approved by the Commission under this specific extension policy.

COSTS UTILITIES SHALL BEAR. Within its certificate area, the utility will pay the cost of the first 200 feet of any water main or distribution line necessary to extend service to an individual residential customer within a platted subdivision. However, if the residential customer requesting service purchased the property after the developer was notified of the need to provide facilities to the utility, the utility may charge for the first 200 feet. The utility must also be able to document that the developer of the subdivision refused to provide facilities compatible with the utility's facilities in accordance with the utility's approved extension policy after receiving a written request from the utility

Developers may be required to provide contributions in aid of construction in amounts to furnish the system with all facilities necessary to comply with the Texas Natural Resource Conservation Commission's Rules.

SECTION 3.20 - SPECIFIC UTILITY EXTENSION POLICY

This section contains the utility's specific extension policy which complies with the requirements already stated under Section 3.01. It must be reviewed and approved by the Commission and in compliance with TNRCC Rules to be effective.

Residential customers not covered under Section 3.01 will be charged the equivalent of the costs of extending service to their property from the nearest transmission or distribution line even if that line does not have adequate capacity to serve the customer. However, if the customer places unique, non-standard service demands upon the system, the customer may be charged the full cost of extending service to and throughout their property, including the cost of all necessary transmission and storage facilities necessary to meet the service demand anticipated to be created by that property.

Developers will be required to provide contributions in aid of construction in amounts sufficient to furnish the development with all facilities necessary to provide for reasonable local demand requirements and to comply with Texas Natural Resource Conservation Commission minimum design criteria for facilities used in the production, transmission, pumping, or treatment of water or Texas Natural Resource Conservation Commission minimum requirements. For purposes of this subsection, a developer is one who subdivides or requests more than two meters on a piece of property. Commercial, industrial, and wholesale customers will be treated as developers.

Section 3.201 - Corporation Limitations

All Applicant's shall recognize that the Corporation must comply with local, and federal rules and regulations as promulgated from time to time, and by covenants of current indebtedness.

Section 3.202 - Purpose

The purpose of this Section is to govern agreements and service procedures for subdivisions, additions to subdivisions, or developments where service to more than one tract is necessary; and/or additional piping, service facilities, etc., are required to accommodate individual, multiple, commercial, or industrial Applicants. For the purpose of this Tariff, Applications subject to this Section shall be defined as Non-Standard.

SECTION 3.20 - SPECIFIC UTILITY EXTENSION POLICY (CONT.)

Section 3.203 - Application of Rules

This section may be altered or suspended when applied to planned facility expansions for which the Corporation extends its indebtedness. The Board of Directors of the Corporation shall interpret on an individual basis whether or not the Applicant's service request shall be subject to all or part of the conditions of this Section.

Section 3.204 - Non-Standard Service Application

The Applicant shall meet the following requirements prior to the initiation of a service Agreement by the Corporation.

- a. The Applicant shall provide the Corporation an original, signed letter containing information pertinent to the service request. The letter shall state that the Applicant has been provided a copy of the Corporation's Tariff.
- b. A final plat approved by the Corporation must accompany the letter showing the Applicant's requested service area. The plat must be approved by all regulatory authorities having jurisdiction over the lot sizes, sewage control, drainage, right-of-way, and other service facilities. Plans, specifications, and special requirements of such regulatory authorities shall be submitted with the plat. Applicant's for single taps involving extension or upsizing of facilities shall be required to submit maps or plans detailing the location of the requested extension and details of deemed requirements.
- c. At the time the Applicant tenders the Application, a Non-Standard Service investigation Fee to cover initial administrative, legal, and engineering fees shall be paid to the Corporation. The balance of actual expenses shall be refundable to the Applicant and any additional expenses incurred as a result of efforts by the Corporation to study service requirements of the Applicant shall be paid by the Applicant.

Section 3.205 - Design

The Corporation shall study the design requirements of the Applicant's required facilities prior to initiation of a Service Agreement by adopting the following schedule:

- a. The Corporation's Consulting Engineer shall design all service facilities for the Applicant's requested service.

SECTION 3.20 - SPECIFIC UTILITY EXTENSION POLICY (CONT.)

b. The Engineer's fees shall be paid out of the Non-Standard Service Investigation Fee, provided however, that the actual costs of the Engineer's service do not exceed the amount of the Non-Standard Service Investigation Fee allotted for engineering services. If the Applicant's services exceed the allotted fee, the Applicant shall pay the balance of engineering fees prior to commencing with the service investigation.

c. The Consulting Engineer shall design all facilities for any Applicant to meet the demand for service as platted and/or requested in the plans or plat submitted in application for service. The Corporation reserves the right to upgrade design of service facilities to meet future demands, provided however, that the corporation pays the expense of such upgrading above the Applicant's facility requirements.

