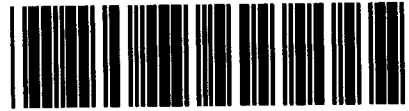




Control Number: 43890



Item Number: 12

Addendum StartPage: 0

House Bill (HB) 1600 and Senate Bill (SB) 567 83<sup>rd</sup>  
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

43890

Buddy Garcia, *Chairman*  
Larry R. Soward, *Commissioner*  
Bryan W. Shaw, Ph.D., *Commissioner*  
Mark R. Vickery, P.G., *Executive Director*



RECEIVED

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TEXAS COMMISSION ON ENVIRONMENTAL QUALITY  
FILING CLERK

*Protecting Texas by Reducing and Preventing Pollution*

October 8, 2008

Mr. Glenn E. Trimble, President  
Texas Water Systems, Inc.  
7891 Hwy 271  
Tyler, Texas 75708

**NOTICE OF DEFICIENCY**

Re: Water Rate/Tariff Change Application of Texas Water Systems, Inc., Certificate of Convenience and Necessity No. 12473 in Smith, Gregg, Henderson, & Upshur Counties; Application No. 36195-R

CN: 600629893; RN: 101450484

Dear Mr. Trimble:

The Texas Commission on Environmental Quality (TCEQ) received the above referenced application on September 30, 2008. The application has not been accepted for filing, but has been assigned Application No. 36195-R. Please refer to this number in future correspondence.

Based on an administrative review of your application package, it appears that your notice to customers contains some errors and deficiencies. To continue with the processing of your application, you must complete and revise the following portions of the notice:

1. The date customer notice mailed was not indicated in your notice to Cape Tranquility, Mt. Sylvan, etc., and Garden Acres as well. The date should be indicated in both notices.
2. On page 2 of the notice to customers, delete the amount for the Reconnection fee of \$25.00 for both current and proposed rates, this is only a caption.
3. The approved Current Reconnection Fee – Customer's Request for Cape Tranquility, Mt. Sylvan, etc., should be \$25.00 and not \$15.00.
4. The Current Transfer Fee is \$15.00 and not \$20.00.
5. For the notice to customers of Garden Acres, the Transfer Fee is 0 not \$20.00.



**TEXAS COMPTROLLER OF PUBLIC ACCOUNTS**

SUSAN COMBS • COMPTROLLER • AUSTIN, TEXAS 78774

September 24, 2008

**CERTIFICATE OF ACCOUNT STATUS**

THE STATE OF TEXAS  
COUNTY OF TRAVIS

I, Susan Combs, Comptroller of Public Accounts of the State of Texas, DO  
HEREBY CERTIFY that according to the records of this office

**TEXAS WATER SYSTEMS INC**

is, as of this date, in good standing with this office having no franchise  
tax reports or payments due at this time. This certificate is valid through  
the date that the next franchise tax report will be due May 15, 2009.

This certificate does not make a representation as to the status of the  
entity's registration, if any, with the Texas Secretary of State.

This certificate is valid for the purpose of conversion when the converted  
entity is subject to franchise tax as required by law. This certificate is  
not valid for any other filing with the Texas Secretary of State.

GIVEN UNDER MY HAND AND  
SEAL OF OFFICE in the City of  
Austin, this 24th day of  
September 2008 A.D.

A handwritten signature in cursive script that reads "Susan Combs".

Susan Combs  
Texas Comptroller

Taxpayer number: 17522535883  
File number: 0109227500

Form 05-304 (Rev. 12-07/17)

Attachment 2

SECTION IB - MISCELLANEOUS INFORMATION

D. Water Utilities

System Name	TCEQ PWS ID#	County	Rate Increase Applicable?
Cape Tranquility Water System	1070176	Henderson	Yes
Mt. Sylvan Water System	2120034	Smith	Yes
Country Club Water System	2300021	Upshur	Yes
Friendship Water System	2300020	Upshur	Yes
Rosewood Water System	2300026	Upshur	Yes
Stallion Lake Water System	2120104	Smith	Yes
Garden Valley Water System	2120081	Smith	Yes
Garden Acres Water System	O920031	Gregg	Yes



**TEXAS WATER SYSTEMS Inc**  
*An Investor Owned Utility*

September 30, 2008

Dear Texas Water Customer:

Attached you will find an official notice of rate change that is being filed with TCEQ in Austin to go into effect on December 2<sup>nd</sup>, 2008.

**Good News:** The gallonage rate doesn't change. Water used over 1,000 gallons won't cost any more because: (1) this charge is based largely on operating costs which we have offset some by growth, and (2) changes in the commission's rate formulation have shifted more expenses to the "fixed" cost classification, which is carried more by the "minimum" rate.

**Bad News:** The Base Rate minimum is going up from \$28.50 to \$34.90, with the familiar cost drivers being: (1) Fuel and energy (you know what's going on at gas pumps and electric meters); (2) Materials cost increases (we're continuing upgrades on plants and distribution on virtually every system); (3) Taxes (Property tax hikes and the new Franchise Tax rates).

If you care to review our application, you will find that we actually applied for a base rate \$5.70 below the minimum allowed by state regulated guidelines.

Please contact us if you have questions or desire to see a copy of the application. The required submittal exposes all expense, asset, and return breakdown for Investor owned utilities.

Sincerely,

Glenn E. Trimble  
President

**NOTICE OF PROPOSED RATE CHANGE**

Texas Water Systems, Inc.

12473

Company Name

CCN Number

has submitted a rate change application to the Texas Commission on Environmental Quality (Commission). The proposed rates listed on the next page will apply to service received after the effective date provided below. If the Commission receives protests to the proposed increase from 10 percent of the ratepayers or from any affected municipality before the 91st day after the proposed effective date, a public hearing will be scheduled to determine if the proposed rates are reasonable. Protests should be mailed to:

**Texas Commission on Environmental Quality  
Water Supply Division  
Utilities & Districts Section, MC 153  
P. O. Box 13087  
Austin, Texas 78711-3087**

Unless protests are received from 10 percent of the ratepayers or the Commission staff requests a hearing, no hearing will be held and rates will be effective as proposed. Please read the following information carefully:

Cape Tranquility, Mt. Sylvan, Country Club, Friendship, Rosewood, Stallion Lake, Garden Valley

---

Subdivisions or Systems Affected by Rate Change

7891 US Highway 271

Tyler

TX

75708

903-595-2128

Company Address

City

State

Zip

Telephone

\$55,680.00

Annual Revenue Increase

Date Customer Notice Mailed

July 6<sup>th</sup>, 20062<sup>nd</sup> to 9<sup>th</sup> of each month

Date of Last Rate Change

Date Meters Typically Read

**EFFECTIVE DATE OF PROPOSED INCREASE:** December 2nd, 2008

**BILLING COMPARISON**

Water:	Existing	10,000 gallons:	\$ 49.20 /mo	Existing	30,000 gallons:	\$ 95.20 /mo
	Proposed	10,000 gallons:	\$ 55.60 /mo	Proposed	30,000 gallons:	\$101.60 /mo
Sewer:	Existing	10,000 gallons:	\$ N/A /mo	Proposed	30,000 gallons:	\$ N/A /mo

The proposed rates will apply to all service rendered after the effective date and will be reflected on the bill you receive approximately 30 to 45 days after the effective date.

In the event that the application is set for hearing, the specific rates requested by the utility may be decreased or increased by order of the Commission. If the Commission orders a lower rate to be set, the utility may be ordered to refund or credit against future bills all sums collected during the pendency of the rate proceeding in excess of the rate finally ordered plus interest. You may inspect a copy of the rate change application at your utility's office or at the Commission's office at Park 35 - Building F, 12015 Park 35 Circle, Suite 3101, Austin, Texas, west side of IH-35, south of Yager Lane. Additional information about the application can be obtained by contacting the Utilities and Districts Section at 512/239-4691. Information about how you can participate in the rate setting process can be obtained by contacting the Public Interest Counsel at 512/239-6363.

## NOTICE OF PROPOSED RATE CHANGE -WATER (Cont.)

CURRENT RATESMonthly base rate including 1000 gallons

Meter Size:

Residential

5/8" or 3/4"	\$28.50
3/4" Full port	\$28.50
1"	\$45.28
1-1/2"	\$144.90
2"	\$230.46
3"	\$430.10

Gallonge Charge:

\$2.30 for each additional 1000 gallons over the minimumPROPOSED RATESMonthly base rate including 1000 gallons

Meter Size:

Residential

5/8" or 3/4"	\$34.90
3/4" Full port	\$53.25
1"	\$87.25
1-1/2"	\$174.50
2"	\$279.20
3"	\$523.50

Gallonge Charge:

\$2.30 for each additional 1000 gallons over the minimumMiscellaneous Fees

Tap fee	\$750.00
Reconnection fee	\$25.00
Non-payment (Maximum - \$25.00)	\$25.00
Customer's request	\$15.00
Transfer fee	\$20.00
Late charge	\$4.00
Returned check charge	\$15.00
Deposit	\$50.00
Meter test fee	\$25.00

Miscellaneous Fees

Tap fee	\$800.00
Reconnection fee	\$25.00
Non-payment (Maximum - \$25.00)	\$25.00
Customer's request	\$40.00
Transfer fee	\$30.00
Late charge ( <b>Indicate either \$5.00 or 10%</b> )	\$4.00
Returned check charge	\$25.00
Deposit (Maximum \$50.00)	\$50.00
Meter test fee	\$ 25.00

Regulatory Assessment of 1% is added to base rate and gallonage charges



**TEXAS WATER SYSTEMS Inc**  
*An Investor Owned Utility*

September 30, 2008

Dear Garden Acres Water Customer:

Attached you will find an official notice of rate change that is being filed with the Texas Commission on Environmental Quality (TCEQ), our regulators, that will go into effect on December 2, 2008. The rates are increasing for three basic reasons: (1) the existing rates are very old and grossly short of meeting revenue needs for properly maintaining the system; (2) we acquired the system under an enforcement mandate by the state to rebuild the plant and bring it into compliance; (3) costs of energy, regulation, and materials have recently skyrocketed.