Section 3.206 - Non-Standard Agreement

All applications subject to this Section shall enter into a written agreement which defines facilities. Guidelines for the service agreement may include, but are not limited to:

a. Definition of all costs associated with required administration, design, construction, and inspection of facilities for water service to the Applicant's service area and terms by which these costs are to be paid.

b. Definition of procedures by which the Applicant shall accept or deny a contractor's bid, thereby committing to continue or discontinue the project.

c. Definition of monthly Service Availability Charges as applicable to the service request.

d. Definition of terms by which reserved service shall be provided to the Applicant and duration of reserved service with respect to the impact the Applicant's service request will have upon the Corporation's system capability to meet other service requests.

e. Definition of terms by which the Corporation shall administer the Applicant's project with respect to:

- (1) Design of the Applicant's service facilities.
- (2) Securing and qualifying bids.
- (3) Execution of the Service Agreement.

SECTION 3.20 - SPECIFIC UTILITY EXTENSION POLICY (CONT.)

- (4) Selection of a qualified bidder for construction.
- (5) Dispensing advanced funds for construction of facilities required for the Applicant's service.
- (6) Inspecting construction of facilities.
- (7) Testing facilities and closing the project.

f. Definition of terms by which the Applicant shall indemnify the Corporation from all third party claims or law suits in connection with the project contemplated.

g. Definition of terms by which the Applicant shall deed all constructed facilities to the Corporation and by which the Corporation shall assume operation and maintenance responsibility, including any enforcement of warranties in connection with construction of the Applicant's project.

h. Definition of terms by which the Applicant shall grant title or easement for right-of-ways and facility sites and/or terms by which the Applicant shall provide for the securing of required right-of-ways and sites.

i. Definition of terms by which the Board of Directors shall review and approve the Service Agreement pursuant to current rules, regulations and By-Laws.

Section 3.207 - Property and Right-of-Way Acquisitions

With regard to construction of facilities, the Corporation shall require private right-of-way easements on private property as per the following conditions:

- a. If the Corporation determines that right-of-way easements or facilities sites outside the Applicant's property are required, the Corporation shall require the Applicant to secure easements or title to facility sites on behalf of the Corporation. All right-of-way easements and property titles shall be researched and validated and filed by the Corporation at the expense of the Applicant.
- b. All facilities installed in public right-of-ways on behalf of the Applicant, due to inability to secure private right-of-way easements, shall be subject to costs equal to the original cost of facility installation for those facilities in public right-of-ways, plus the estimated cost of future relocation to private right-of-ways, provided however, that funds are not received at a later date from other sources for such relocation.

SECTION 3.20 - SPECIFIC UTILITY EXTENSION POLICY (CONT.)

- c. The Corporation shall require an exclusive dedicated right-of-way on the Applicant's property (as required by the size of the planned facilities and as determined by the Corporation) and title to property required for on-site facilities.
- d. Easements and facilities sites shall be prepared for the construction of the Corporation's pipeline facility installations in accordance with the Corporation's requirements and at the expense of the Applicant.

Section 3.208 - Bids for Construction

The Corporation's Consulting Engineer shall advertise for bids for the construction of the Applicant's proposed facilities in accordance with generally accepted practices.

Plans and specifications shall be made available, with or without charge, to prospective bidders. Although the Corporation reserves the right to reject any bid or contractor, the Corporation shall generally award the contract to the lowest and best bidder in accordance with the following criteria:

- a. The Applicant shall sign the Service Agreement noting willingness to proceed with the project and shall pay all costs in advance of construction associated with the project.
- b. The Contractor shall provide an adequate bid bond under terms acceptable to the Corporation.
- c. The Contractor shall secure adequate performance and payment bonding for the project under terms acceptable to the Corporation.
- d. The Contractor shall supply favorable references acceptable to the Corporation.

The Contractor shall qualify with the Corporation as competent to complete the work.

Section 3.209 - Prepayment for Construction and Service

After the Applicant has executed the Service Agreement, the Applicant shall pay to the Corporation all costs necessary for completion of the project prior to construction and in accordance with the terms of the Service Agreement.

SECTION 3.20 - SPECIFIC UTILITY EXTENSION POLICY (CONT.)

Section 3.210 - Construction

- a. All road work pursuant to county and/or municipal standards (if applicable) shall be completed prior to facility construction to avoid future problems resulting from road right-of-way completion and excavation. Subject to approval of the requisite authority, road sleeves may be installed prior to road construction to avoid road damage during construction of Applicant's facilities.
- b. The Corporation shall, at the expense of the Applicant, inspect the facilities to insure that Corporation standards are achieved.
- c. Construction plans and specifications shall be strictly adhered to, but the Corporation reserves the right to change-order any specifications, due to unforeseen circumstances during the design phase to better facilitate operation of the Applicant's facility. All change-order amounts shall be charged to the applicant.