While these rates seem high in comparison with what has been for many years, please be aware of two things: (1) We are setting your rates identical to seven other ground water systems we own which have established expense profiles and offer a broader base of shared revenue support to lessen the impact of high dollar compliance issues and related construction. (2) A comparison of rates of nearby rural systems such as Liberty City, Aqua-Texas and Pritchett Water Supply, will show these rates are not out of line for a small system facing a major rebuild, especially in the area of Gallonage charges (we're usually below average).

If you have questions, or desire to see a copy of the application and the notice for our other systems, please contact us at (903) 595-2128. We look forward to providing improved quality water service for many years to come.

Sincerely,

Glenn E. Trimble  
President



**NOTICE OF PROPOSED RATE CHANGE**

Texas Water Systems, Inc.

12473

Company Name

CCN Number

has submitted a rate change application to the Texas Commission on Environmental Quality (Commission). The proposed rates listed on the next page will apply to service received after the effective date provided below. If the Commission receives protests to the proposed increase from 10 percent of the ratepayers or from any affected municipality before the 91st day after the proposed effective date, a public hearing will be scheduled to determine if the proposed rates are reasonable. Protests should be mailed to:

**Texas Commission on Environmental Quality  
Water Supply Division  
Utilities & Districts Section, MC 153  
P. O. Box 13087  
Austin, Texas 78711-3087**

Unless protests are received from 10 percent of the ratepayers or the Commission staff requests a hearing, no hearing will be held and rates will be effective as proposed. Please read the following information carefully:

Pertains to Garden Acres

**Subdivisions or Systems Affected by Rate Change**

7891 US Highway 271

Tyler

TX

75708

903-595-2128

Company Address

City

State

Zip

Telephone

\$17,645.00

Annual Revenue Increase

July 6<sup>th</sup>, 2006

Date of Last Rate Change

Date Customer Notice Mailed

2<sup>nd</sup> to 9<sup>th</sup> of each month

Date Meters Typically Read

**EFFECTIVE DATE OF PROPOSED INCREASE:** December 2nd, 2008**BILLING COMPARISON**

Water:	Existing	10,000 gallons:	<u>\$ 23.20 /mo</u>	Existing	30,000 gallons:	<u>\$ 51.20 /mo</u>
	Proposed	10,000 gallons:	<u>\$ 55.60 /mo</u>	Proposed	30,000 gallons:	<u>\$101.60 /mo</u>
Sewer:	Existing	10,000 gallons:	<u>\$ N/A /mo</u>	Proposed	30,000 gallons:	<u>\$ N/A /mo</u>

The proposed rates will apply to all service rendered after the effective date and will be reflected on the bill you receive approximately 30 to 45 days after the effective date.

In the event that the application is set for hearing, the specific rates requested by the utility may be decreased or increased by order of the Commission. If the Commission orders a lower rate to be set, the utility may be ordered to refund or credit against future bills all sums collected during the pendency of the rate proceeding in excess of the rate finally ordered plus interest. You may inspect a copy of the rate change application at your utility's office or at the Commission's office at Park 35 - Building F, 12015 Park 35 Circle, Suite 3101, Austin, Texas, west side of IH-35, south of Yager Lane. Additional information about the application can be obtained by contacting the Utilities and Districts Section at 512/239-4691. Information about how you can participate in the rate setting process can be obtained by contacting the Public Interest Counsel at 512/239-6363.

# NOTICE OF PROPOSED RATE CHANGE -WATER (Cont.)

## Garden Acres CURRENT RATES

Monthly base rate including 2000 gallons

Meter Size:

Residential

5/8" or 3/4"	\$12.00
3/4" Full port	\$
1"	\$
1-1/2"	\$
2"	\$
3"	\$

Gallonge Charge:

\$1.40 for each additional 1000 gallons over the minimum

## PROPOSED RATES

Monthly base rate including 1000 gallons

Meter Size:

Residential

5/8" or 3/4"	\$34.90
3/4" Full port	\$53.25
1"	\$87.25
1-1/2"	\$174.50
2"	\$279.20
3"	\$523.50

Gallonge Charge:

\$2.30for each additional 1000 gallons over the minimum

## Miscellaneous Fees

Tap fee	\$400.00
Reconnection fee	\$25.00
Non-payment (Maximum - \$25.00)	\$25.00
Customer's request	\$10.00
Transfer fee	\$20.00
Late charge	\$5.00
Returned check charge	\$15.00
Deposit	\$50.00
Meter test fee	\$25.00

## Miscellaneous Fees

Tap fee	\$800.00
Reconnection fee	\$25.00
Non-payment (Maximum - \$25.00)	\$25.00
Customer's request	\$40.00
Transfer fee	\$30.00
Late charge ( <b>Indicate either \$5.00 or 10%</b> )	\$4.00
Returned check charge	\$25.00
Deposit (Maximum \$50.00)	\$50.00
Meter test fee	\$ 25.00

Regulatory Assessment of 1% is added to base rate and gallonge charges

**WATER UTILITY TARIFF  
FOR**Texas Water Systems, Inc.7891 U.S. Highway 271Tyler, Texas 75708(903) 595-2128

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

12473

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

Gregg, Henderson, Smith and Upshur

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

none

This tariff is effective in the following subdivisions or systems:

Cape Tranquility Water System, Mt. Sylvan Water System, Country Club Water System, Friendship Water System, Rosewood Water System, Stallion Lake Water System, Garden Valley Water System, and Garden Acres Water System.

This tariff is effective for the following public water system number(s):

1070176, 2120034, 2300021, 2300020, 2300026, 2120104, 2120081, and 0920031**TABLE OF CONTENTS**

The above utility lists the following sections of its tariff (if additional pages are needed for a section, all pages should be numbered consecutively):

SECTION 1.0 -- RATE SCHEDULE	2
SECTION 2.0 -- SERVICE RULES AND POLICIES	5
SECTION 3.0 -- EXTENSION POLICY	14
SECTION 4.0 -- WATER RATIONING/DROUGHT MANAGEMENT PLAN INCLUDING UTILITY-SPECIFIC PLUMBING CODE	21
APPENDIX A -- APPLICATION FOR SERVICE TEMPORARY NON-POTABLE SERVICE APPLICATION	

## SECTION 1.0 - RATE SCHEDULE

Section 1.01 - Rates

<u>Meter Size</u>	<u>Monthly Minimum Rate</u> (Includes 1,000 Gallons)	<u>Gallonge Charge</u>
5/8" x 3/4"	\$ <u>34.90</u>	\$ <u>2.30</u> per 1000 thereafter, same for all meter sizes
3/4" full port	\$ <u>53.25</u>	
1"	\$ <u>87.25</u>	
1-1/2"	\$ <u>174.50</u>	
2"	\$ <u>279.20</u>	
3"	\$ <u>523.50</u>	

REGULATORY ASSESSMENT ..... 1.0%  
 A REGULATORY ASSESSMENT, EQUAL TO ONE PERCENT OF THE CHARGE FOR RETAIL WATER SERVICE ONLY, SHALL BE COLLECTED FROM EACH RETAIL CUSTOMER

FORM OF PAYMENT: THE UTILITY WILL ACCEPT THE FOLLOWING FORM(S) OF PAYMENT :  
 Cash x, Check x, Money Order x, Automatic Draft from Checking Account x.  
 (THE UTILITY MAY REQUIRE EXACT CHANGE FOR PAYMENTS AND MAY REFUSE TO ACCEPT PAYMENTS MADE USING MORE THAN \$1.00 IN SMALL COINS. A WRITTEN RECEIPT WILL BE GIVEN FOR CASH PAYMENTS.)

Section 1.02 - Miscellaneous Fees

TAP FEE \$800.00  
 TAP FEE IS BASED ON THE AVERAGE OF THE UTILITY'S ACTUAL COST FOR MATERIALS AND LABOR FOR STANDARD RESIDENTIAL CONNECTION OF 5/8" or 3/4" METER plus unique costs, including all road bores where required by TEXDOT or county.

LARGE METER TAP FEE Actual Cost  
 TAP FEE IS BASED ON THE UTILITY'S ACTUAL COST FOR MATERIALS AND LABOR FOR METERS LARGER THAN STANDARD 5/8" or 3/4" METERS.

RECONNECTION FEE  
 THE RECONNECT FEE WILL BE CHARGED BEFORE SERVICE CAN BE RESTORED TO A CUSTOMER WHO HAS BEEN DISCONNECTED FOR THE FOLLOWING REASONS:

- |    |                                       |         |
|----|---------------------------------------|---------|
| a) | Non payment of bill (Maximum \$25.00) | \$25.00 |
| b) | Customer's request                    | \$40.00 |
- OR OTHER REASONS LISTED UNDER SECTION 2.0 OF THIS TARIFF

TRANSFER FEE \$30.00  
 THE TRANSFER FEE WILL BE CHARGED FOR CHANGING AN ACCOUNT NAME AT THE SAME SERVICE LOCATION WHEN THE SERVICE IS NOT DISCONNECTED

LATE CHARGE \$4.00  
 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 \$25.00

RATES LISTED ARE EFFECTIVE ONLY IF THIS PAGE HAS TCEQ APPROVAL STAMP

## SECTION 1.0 - RATE SCHEDULE

Section 1.02 - Miscellaneous Fees (Continued)

CUSTOMER DEPOSIT RESIDENTIAL (Maximum \$50) \$50.00

COMMERCIAL AND NON-RESIDENTIAL DEPOSIT 1/6TH EST. ANNUAL BILL

METER TEST FEE (actual cost of testing the meter up to) \$25.00

THIS FEE MAY BE CHARGED IF A CUSTOMER REQUESTS A SECOND METER TEST WITHIN A TWO-YEAR PERIOD AND THE TEST INDICATES THAT THE METER IS RECORDING ACCURATELY.

METER RELOCATION FEE Actual cost to relocate that meter

THIS FEE MAY BE CHARGED IF A CUSTOMER REQUESTS RELOCATION OF AN EXISTING METER

METER CONVERSION FEE Actual cost to convert that meter

THIS FEE MAY BE CHARGED IF A CUSTOMER REQUESTS CHANGE OF SIZE OF AN EXISTING METER OR CHANGE IS REQUIRED BY MATERIAL CHANGE IN CUSTOMER'S SERVICE DEMAND

## TEMPORARY WATER RATE:

Unless otherwise superseded by TCEQ order or rule, if the Utility is ordered by a court or governmental body of competent jurisdiction to reduce its pumpage, production or water sales, the Utility shall be authorized to increase its approved gallonage charge according to the formula:

$$TGC = cgc + \frac{(pr)(cgc)(r)}{(1.0-r)}$$

Where:

TGC = temporary gallonage charge

cgc = current gallonage charge

r = water use reduction expressed as a decimal fraction (the pumping restriction)

pr = percentage of revenues to be recovered expressed as a decimal fraction, for this tariff prr shall equal 0.5.

To implement the Temporary Water Rate, the utility must comply with all notice and other requirements of 30 T.A.C. 291.21(l).

## LINE EXTENSION AND CONSTRUCTION CHARGES:

Refer to Section 2.20 Specific Utility Service Rules and Section 3.20 Utility Specific Extension Policy for terms, conditions, and charges.

RATES LISTED ARE EFFECTIVE ONLY IF THIS PAGE HAS TCEQ APPROVAL STAMP

## SECTION 1.0 - RATE SCHEDULE

Section 1.02 - Miscellaneous Fees (Continued)

## GOVERNMENTAL TESTING, INSPECTION AND COSTS SURCHARGE CLAUSE:

Increases in inspection fees and water testing costs imposed by state or federal law may be passed through as an adjustment to the monthly base rate charge under the terms and conditions of 30 T.A.C. 291.21(k)(2) after notice to customers and upon written approval by the TCEQ.

## PURCHASED WATER AND/OR DISTRICT FEE PASS THROUGH CLAUSE

Changes in fees imposed by any non-affiliated third party water supplier or underground water district having jurisdiction over the Utility shall be passed through as an adjustment to the water gallonage charge according to the following formula:

$$\begin{aligned} AG &= G + B/(1-L), \text{ where} \\ AG &= \text{adjusted gallonage charge, rounded to the nearest one cent;} \\ G &= \text{approved gallonage charge (per 1,000 gallons);} \\ B &= \text{change in purchased water/district gallonage charge (per 1,000} \\ &\quad \text{gallons);} \\ L &= \text{system average line loss for preceding 12 months not to exceed} \\ &\quad 0.15 \end{aligned}$$

RATES LISTED ARE EFFECTIVE ONLY IF THIS PAGE HAS TCEQ APPROVAL STAMP

## SECTION 2.0 - SERVICE RULES AND REGULATIONS

The utility will have the most current Texas Commission on Environmental Quality 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 TCEQ 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 TCEQ Rules.

## SECTION 2.0 - SERVICE RULES AND REGULATIONS (CONT.)

### 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 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 workday after the due date.

A late penalty of five dollars (\$4.00) 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 TCEQ 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 30 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 TCEQ Rules.



## SECTION 2.0 - SERVICE RULES AND REGULATIONS (CONT.)

### Section 2.08 - Reconnection of Service

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

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 Commission on Environmental Quality 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 Commission on Environmental Quality complaint process. Pending resolution of a complaint, the commission may require continuation or restoration of service.

## SECTION 2.0 - SERVICE RULES AND REGULATIONS (CONT.)

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

This section contains specific utility service rules in addition to the rules previously listed under Section 2.0. It must be reviewed and approved by the Commission and in compliance with TCEQ Rules to be effective.

The utility adopts the administrative rules of the Texas Commission on Environmental Quality, as the same may be amended from time to time, as its company specific service rules and regulations. These rules will be kept on file at the company's offices for customer inspection during regular business hours. In the event of a conflict between the TCEQ's amended rules and the provisions of this tariff, the amended rules shall prevail. Where necessary, any conflicting provision of this tariff shall be deemed to have been superseded by the TCEQ rule in question to the degree that the Utility may conduct its lawful business in conformance with all requirements of said rule.

All references in Utility's tariff, service contracts or TCEQ rule shall mean the utility's offices at 7891 US Highway 271, Tyler, TX 75708.

All payments for utility service shall be delivered or mailed to the utility's business office. If the business office fails to receive payment before the time of noticed disconnection for non-payment of a delinquent account, service will be terminated as scheduled. Utility service crews shall not be allowed to collect payments on customer accounts in the field.

Payment of an account by any means that has been dishonored and returned by the payor or payee's bank shall be deemed to be delinquent. All returned payments must be redeemed with cash or valid money order. If a customer has two returned payments within a twelve-month period, the customer shall be required to pay a deposit if one has not already been paid.

Customers shall not be allowed to use the utility's cutoff valve on the utility's side of the meter. Existing customers may install cutoff valves on their side of the meter and are encouraged to do so. All new customers must install customer-owned and -maintained cutoff valves on their side of the meter.

No water connection from any public drinking water supply system shall be made to any establishment where an actual or potential contamination or system hazard exists without an air gap separation between the drinking water supply and the source of potential contamination. The containment air gap is sometimes impractical and, instead, reliance must be placed on individual "internal" air gaps or mechanical backflow prevention devices.

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

Except in cases where the customer has a contract with the utility for reserve or auxiliary service, no other water service will be used by the customer on the same installation in conjunction with the utility's service, either by means of a crossover valve or any other connection. Customer shall not connect, or allow any other person or party to connect, onto any water lines on his premises. Two places shall not be permitted to be supplied with one service pipe where there is a water main abutting the premises.

No connection shall be allowed which allows water to be returned to the public drinking water supply. No backflow prevention device shall be permitted to be installed in the customer's plumbing without notice to and written permission from the utility. Any backflow prevention devices so installed shall be inspected annually by a licensed backflow prevention device inspector or appropriately licensed plumber and a written report of such inspection delivered to the utility.

No application, agreement or contract for service may be assigned or transferred without the written consent of the utility.

It is agreed and understood that any and all meters, water lines and other equipment furnished by the utility (excepting the customer's individual service lines from the point of connection to customer's structures on customer's premises) are and shall remain the sole property of the utility, and nothing contained herein or in a contract/application for service shall be construed to reflect a sale or transfer of any such meters, lines or equipment to any customer. All tap and extension charges shall be for the privilege of connecting to said water lines and for installation, not purchase, of said meters and lines.

Applicants for service at new consuming facilities or facilities which have undergone extensive plumbing modifications are required to deliver to the Utility a certificate that their facilities have been inspected by a state-licensed inspector and that they are in compliance with all applicable plumbing codes and are free of potential hazards to public health and safety. Service may be denied until the certificate is received or any identified violations or hazards are remedied. The Utility is not required to perform these inspections for the applicant/customer, but will assist the applicant/customer to locate and obtain the services of a licensed inspector in a timely manner. When potential sources of contamination are identified which, in the opinion of the inspector or the Utility, require the installation of a state-approved backflow prevention device, such back flow prevention device shall be installed on the customer's service line or other necessary plumbing facilities by an appropriately licensed plumber/back flow prevention device specialist at the customer's expense. The backflow prevention device shall be maintained by the customer at his expense and inspected annually by a licensed inspector. Copies of the annual inspection report must be provided to the Utility. Failure to comply with this requirement may constitute grounds

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

for termination of water service with notice.

All customers or service applicants shall provide access to meters and utility cutoff valves at all times reasonably necessary to conduct ordinary utility business and after normal business hours as needed to protect and preserve the integrity of the public drinking water supply. Access to meters and cutoff valves shall be controlled by the provisions of 30 TAC 291.89(c).

Where necessary to serve an applicant's property, the Utility may require the applicant to provide it a permanent recorded public utility easement on and across the applicant's real property sufficient to provide service to that applicant.

Service applicants may be required to comply with any pre-condition to receiving service not printed herein as may exist under TCEQ rule (customer service, health and safety, water conservation, or environmental), USEPA rule, TWDB rule, local water or conservation district rule or health department rule. Existing customers shall be required to comply with such rules, including modification of their plumbing and/or consumption patterns, after notice.

## 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 before beginning construction.

The utility will bear the 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. Contributions 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.

**COST 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 Commission on Environmental Quality's Rules.

### SECTION 3.20 - SPECIFIC UTILITY EXTENSION POLICY

This section contains the utility's specific extension policy that complies with the requirements already stated under Section 3.01. It must be reviewed and approved by the Commission and in compliance with TCEQ 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 demands anticipated to be created by that property.