SECTION 4.0 - WATER RATIONING PLAN

The following water rationing program is adopted for emergency use only during periods of acute water shortage.

Section 4.01 - Declaration of Emergency

When a system demand exceeds production or storage capability measured over a twenty-four (24) hour period, and refilling the storage facilities is rendered impossible, OR when the Corporation is notified by its wholesale supplier of a cutback in water to be delivered to such an extent that normal use patterns will no longer be possible, the Corporation may declare an emergency to exist, and thereafter ration water in the following manner:

Section 4.02 - Notice Requirements

Advance written notice of the proposed rationing shall be mailed or delivered to each customer when feasible. The customer notice shall contain the following information:

- The date rationing shall begin.
- The length of time it shall be in effect.
- The stage or level of rationing.
- Section of the Tariff which gives rationing authority.

Section 4.03 - Stage Levels of Rationing

- a State I (Mild Rationing Conditions) - Alternate day usage of water for outdoor purposes such as lawn, gardens, car washing, etc. The provisions for alternate day use shall be specified by the Corporation in the written notice.
- b. Stage II (Moderate Rationing Conditions) - All out-door water usage is prohibited; however, usage for livestock is exempt.

Section 4.04 - Violation of Emergency Rationing Rules

- a. First Violation. Verbal warning and explanation that a flow valve will be installed for second violation at customer's cost.
- b. Second Violation. Flow valve will be installed at customer's cost.

SECTION 4.0 - WATER RATIONING PLAN (CONT.)

Section 4.05 - Exemptions or Variances from Rationing Rules

The Board of Directors may grant any customer an exemption or variance from the uniform rationing program for good cause. The Corporation shall treat all customers equally concerning exemptions and variances, and shall not employ discrimination in such grants.

Section 4.06 - Rates

All existing rate schedules shall remain in effect during the rationing period, and no charges may be levied against a customer which are not contained in the approved Tariff of the Corporation.

The purpose of this Emergency Rationing Program is to conserve the total amount of water demanded from the Corporation until supply can be restored to normal levels.

APPENDIX A

PLEASE READ CAREFULLY

This meter will be for construction use only. Before closing of property, the following forms must be completed and returned to our office:

A Service Agreement, signed by owners and a customer service inspection by an R C H official inspector or a licensed plumber. If a lawn sprinkler system is to be installed, the double check valve will have to be inspected and tested by a Backflow Prevention Specialist. This form must be completed and signed before connecting to water supply.

If any of these forms are not completed, service will be terminated until completion. If you have any questions, please contact R.C.H. Water Supply Corporation at (972) 722-3203.

Signed

Date

R.C.H. WATER SUPPLY CORPORATION
P.O. BOX 686
ROCKWALL, TEXAS 75087
SERVICE AGREEMENT

- I. **PURPOSE.** R.C.H. Water is responsible for protecting the drinking water supply from contamination or pollution which could result from improper plumbing practices. The purpose of this service agreement is to notify each customer of the plumbing restrictions which are in place to provide this protection. The utility enforces these restrictions to ensure the public health and welfare. Each customer must sign this agreement before R.C.H. Water Supply Corporation will begin service. In addition, when service to an existing connection has been suspended or terminated, the water system will not re-establish service unless it has a signed copy of this agreement.
- II. **PLUMBING RESTRICTIONS.** The following undesirable plumbing practices are prohibited by State regulations.
- A. No direct connection between the public drinking water supply and a potential source of contamination is permitted. Potential sources of contamination shall be isolated from the public water system by an air-gap or an appropriate backflow prevention device.
 - B. No cross-connection between the public drinking water supply and a private water system is permitted. These potential threats to the public drinking water supply shall be eliminated at the service connection by the installation of an air-gap or a reduced pressure-zone backflow prevention device.
 - C. No connection which allows water to be returned to public drinking water supply is permitted.
 - D. No pipe or pipe fitting which contains more than 8.0% lead may be used for the installation of repair of plumbing at any connection which provides water for human use.
 - E. No solder or flux which contains more than 0.2 percent lead can be used for the installation or repair of plumbing at any connection which provides water for human use.
- III. **SERVICE AGREEMENT.** The following are the terms of the service agreement between R.C.H. Water Supply Corporation and _____.
- A. The water system will maintain a copy of this agreement as long as the customer and/or the premises are connected to the water system.
 - B. The customer shall allow his property to be inspected for possible cross-connections and other undesirable plumbing practices. The inspections shall be conducted by the water system or its designated agent prior to initiating service and periodically thereafter. The inspections shall be conducted during the water system's normal business hours.
 - C. The water system shall notify the customer in writing of any cross-connection or other undesirable plumbing practice which has been identified during the initial inspection or the periodic reinspection.
 - D. The customer shall immediately correct any undesirable plumbing practice on his premises.
 - E. The customer shall, at his expense, properly install, test, and maintain any backflow prevention device required by the water system. Copies of all testing and maintenance records shall be provided to the water system.
- IV. **ENFORCEMENT.** If the customer fails to comply with the terms of the service agreement, the water system shall, at its option, either terminate service or properly install, test, and maintain an appropriate backflow prevention device at the service connection. Any expenses associated with the enforcement of this agreement shall be billed to the customer.

CUSTOMER'S SIGNATURE

DATE

PRINTED NAME: _____

ADDRESS: _____

PHONE: _____

Service Inspection Certification

Name of PWS _____

PWS I.D.# _____

Location of Service _____

I _____, upon inspection of the private plumbing facilities connected to the aforementioned public water supply do hereby certify that, to the best of my knowledge:

	Compliance	Non-Compliance
(1) No direct connection between the public drinking water supply and a potential source of contamination exists. Potential sources of contamination are isolated from the public water system by an air gap or an appropriate backflow prevention assembly in accordance with state plumbing regulations. Additionally, all pressure relief valves and thermal expansion devices are in compliance with state plumbing codes	<input type="checkbox"/>	<input type="checkbox"/>
(2) No cross-connection between the public drinking water supply and a private water system exists. Where an actual air gap is not maintained between the public water supply and a private water supply, an approved reduced pressure-zone backflow prevention assembly is properly installed and a service agreement exists for annual inspection and testing by a certified backflow prevention device tester.	<input type="checkbox"/>	<input type="checkbox"/>
(3) No connection exists which would allow the return of water used for condensing, cooling or industrial processes back to the public water supply.	<input type="checkbox"/>	<input type="checkbox"/>
(4) No pipe or pipe fitting which contains more than 8.0% lead exists in private plumbing facilities installed on or after July 1, 1988.	<input type="checkbox"/>	<input type="checkbox"/>
(5) No solder or flux which contains more than 0.2% lead exists in private plumbing facilities installed on or after July 1, 1988.	<input type="checkbox"/>	<input type="checkbox"/>
(6) No plumbing fixture is installed which is not in compliance with a state approved plumbing code.	<input type="checkbox"/>	<input type="checkbox"/>

Water service shall not be provided or restored to the private plumbing facilities until the above conditions are determined to be in compliance

I further certify that the following materials were used in the installation of the plumbing facilities:

Service lines	Lead	<input type="checkbox"/>	Copper	<input type="checkbox"/>	PVC	<input type="checkbox"/>	Other	<input type="checkbox"/>
Solder,	Lead	<input type="checkbox"/>	Lead Free	<input type="checkbox"/>	Solvent Weld	<input type="checkbox"/>	Other	<input type="checkbox"/>

I recognize that this document shall become a permanent record of the aforementioned Public Water System and that I am legally responsible for the validity of the information I have provided.

Signature of Inspector _____

Registration Number _____

Title _____

Type of Registration _____

Date _____

The following form must be completed for each assembly tested. A signed and dated original must be submitted to the public water supplier for recordkeeping purposes:

BACKFLOW PREVENTION ASSEMBLY TEST AND MAINTENANCE REPORT

NAME OF PWS: _____

PWS I.D. # _____

LOCATION OF SERVICE: _____

The backflow prevention assembly detailed below has been tested and maintained as required by TNRCC regulations and is certified to be operating within acceptable parameters.

TYPE OF ASSEMBLY

- ☐ Reduced Pressure Principle
- ☐ Double Check Valve
- ☐ Pressure Vacuum Breaker
- ☐ Atmosphere Vacuum Breaker

Manufacturer _____ Size _____

Model Number _____ Located At _____

Serial Number _____

	Reduced Pressure Principle Assembly				Pressure Vacuum Breaker	
	Double Check Valve Assembly		Relief Valve	Air Inlet	Check Valve	
	1st Check	2nd Check				
Initial Test	DC-Closed Tight <input type="checkbox"/> RP-_____psid Leaked <input type="checkbox"/>	Closed Tight <input type="checkbox"/> Leaked <input type="checkbox"/>	Opened at _____psid	Opened at _____psid Did not Open <input type="checkbox"/>	_____psid Leaked <input type="checkbox"/>	
Repairs and Materials Used						
Test After Repair	DC-Closed Tight <input type="checkbox"/> RP-_____psid	Closed Tight <input type="checkbox"/>	Opened at _____psid	Opened at _____psid	_____psid	

The above is certified to be true.

Firm Name _____

Certified Tester _____

Firm Address _____

Cert. Tester No. _____ Date _____