Developers may be required to provide contributions in aid of construction in amounts sufficient to furnish the development with all facilities necessary to provide for reasonable

**SECTION 3.20 - SPECIFIC UTILITY EXTENSION POLICY (CONT.)**

local demand requirements and to comply with Texas Commission on Environmental Quality minimum design criteria for facilities used in the production, transmission, pumping, or treatment of water or Texas Commission on Environmental Quality 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.

The utility adopts the administrative rules of the Texas Commission on Environmental Quality, as amended from time to time, as its company specific extension policy. These rules will be kept on file at the company's business office for customer inspection during normal business hours. In the event of a conflict between the TCEQ's amended rules and the provisions of this tariff, the amended rules shall prevail. Where necessary, any conflicting provision of this tariff shall be deemed to have been superseded by the TCEQ rule in question to the degree that the Utility may conduct its lawful business in conformance with all requirements of said rule.

When an individual residential applicant requires an extension of a main line beyond 200 feet, the charge to that applicant shall be the actual cost of such extension in excess of 200 feet, plus the applicable tap fee plus such other approved costs as may be provided in this tariff and/or TCEQ rules.

Residential tap fees may be increased by other unique costs not normally incurred as permitted by TCEQ rule. Larger meter taps shall be made at actual cost associated with that tap which shall include such extraordinary expenses.

Any service extension to a subdivision (recorded or unrecorded) may be subject to the provisions and restrictions of 30 TAC 291.86(d) and this tariff. When a developer wishes to extend the system to prepare to service multiple new connections, the charge shall be the cost of such extension, plus a pro-rata charge based upon the capacities of production, transmission, storage, pumping and treatment facilities, compliant with the Texas Commission on Environmental Quality minimum design criteria, which must be committed to such extension. As provided by 30 T.A.C. 291.86(d)(4), for purposes of this section, commercial, industrial, and wholesale customers shall be treated as developers.

Any applicant who places unique or non-standard service demands on the system may be required to provide contributions in aid of construction for the actual costs of any additional facilities required to maintain compliance with the Texas Commission on Environmental Quality minimum design criteria for water production, treatment, pumping, storage and transmission.

Unless expressly exempted by TCEQ rule or order, each point of use (as defined by 30 TAC 291.3) must be individually metered.

The imposition of additional extension costs or charges as provided by Sections 2.20 and 3.20 of this tariff shall be subject to appeal as provided in this tariff, TCEQ rules, or the rules of such other regulatory authority as may have jurisdiction over the utility's rates and services. Any applicant required to pay for any costs not specifically set forth in the rate

### SECTION 3.20 - SPECIFIC UTILITY EXTENSION POLICY (CONT.)

schedule pages of this tariff shall be entitled to a written explanation of such costs before payment and/or commencement of construction. If the applicant does not believe that these costs are reasonable or necessary, the applicant shall have the right to appeal such costs to the TCEQ or such other regulatory authority having jurisdiction over the utility's rates in that portion of the utility's service area in which the applicant's property(ies) is located. Unless the TCEQ or other regulatory authority enters interlocutory orders to the contrary, service to the applicant may be delayed until such appeal is resolved.

The Utility will provide a written service application form to the applicant for each request for service received by the Utility's business offices. A separate application shall be required for each potential service location if more than any individual applicant desires one service connection. Service applications forms will be available for applicant pick up at the Utility's business office during normal weekday business hours. Service applications will be sent by prepaid first class United States mail to the address provided by the applicant upon request. Completed applications should be returned by hand delivery in case there are questions that might delay fulfilling the service request. Completed service applications may be submitted by mail if hand delivery is not possible.

The Utility shall serve each qualified service applicant within its certificated service area as soon as practical after receiving a completed service application. All service requests will be fulfilled within the time limits prescribed by TCEQ rules once the applicant has met all conditions precedent to achieving "qualified service applicant" status. If a service request cannot be fulfilled within the required period, the applicant shall be notified in writing of the delay, its cause and the anticipated date that service will be available. The TCEQ service dates shall not become applicable until the service applicant has met all conditions precedent to becoming a "qualified service applicant" as defined herein or by TCEQ rules.

The Utility is not required to extend service to any applicant outside of its certificated service area and will only do so, at the Utility's sole option, under terms and conditions mutually agreeable to the Utility and the applicant and upon extension of the Utility's certificated service area boundaries by the TCEQ. Service applicants may be required to bear the cost of the service area amendment.

A **"qualified service applicant"** is an applicant who has: (1) met all of the Utility's requirements of service contained in this tariff, TCEQ rules and/or TCEQ order, (2) has made all payments for tap fees and extension charges, (3) has provided all necessary easements and rights-of-way necessary to provide service to the requested location, including staking said easements or rights-of-way where necessary, (4) delivered an executed customer service inspection certificate to the Utility and (5) has executed a customer service application for each location to which service is being requested.

Where a new tap or service connection is required, the service applicant shall be required to submit a written service application and request that a tap is made. The tap request must be accompanied with a plat, map, diagram or written metes and bounds description of precisely where the applicant desires each tap or service connection is to be made and, if

## SECTION 3.20 - SPECIFIC UTILITY EXTENSION POLICY (CONT.)

necessary, where the meter is to be installed, along the applicant's property line. The actual point of connection and meter installation must be readily accessible to Utility personnel for inspection, servicing and meter reading while being reasonably secure from damage by vehicles and mowers. If the Utility has more than one main adjacent to the service applicant's property, the tap or service connection will be made to the Utility's near service main with adequate capacity to service the applicant's full potential service demand. If the tap or service connection cannot be made at the applicant's desired location, it will be made at another location mutually acceptable to the applicant and the Utility. If no agreement on location can be made, applicant may refer the matter to the TCEQ for resolution. Unless otherwise ordered by the TCEQ, the tap or service connection will not be made until the location dispute is resolved.

The Utility shall require a developer (as defined by TCEQ rule) to provide permanent recorded public utility easements as a condition of service to any location within the developer's property. The Developer shall be required to obtain all necessary easements and rights-of-way required to extend the Utility's existing service facilities from their nearest point with adequate service capacity (as prescribed by TCEQ rules and local service conditions) to and throughout the Developer's property. The easements shall be sufficient to allow the construction, installation, repair, maintenance, testing, and replacement of any and all utility plant necessary to provide continuous and adequate service to each and every potential service location within the property at full occupancy. Unless otherwise restricted by law, well plant sites shall convey with unrestricted rights to produce water for public drinking water supply. Developers shall be required to provide sanitary control easements acceptable to the TCEQ for each water well site to be located within their property or otherwise being obtained to serve their property. Unless otherwise agreed to by the Utility, pipe line right-of-way easements must be at least 15 feet wide to allow adequate room to facilitate backhoe and other heavy equipment operation and meters. Easements must be provided for all production, storage, treatment, pressurization and disposal sites that are sufficient to construct and maintain all weather roads as prescribed by TCEQ rules. All easements shall be evidenced, at Developer's expense, by recorded county-approved subdivision plat or by specific assignment supported by metes and bounds survey from a surveyor licensed by the State of Texas.

Before the extension of utility service to developers (as defined by TCEQ rules) or new subdivisions, the Developer shall comply with the following:

- (a) The Developer shall make a written request for service to property that is to be subdivided and developed. The Developer shall submit to the Utility a proposed plat on a scale of one inch (1") to two hundred feet (200') for review and determination of required easements, utility plant, and plant location. If sewer service is requested, the plat must contain elevation data. A reconcilable deposit in an amount set by the Utility may be required to cover preliminary engineering, legal and copy cost to be incurred by the Utility in reviewing and planning to meet this service request. The plat and/or accompanying information shall identify the type,



## SECTION 3.20 - SPECIFIC UTILITY EXTENSION POLICY (CONT.)

location and number of houses and other planned structures that will be requiring utility service. If other than residential structures are to be located on the property, all other types of anticipated businesses and their service demands shall be identified with specificity. All areas requiring special irrigation and/or other unique water demands must be identified. To the extent reasonably possible, this information must be precise so that adequate facilities can be designed and constructed to meet all future service demands without hazard to the public, other utility customers and/or the environment.

(b) After the requirements of easements and rights-of-way have been determined, a red line copy will be returned by the Utility to the Developer for final plat preparation.

(c) Copies of all proposed plats and plans must be submitted to the Utility before their submission to the county for approval to insure that they are compatible with the adequate long-term utility needs of potential service customers. Copies will be returned after review by the Utility so that necessary changes may be incorporated into the Developer's final submitted plat(s) and plans.

(d) The Utility shall be provided with three (3) certified copies of the final plat(s) approved by the County Commissioners Court. At this time, the Utility will begin engineering the facilities necessary to serve the property. Plans and specifications will be prepared and submitted to the TCEQ by the Utility if required by law. If further plat or plans changes are necessary to accommodate the specific service needs of the property and the anticipated customer demands, the Developer will be so notified. Plat amendments must be obtained by the Developer. The Developer shall be notified when all required TCEQ or other governmental approvals or permits have been received. No construction of utility plant that requires prior TCEQ plans approval shall be commenced until that approval has been received by the Utility and any conditions imposed by the TCEQ in association with its approvals have been satisfied.

(e) The Developer shall be required to post bond or escrow the funds necessary to construct all required utility plant, except individual taps, meters and sewer connections, required to serve the property. Construction shall not commence until funds are available. If the construction is to be done in coordination with the phased development of the property, funds must be provided in advance which are sufficient to complete each phase. No phase or facilities for any phase shall be constructed before the bonding or escrowing of all funds associated with that phase.

## SECTION 3.20 - SPECIFIC UTILITY EXTENSION POLICY (CONT.)

(f) At the sole option of the Utility, the Developer may be required to execute a Developer Extension Contract setting forth all terms and conditions of extending service to their property including all contributions-in-aid of construction and developer reimbursements, if any.

(g) The Utility may require the Developer to commence construction of subdivision improvements within three (3) months of utility plans approval or the Utility may abate its construction activities until full development construction begins. If the Developer stops construction of subdivision improvements for any purpose, the Utility may abate its construction for a similar period.

(h) As soon as the roads are rough cut and before paving, extension lines will need to be constructed at each road crossing. The Developer must notify the Utility sufficiently in advance of this development stage to allow for the necessary utility construction without disruption to other service operations of the Utility. Failure to provide adequate advance notice and cooperation in the construction of necessary utility plant may result in additional delays in obtaining service to the property. The Developer shall be required to pay for all additional costs of road boring or other remedial construction necessary to install adequate utility plant throughout the affected property.

(i) The Developer, not the Utility, shall insure that Developer's employees, agents, contractors and others under its control coordinate their work or construction throughout the property with the Utility to insure the orderly and timely construction of all utility plant necessary to serve the public.

Within its certificated area, the Utility shall bear the cost of the first 200 feet of any water main or sewer collection line necessary to extend service to an individual residential service applicant within a platted subdivision unless the Utility can document:

(a) 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; or,

(b) that the Developer defaulted on the terms and conditions of a written agreement or contract existing between the utility and the developer or the terms of this tariff regarding payment for services, extensions, or other requirements; or in the event the Developer declared

## SECTION 3.20 - SPECIFIC UTILITY EXTENSION POLICY (CONT.)

(c) that the residential service applicant purchased the property from the Developer after the Developer was notified of the need to provide facilities to the utility. A residential service applicant may be charged the remaining costs of extending service to his property; provided, however, that the residential service applicant may only be required to pay the cost equivalent to the cost of extending the nearest water main, whether or not that line has adequate capacity to serve that residential service applicant. The following criteria shall be considered to determine the residential service applicant's cost for extending service:

(a) the residential service applicant shall not be required to pay for costs of main extensions greater than 2" in diameter for water distribution.

(b) Exceptions may be granted by the TCEQ Executive Director if:

(1) adequate service cannot be provided to the applicant using the maximum line sizes listed due to distance or elevation, in which case, it shall be the utility's burden to justify that a larger diameter pipe is required for adequate service;

(2) larger minimum line sizes are required under subdivision platting requirements or applicable building codes.

(c) If an exception is granted, the Utility shall establish a proportional cost plan for the specific extension or a rebate plan which may be limited to seven years to return the portion of the applicant's costs for oversizing as new customers are added to ensure that future applicants for service on the line pay at least as much as the initial service applicant.

For purposes of determining the costs that service applicants shall pay, commercial customers with service demands greater than residential customer demands in the certificated area, industrial, and wholesale customers shall be treated as developers.

A service applicant requesting a one-inch meter for a lawn sprinkler system to service a residential lot is not considered nonstandard service.

**Drought Contingency Plan for an Investor Owned Utility**

Texas Commission on Environmental Quality

Instructions: The following form is a model of a drought contingency plan for an investor owned utility. Not all items may apply to your system's situation. This form is supplied for your convenience, but you are not required to use this form to submit your plan to the TCEQ. Submit completed plans to: Water Supply Division MC 160, TCEQ, P.O. Box 13087, Austin TX 78711-3087.

**Texas Water Systems**  
**(Name of Utility)**

**P. O. Box 131945, Tyler, TX 75713**  
**(Address, City, Zip Code)**

**12473**  
**(CCN#)**

**2120034, 2120081, 2120104, 1070176, 2300021, 2300020, 2300026, 0920031**  
**(PWS #s)**

**August 20, 2008**  
**(Date)**

**Section 1 Declaration of Policy, Purpose, and Intent**

In cases of extreme drought, periods of abnormally high usage, system contamination, or extended reduction in ability to supply water due to equipment failure, temporary restrictions may be instituted to limit non-essential water usage. The purpose of the Drought Contingency Plan is to encourage customer conservation in order to maintain supply, storage, or pressure or to comply with the requirements of a court, government agency or other authority.

**Please note:** Water restriction is not a legitimate alternative if a water system does not meet the Texas Commission on Environmental Quality's (TCEQ) capacity requirements under normal conditions **or** if the utility fails to take all immediate and necessary steps to replace or repair malfunctioning equipment.

I Glenn E. Trimble (print name), being the responsible official for Texas Water Systems, Inc. (Name of utility), **request a minor tariff amendment to include the enclosed Drought Contingency Plan.**

\_\_\_\_\_  
**(Signature)**

\_\_\_\_\_  
**(Date)**

Opportunity for the public to provide input into the preparation of the Plan was provided by:

(check at least one of the following)

☐ *scheduling and providing public notice of a public meeting to accept input on the Plan.*

The meeting took place at:

Date: \_\_\_\_\_ Time: \_\_\_\_\_ Location: \_\_\_\_\_

☐ *mailed survey with summary of results (attach survey and results)*

☒ *bill insert inviting comment (attach bill insert)*

☐ \_\_\_\_\_ *other* \_\_\_\_\_ *method*

### **Section 3 Public Education**

The Texas Water Systems (*name of utility*) will periodically provide the public with information about the Plan, including information about the conditions under which each stage of the Plan is to be initiated or terminated and the drought response measures to be implemented in each stage.

Drought plan information will be provided by:  
(check at least one of the following)

☐ *public meeting*

☐ *press releases*

☐ *utility bill inserts*

☒ *other newsletters*

**Section 4 Coordination with Regional Water Planning Groups**

The service area of the Texas Water Systems (*name of your utility*) is located within Regional Water Planning Group (RWPG) D & I.

Texas Water Systems (*name of your utility*) has mailed a copy of this Plan to the RWPG.

**Section 5 Notice Requirements**

Written notice will be provided to each customer **prior to implementation or termination of each stage of the water restriction program**. Mailed notice must be given to each customer 72 hours prior to the start of water restriction. If notice is hand delivered, the utility cannot enforce the provisions of the plan for 24 hours after notice is provided. The written notice to customers will contain the following information:

1. the date restrictions will begin,
2. the circumstances that triggered the restrictions,
3. the stages of response and explanation of the restrictions to be implemented, and,
4. an explanation of the consequences for violations.

**The utility must notify the TCEQ by telephone at (512) 239-4691, or electronic mail at watermon@tceq.state.tx.us prior to implementing Stage III and must notify in writing the Public Drinking Water Section at MC - 155, P.O. Box 13087, Austin, Texas 78711-3087 within five (5) working days of implementation including a copy of the utility's restriction notice. The utility must file a status report of its restriction program with the TCEQ at the initiation and termination of mandatory water use restrictions (i.e., Stages III and IV).**

**Section 6 Violations**

1. First violation - The customer will be notified by written notice of their specific violation.
2. Subsequent violations:
  - a. After written notice, the utility may install a flow restricting device in the line to limit the amount of water which will pass through the meter in a 24-hour period. The utility may charge the customer for the actual cost of installing and removing the flow restricting device, not to exceed \$50.00.
  - b. After written notice, the utility may discontinue service at the meter for a period of seven (7) days, or until the end of the calendar month, whichever is LESS. The normal reconnect fee of the utility will apply for restoration of service.

## **Section 7 Exemptions or Variances**

The utility may grant any customer an exemption or variance from the drought contingency plan for good cause **upon written request**. A customer who is refused an exemption or variance may appeal such action of the utility in writing to the Texas Commission on Environmental Quality. The utility will treat all customers equally concerning exemptions and variances, and shall not discriminate in granting exemptions and variances. No exemption or variance shall be retroactive or otherwise justify any violation of this Plan occurring prior to the issuance of the variance.

## **Section 8 Response Stages**

Unless there is an immediate and extreme reduction in water production, or other absolute necessity to declare an emergency or severe condition, the utility will initially declare Stage I restrictions. If, after a reasonable period of time, demand is not reduced enough to alleviate outages, reduce the risk of outages, or comply with restrictions required by a court, government agency or other authority, Stage II may be implemented with Stage III to follow if necessary.

### **STAGE I - CUSTOMER AWARENESS**

Stage I will begin:

**Every April 1<sup>st</sup>, the utility will mail a public announcement to its customers.  
No notice to TCEQ required.**

Stage I will end:

**Every September 30<sup>th</sup>, the utility will mail a public announcement to it's customers. No notice to TCEQ required.**

#### **Utility Measures:**

This announcement will be designed to increase customer awareness of water conservation and encourage the most efficient use of water. A copy of the current public announcement on water conservation awareness shall be kept on file available for inspection by the TCEQ.

#### **Voluntary Water Use Restrictions:**

Texas Water Systems, Inc.

Water Tariff

Water customers are requested to voluntarily limit the use of water for non-essential purposes and to practice water conservation.

**STAGE II - VOLUNTARY WATER CONSERVATION:**

**Target:** Achieve a 10 percent reduction in daily demand (example: total water use, daily water demand, etc.)

The water utility will implement Stage 2 when any one of the selected triggers is reached:

Supply-Based Triggers: (check at least one and fill in the appropriate value)

- ☐ Well level reaches 25 ft. above pump.
- ☐ Overnight recovery rate reaches \_\_\_\_\_ ft.
- ☐ Reservoir elevation reaches \_\_\_\_\_ ft. (m.s.l.)
- ☐ Stream flow reaches \_\_\_\_\_ cfs at USGS gage # \_\_\_\_\_
- ☐ Wholesale supplier's drought Stage 2
- ☐ \_\_\_\_\_ Annual water use equals \_\_\_\_\_ % of well permit/Water Right/purchased water contract amount
- ☐ Other \_\_\_\_\_

Demand- or Capacity-Based Triggers: (check at least one and fill in the appropriate value)

- ☐ Drinking water treatment as % of capacity \_\_\_\_\_ %
- ☐ Total daily demand as % of pumping capacity 80 %
- ☐ Total daily demand as % of storage capacity \_\_\_\_\_ %
- ☐ Pump hours per day \_\_\_\_\_ hrs.
- ☐ Production or distribution limitations.
- ☐ Other \_\_\_\_\_

**Upon initiation and termination of Stage II, the utility will mail a public announcement to its customers. No notice to TCEQ required.**

Requirements for Termination:

Stage II of the Plan may end when all of the conditions listed as triggering events have ceased to exist for a period of three (3) consecutive days. Upon termination of Stage II, Stage I becomes operative.

Utility Measures:



Visually inspect lines and repair leaks on a daily basis. Monthly review of customer use records and follow-up on any that have unusually high usage.

*Describe additional measures, if any, to be implemented directly by the utility to manage limited water supplies and/or reduce water demand. Examples include: reduced or discontinued flushing of water mains, activation and use of an alternative supply source(s); use of reclaimed water for non-potable purposes.*

The second water source for \_\_\_\_\_ (name of utility) is: (check one)

- ☐ Other well
  - ☐ Interconnection with other system
  - ☐ Purchased water
  - ☐ Other
- 

Voluntary Water Use Restrictions:

- 2 Restricted Hours: Outside watering is allowed daily, but only during periods specifically described in the customer notice; between 10:00 p.m. and 5:00 a.m. for example; or
- 3 Restricted Days/Hours: Water customers are requested to voluntarily limit the irrigation of landscaped areas with hose-end sprinklers or automatic irrigation systems. Customers are requested to limit outdoor water use to **Mondays for water customers with a street address ending with the numbers 1, 2, or 3, Wednesdays for water customers with a street address ending with the numbers 4, 5, or 6, and Fridays for water customers with a street address ending with the numbers 7, 8, 9, or 0.** Irrigation of landscaped areas is further limited to the hours of 12:00 midnight until 10:00 a.m. and between 8:00 p.m. and 12:00 midnight on designated watering days. However, irrigation of landscaped areas is permitted at anytime if it is by means of a hand-held hose, a faucet-filled bucket or watering can of five (5) gallons or less, or drip irrigation system; or
- 1) Other uses that waste water such as water running down the gutter.

**STAGE III - MANDATORY WATER USE RESTRICTIONS:**

**Target:** Achieve a 20 percent reduction in Total use (example: total water use, daily water demand, etc.)

The water utility will implement Stage III when any one of the selected triggers is reached:

Supply-Based Triggers (check at least one and fill in the appropriate value)

- ☐ Well level reaches 15 ft. above pump
- ☐ Overnight recovery rate reaches \_\_\_\_\_ ft.
- ☐ Reservoir elevation reaches \_\_\_\_\_ ft. (m.s.l.)
- ☐ Stream flow reaches \_\_\_\_\_ cfs at USGS gage # \_\_\_\_\_
- ☐ Wholesale supplier's drought Stage III
- ☐ \_\_\_\_\_
- ☐ Annual water use equals \_\_\_\_\_ % of well permit/Water Right/purchased water contract amount.
- ☐ Other \_\_\_\_\_

Demand- or Capacity-Based Triggers (check at least one and fill in the appropriate value)

- ☐ Drinking water treatment as % of capacity \_\_\_\_\_ %
- ☐ Total daily demand as % of pumping capacity 90 %
- ☐ Total daily demand as % of storage capacity \_\_\_\_\_ %
- ☐ Pump hours per day \_\_\_\_\_ hrs.
- ☐ Production or distribution limitations.
- ☐ Other \_\_\_\_\_

**Upon initiation and termination of Stage III, the utility will mail a public announcement to its customers. Notice to TCEQ required.**

Requirements for Termination:

Stage III of the Plan may end when all of the conditions listed as triggering events have ceased to exist for a period of three (3) consecutive days. Upon termination of Stage III, Stage II becomes operative.

Utility Measures:

Visually inspect lines and repair leaks on a regular basis. Flushing is prohibited except for dead end mains.

*Describe additional measures, if any, to be implemented directly by the utility to manage limited water supplies and/or reduce water demand. Examples include: activation and use of an alternative supply source(s); use of reclaimed water for non-potable purposes; offering low-flow fixtures and water restrictors.*

Mandatory Water Use Restrictions:

The following water use restrictions shall apply to all customers.

1. Irrigation of landscaped areas with hose-end sprinklers or automatic irrigation systems **shall be limited to Mondays for water customers with a street address ending with the numbers 1, 2, or 3, Wednesdays for water customers with a street address ending with the numbers 4, 5, or 6, and Fridays for water customers with a street address ending with the numbers 7, 8, 9, or 0.** Irrigation of landscaped areas is further limited to the hours of 12:00 midnight until 10:00 a.m. and between 8:00 p.m. and 12:00 midnight on designated watering days. However, irrigation of landscaped areas is permitted at anytime if it is by means of a hand-held hose, a faucet-filled bucket or watering can of five (5) gallons or less, or drip irrigation system.
2. Use of water to wash any motor vehicle, motorbike, boat, trailer, airplane or other vehicle is prohibited except on designated watering days between the hours of 12:00 midnight and 10:00 a.m. and between 8:00 p.m. and 12:00 midnight. Such washing, when allowed, shall be done with a hand-held bucket or a hand-held hose equipped with a positive shutoff nozzle for quick rinses. Vehicle washing may be done at any time on the immediate premises of a commercial car wash or commercial service station. Further, such washing may be exempted from these regulations if the health, safety, and welfare of the public are contingent upon frequent vehicle cleansing, such as garbage trucks and vehicles used to transport food and perishables.
3. Use of water to fill, refill, or add to any indoor or outdoor swimming pools, wading pools, or "jacuzzi" type pool are prohibited except on designated watering days between the hours of 12:00 midnight and 10:00 a.m. and between 8:00 p.m. and 12:00 midnight.

4. Operation of any ornamental fountain or pond for aesthetic or scenic purposes is prohibited except where necessary to support aquatic life or where such fountains or ponds are equipped with a recirculation system.
5. Use of water from hydrants or flush valves shall be limited to maintaining public health, safety, and welfare.
6. Use of water for the irrigation of golf courses, parks, and green belt areas are prohibited except by hand-held hose and only on designated watering days between the hours 12:00 midnight and 10:00 a.m. and between 8:00 p.m. and 12:00 midnight.
7. The following uses of water are defined as non-essential and are prohibited:
  - a. wash down of any sidewalks, walkways, driveways, parking lots, tennis courts, or other hard-surfaced areas;
  - b. use of water to wash down buildings or structures for purposes other than immediate fire protection;
  - c. use of water for dust control;
  - d. flushing gutters or permitting water to run or accumulate in any gutter or street;
  - e. failure to repair a controllable leak(s) within a reasonable period after having been given notice directing the repair of such leak(s); and
  - f. any waste of water.

#### **STAGE IV - CRITICAL WATER USE RESTRICTIONS:**

**Target:** Achieve a 40 percent reduction in daily demand (example: total water use, daily water demand, etc.)

The water utility will implement Stage IV when any one of the selected triggers is reached:

Supply-Based Triggers: (check at least one and fill in the appropriate value)

Texas Water Systems, Inc.

Water Tariff

- ☐ Well level reaches 0 ft. above pump
- ☐ Overnight recovery rate reaches \_\_\_\_\_ ft.
- ☐ Reservoir elevation reaches \_\_\_\_\_ ft. (m.s.l.)
- ☐ Stream flow reaches \_\_\_\_\_ cfs at USGS gage # \_\_\_\_\_
- ☐ Wholesale supplier's drought Stage IV
  
- ☐ \_\_\_\_\_  
Annual water use equals \_\_\_\_\_ % of well permit/Water Right/purchased  
water contract amount
- ☐ Supply contamination
- ☐ Other \_\_\_\_\_

Demand- or Capacity-Based Triggers: (check at least one and fill in the appropriate value)

- ☐ Drinking water treatment as % of capacity \_\_\_\_\_ %
- ☐ Total daily demand as % of pumping capacity 100 %
- ☐ Total daily demand as % of storage capacity \_\_\_\_\_ %
- ☐ Pump hours per day \_\_\_\_\_ hrs
- ☐ Production or distribution limitations
- ☐ System outage
- ☐ Other \_\_\_\_\_

**Upon initiation and termination of Stage IV, the utility will mail a public announcement to its customers. Notice to TCEQ required.**

Requirements for Termination:

Stage IV of the Plan may be rescinded when all of the conditions listed as triggering events have ceased to exist for a period of three (3) consecutive days. Upon termination of Stage IV, Stage III becomes operative.

Operational Measures:

The utility shall visually inspect lines and repair leaks on a daily basis. Flushing is prohibited except for dead end mains and only between the hours of 9:00 p.m. and 3:00 a.m. Emergency interconnects or alternative supply arrangements shall be initiated. All meters shall be read as often as necessary to insure compliance with this program for the benefit of all the customers. *Describe additional measures, if any, to be implemented directly to manage limited water supplies and/or reduce water demand.*

Mandatory Water Use Restrictions: (all outdoor use of water is prohibited)

1. Irrigation of landscaped areas is absolutely prohibited.
2. Use of water to wash any motor vehicle, motorbike, boat, trailer, airplane or other vehicle is absolutely prohibited.

**SYSTEM OUTAGE or SUPPLY CONTAMINATION**

Notify TCEQ Regional Office immediately.

**PLUMBING CODE**

Only those materials listed below under "BUILDING SERVICE LINES" or materials as required by the Texas Commission on Environmental Quality ("TCEQ") are approved for use. The Southern Building Code shall govern on method of installation, pipe sizing, fixture count and all general requirements, insofar as they apply to water supply and sewage collection systems, and to the extent that they are not contradictory to TCEQ Customer Service Inspection Requirements.

**BUILDING SERVICE LINES**

- A. Waste pipe material shall be of the following material only:
  - 1. Schedule 40 ABS or PVC Plastic
  - 2. Schedule 35 PVC Plastic
  - 3. For temperatures in excess of one hundred degrees (100°) Fahrenheit, schedule 40 CPVC Plastic, ASTM Designation D-3034 MUST BE USED
  - 4. Cast iron hub type soil pipe extra heavy service weight, ASTM A-74, with rubber ring and gasket. "No-Hub" pipe is not permitted below grade
  - 5. SIX INCH ONLY shall be not less than ABS-SDR 35.0
  - 6. ABS composite truss pipe may be used for eight-inch (8") diameter and above
  - 7. Ductile iron pipe (push-on joint) conforming to ANSI A21.51
- B. Water pipe material shall be:
  - 1. Schedule 40 galvanized steel pipe, ASTM A-53
  - 2. Seamless copper tubing Type K, L or M, ASTM B-88
  - 3. Type 1 PVC 1120 and PVC 1220, 160 psi minimum pressure rating, ASTM D-1784
  - 4. Ductile iron pipe (push-on joint) conforming to ANSI A 21.51
  - 5. Polyethylene for one inch (1") and smaller ASTM Designation D-2239
- C. Diameter of Service Lines:
  - 1. Residential service lines shall be sized according to the Southern Building Code and in no case shall be smaller than three-fourths inch (3/4") for water or four inch (4") waste
  - 2. commercial service lines shall be sized according to the Southern Building Code and in no case shall be smaller than one inch (1") for water and four inch (4") for waste unless special approval is obtained

- D. Solvent for ABS shall be ASTM Designation D-2235. Solvent for PVC shall be STM Designation D-2564. Industrial polychemical solvent 795 shall be used for joining PVC to ABS

**GRADE (WASTE LINES)**

- A. Minimum grade for four-inch (4") sewer pipe shall be 1% (one-foot drop/hundred feet), with a maximum grade of 2% (two-foot drop/hundred feet).
- B. Minimum grade for six-inch (6") sewer pipe shall be 0.7% (8.5 inch-drop/hundred feet), with a maximum grade of 1.5% (18 inch-drop/hundred feet)

**CONNECTION OF BUILDING STUB-OUTS TO SERVICE LINES**

- A. Building tie-on connections shall be made directly to the stub at the foundation on all waste outlets. Septic tanks and all grease traps must be bypassed. Septic tanks and grease traps should be pumped out, sides broken down, and then filled with dirt or sand. (This applies to existing residences being connected.)
- B. Type of Waste Connections: Watertight adapter shall be used at house connections. All other connections shall be solvent weld.
- C. No drain rim shall be installed less than one (1) foot above the top of the nearest manhole.

**FITTINGS AND CLEANOUTS**

- A. No bends or turns at any point shall be greater than 45°.
- B. Each horizontal drainage pipe shall be provided with cleanout at its upper terminal, and each such run of piping which is more than 90 feet shall be provided with cleanout for each 90 feet or fraction thereof in the length of such piping.
- C. Each cleanout shall be installed so that it opens in a direction opposite to the flow of the waste and, except in the case of "wye" branch and ending-of-line cleanouts, cleanouts shall be installed vertically above the flow of the pipe
- D. Cleanout should be made with airtight mechanical plug

**UNDER SLAB PLUMBING**

Under-slab pipe and fittings shall be cast iron, Schedule 40 PVC

**COMPLIANCE WITH TCEQ AND/OR COUNTY HEALTH DEPARTMENT INSPECTOR (" APPROVING AUTHORITY")**

- A. Unless exception is granted by the Approving Authority, the public sanitary sewer system shall be used by all persons discharging wastewater.
- B. Unless authorized by the Texas Commission on Environmental Quality, no person may deposit or discharge any waste included in Subsection A of this Section on public or private property or into or adjacent to any: (1) natural outlet, (2) water course, (3) storm sewer or (4) other area within the jurisdiction of the District.



- C. The Approving Authority shall verify before discharge that wastes authorized to be discharged will receive suitable treatment within the provisions of the laws, regulations, ordinances, rules and orders of federal, state and local governments.

#### **APPROVING AUTHORITY REQUIREMENTS**

- A. If discharges or proposed discharges to sewer may: (i) deleteriously affect wastewater facilities, processes, equipment or receiving waters, (ii) create a hazard to life or health or (iii) create a public nuisance, the Approving Authority shall require:
1. Pre-treatment to an acceptable condition for discharge to the public sewers;
  2. Control over the quantities and rates of discharge; and
  3. Payment to cover the cost of hauling and treating the wastes.
- B. The Approving Authority is entitled to determine whether a discharge of proposed discharge is included under Subsection A of this Section.
- C. The Approving Authority shall reject wastes when it determines that a discharge or proposed discharge does not meet the requirements of Subsection A of this Section.

#### **APPROVING AUTHORITY REVIEW AND APPROVAL**

- A. If pre-treatment or control is required, the Approving Authority shall review and approve design and installation of equipment and processes. A fee will be charged to cover the cost of said review.
- B. The design and installation of equipment and processes must conform to all applicable statutes, codes, ordinances and other laws.
- C. Any person responsible for discharges requiring pre-treatment, flow equalizing or other facilities shall provide and maintain the facilities in effective operating condition at his own expense.

#### **REQUIREMENTS FOR TRAPS**

- A. Discharges requiring a trap include: (i) grease or waste containing grease in amounts that will impede or stop the flow in the public sewers, (ii) oil, (iii) sand, (iv) flammable wastes and (v) other harmful ingredients. Any person responsible for discharges requiring a trap shall at his own expense and as required by the Approving Authority:
1. Provide equipment and facilities of a type and capacity approved by the Approving Authority;
  2. Locate the trap in a manner that provides ready and easy accessibility for cleaning and inspection; and
  3. Maintain the trap in effective operating condition acceptable to the Approving Authority to protect the overall operation of the wastewater treatment plant.

#### **REQUIREMENTS FOR BUILDING SEWERS**

- A. Any person responsible for discharges through a building sewer carrying industrial

wastes shall, at his own expense and as required by the Approving Authority:

1. Install an accessible control manhole;
  2. Install meters and other appurtenances to facilitate observation sampling and measurement of the waste;
  3. Install safety equipment and facilities (ventilation, steps, etc.) where needed; and
  4. Maintain the equipment and facilities.
- B. No industrial waste will be discharged into the District's system without formal approval by the Approving Authority.

### **SAMPLING AND TESTING**

- A. Sampling shall be conducted according to customarily accepted methods, reflecting the effect of constituents upon the sewage works and determining the existence of hazards to health, life, limb and property.
- B. Examination and analyses of the characteristics of waters and wastes required shall be: (i) conducted in accordance with the latest edition of "Standard Methods" and (ii) determined from suitable samples taken at the control manhole provided or other control point authorized by the Approving Authority.
- C. BOD and suspended solids shall be determined from composition sampling, except to detect unauthorized discharges.
- D. The Approving Authority shall determine which users or classes of users may contribute wastewater that is greater strength than normal domestic wastewater. All users or classes of users so identified shall be samples for flow BOD, TSS and pH at least annually.
- E. The Approving Authority may select an independent firm or laboratory to determine flow, BOD and suspended solids, if necessary. Flow may alternately be determined by water meter measurements if no other flow device is available and no other source of raw water is used.
- F. Any and all charges required for the above shall be paid by the user.

### **PROHIBITED DISCHARGES**

- A. No person may discharge to public sewers any waste which by itself or by interaction with other wastes may: (i) injure or interfere with wastewater treatment processes or facilities; (ii) constitute a hazard to humans or animals; or (iii) create a hazard in receiving waters of the wastewater treatment plant effluent.
- B. All discharges shall conform to requirements of this ordinance.

### **CHEMICAL DISCHARGES**

- A. No discharge to public sewers may contain:
1. Cyanide greater than .01 mg/l;

2. Fluoride other than those contained in the public water supply;
  3. Chlorides in concentrations greater than 250 mg/l;
  4. Gasoline, benzene, naphtha, fuel oil or other flammable or explosive liquid, solid or gas; or
  5. Substances causing an excessive chemical oxygen demand (COD).
- B. No waste or wastewater discharged or public waters may contain:
1. Strong acid, iron-pickling wastes or concentrated plating solutions whether neutralized or not;
  2. Fats, wax, grease or oils, whether emulsified or not, in excess of one hundred (100) mg/l or containing substances which may solidify or become viscous at temperatures between 32° and 150° Fahrenheit (0° and 65° Centigrade).
  3. Objectionable or toxic substances, exerting an excessive chlorine requirement to such degrees that any such material received in the composite wastewater treatment works exceeds the limits established by the Approving Authority for such materials; or
  4. Obnoxious, toxic or poisonous solids, liquids or gases in quantities sufficient to violate the provisions of Section (12)A.
- C. No waste, wastewater or other substance may be discharged into public sewers which has a pH lower than 6.0 or higher than 9.0 or any other corrosive property capable of causing damage or hazard to structures, equipment and/or personnel at the wastewater facilities.
- D. All waste, wastewater or other substance containing phenols, hydrogen sulfide or other taste and odor producing substances, shall conform to concentration limits established by the Approving Authority. After treatment of the composite wastewater, concentration limits may not exceed the requirements established by state, federal or other agencies with jurisdiction over discharges to receiving waters.

#### **HAZARDOUS METALS AND TOXIC MATERIALS**

- A. No discharges may contain concentration of hazardous metals other than amounts specified by the State Water Code.
- B. The materials, their concentration parameters and rules governing same are as promulgated under authority of Sections 5.131 and 5.132, Texas Water Code - HAZARDOUS METALS, and in accordance with Texas Water Commission Rules 156.19.
- C. No other hazardous metals or toxic materials may be discharged into public sewers without a permit from the Approving Authority specifying conditions of pre-treatment, concentration, volumes and other applicable provisions.

#### **PARTICULATE SIZE**

- A. No person may discharge garbage or other solids into public sewers unless it is shredded to a degree that all particles can be carried freely under the flow conditions normally prevailing in public sewers. Particles greater than one-half inch (1/2") in any dimensions are prohibited.
- B. The Approving Authority is entitled to review and approve the installation and operation of any garbage grinder equipped with a motor of 3/4 HP (0.76 HP metric) or greater.

#### **STORM WATER AND OTHER UNPOLLUTED DRAINAGE**

- A. No person may discharge to public sanitary sewers: (i) unpolluted storm water, surface water, ground water, swimming pools, roof run-off or subsurface drainage, (ii) unpolluted cooling water, (iii) unpolluted industrial process water or (iv) other unpolluted drainage, or make new connections from inflow sources.
- B. In compliance with the Texas Water Quality Act and other statutes, the Approving Authority may designate storm sewers and other water courses into which unpolluted drainage described in Subsection A of this Section may be discharged.

#### **TEMPERATURE**

No person may discharge liquid or vapor having a temperature higher than 150o Fahrenheit (65o Centigrade) or any substance that causes the temperature of the total wastewater treatment plant influent to increase at a rate of 10o Fahrenheit or more per hour, or combined total increase of plant influent to 110o Fahrenheit.

#### **RADIOACTIVE WASTES**

- A. No person may discharge radioactive wastes or isotopes into public sewers without the permission of the Approving Authority.
- B. The Approving Authority may establish, in compliance with applicable state and federal regulation, regulations for discharge of radioactive wastes into public sewers.

#### **IMPAIRMENT OF FACILITIES**

- A. No person may discharge into public sewers any substance capable of causing: (i) obstruction to the flow in sewers, (ii) interference with the operation of treatment processes of facilities, or (iii) excessive loading of treatment facilities.
- B. No person may discharge into public sewers any substance that may: (i) deposit grease or oil in the sewer lines in such a manner as to clog the sewers, (ii) overload skimming and grease handling equipment, (iii) pass to the receiving waters without being effectively treated by normal wastewater treatment processes due to the non-amenability of the substance to bacterial action or (iv) deleteriously affect the treatment process due to excessive quantities.
- C. No person may discharge any substance into public sewers which: (i) is not amenable to treatment or reduction by the processes and facilities employed, or (ii) is amenable to treatment only to such a degree that the treatment plant effluent cannot meet the requirements of the agencies having jurisdiction over discharge to the receiving waters.
- D. The Approving Authority shall regulate the flow and concentration of slugs when they may: (i) impair the treatment process, (ii) cause damage to collection facilities, (iii) incur treatment costs exceeding those for normal wastewater, or (iv) render the effluent unfit for stream disposal or industrial use.

**WATER CONSERVATION SECTION**

- A. GENERAL - Automatic-flushing devices of the siphonic design shall not be used to operate urinals.
- B. HOT WATER PIPES - All aboveground hot water piping shall be insulated.
- C. WATER CLOSETS - Water closets, either wall-mounted or flushometer operated shall be designed, manufactured and installed to be operable and adequately flushed with no more than 2.0 gallons per flushing cycle when tested in accordance with applicable standards. All other water closets and toilets shall have no more than 1.6 gallons per flushing cycle when tested in accordance with applicable standards.
- D. URINALS - Urinals shall be designed, manufactured and installed to be operable and adequately flushed with no more than 1.0 gallon of water per flush.
- E. LAVATORY FACILITIES
  - 1. Public Facilities:

Faucets for public lavatories shall be equipped with outlet devices which limit the flow of water to a maximum of 0.5 gpm at 60 psi pressure or be equipped with self-closing valves that limit the delivery to a maximum of 0.25 gallon of hot water for recirculating systems and to a maximum of 0.5 gallon for non-recirculating systems.

*EXCEPTION:* Separate lavatories for physically handicapped persons shall not be equipped with self-closing valves.
  - 2. Private Facilities:

Faucets for private lavatories shall be designed, manufactured and installed to deliver water at a flow rate not to exceed 2.2 gpm at 6-psi pressure when tested in accordance with applicable standards.
- F. SHOWER HEADS - Showerheads shall be designed, manufactured and installed to deliver water at a rate not to exceed 2.75 gpm at 80 psi pressure when tested in accordance with applicable standards.
- G. SINK FAUCETS - Sink faucets shall be designed, manufactured and installed to deliver water at a rate not to exceed 2.2 gpm at 60 psi pressure when tested in accordance with applicable standards.
- H. SWIMMING POOLS - All swimming pools installed in areas covered by the Certificates of Convenience and Necessity issued to XYZ UTILITY, INC. shall be equipped with recirculating filtration equipment.
- I. DRINKING WATER FOUNTAINS - All drinking water fountains must be equipped with self-closing valves.
- J. ORNAMENTAL FOUNTAINS - All ornamental fountains installed in areas covered by the Certificates of Convenience and Necessity issued to XYZ UTILITY, INC. shall be equipped with recirculating water equipment.

STATE OF TEXAS  
COUNTY OF SMITH

Glenn E. Trimble, being duly sworn, file this NOTICE OF PROPOSED RATE CHANGE as President; that, in such capacity, I am qualified and authorized to file and verify such NOTICE; and that all statements made and matters set forth herein are true and correct.

I further represent that a copy of the attached notice was provided by \_\_\_\_\_ mail \_\_\_\_\_ to each customer or other affected party on or about October 31, 2008.

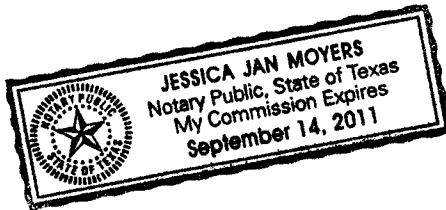
Glenn E. Trimble  
Affiant (Utility's Authorized Representative)

If the Affiant to this form is any person other than the sole owner, partner, officer of the Utility, or its attorney, a properly verified Power of Attorney must be enclosed.

Subscribed and sworn to before me this the 30<sup>th</sup> day of October, 2008, which witness my hand and seal of office.

Jessica Jan Moyers  
NOTARY PUBLIC IN AND FOR  
STATE OF TEXAS  
Jessica T. Moyers  
PRINT OR TYPE NAME OF NOTARY  
MY COMMISSION EXPIRES 9

SEAL





**TEXAS WATER SYSTEMS Inc**  
*An Investor Owned Utility*

October 30, 2008

Dear Texas Water Customer:

You are receiving another notice of rate change, because the Rate Staff at the Texas Commission on Environmental Quality in Austin has required mailing of a corrected notice. The first notice was flawed due to omission of the "date mailed" and typo-errors involving fees that do not relate to monthly water rates. The effective date of rate change will be delayed one month until January 2<sup>nd</sup>, 2009. Thus, the first bill with the new rates will appear about February 10<sup>th</sup>.

Sincerely,

Glenn E. Trimble  
President

**NOTICE OF PROPOSED RATE CHANGE**

Texas Water Systems, Inc.

12473

Company Name

CCN Number

has submitted a rate change application to the Texas Commission on Environmental Quality (Commission). The proposed rates listed on the next page will apply to service received after the effective date provided below. If the Commission receives protests to the proposed increase from 10 percent of the ratepayers or from any affected municipality before the 91st day after the proposed effective date, a public hearing will be scheduled to determine if the proposed rates are reasonable. Protests should be mailed to:

**Texas Commission on Environmental Quality  
Water Supply Division  
Utilities & Districts Section, MC 153  
P. O. Box 13087  
Austin, Texas 78711-3087**

Unless protests are received from 10 percent of the ratepayers or the Commission staff requests a hearing, no hearing will be held and rates will be effective as proposed. Please read the following information carefully:

Cape Tranquility, Mt. Sylvan, Country Club, Friendship, Rosewood, Stallion Lake, Garden Valley

**Subdivisions or Systems Affected by Rate Change**

7891 US Highway 271	Tyler	TX	75708	903-595-2128
Company Address	City	State	Zip	Telephone
\$55,680.00			October 31 <sup>st</sup> , 2008	
Annual Revenue Increase			Date Customer Notice Mailed	
July 6 <sup>th</sup> , 2006			2 <sup>nd</sup> to 9 <sup>th</sup> of each month	
Date of Last Rate Change			Date Meters Typically Read	

**EFFECTIVE DATE OF PROPOSED INCREASE:** January 2nd, 2009

**BILLING COMPARISON**

Water:	Existing	10,000 gallons:	\$ 49.20 /mo	Existing	30,000 gallons:	\$ 95.20 /mo
	Proposed	10,000 gallons:	\$ 55.60 /mo	Proposed	30,000 gallons:	\$ 101.60 /mo
Sewer:	Existing	10,000 gallons:	\$ N/A /mo	Proposed	30,000 gallons:	\$ N/A /mo

The proposed rates will apply to all service rendered after the effective date and will be reflected on the bill you receive approximately 30 to 45 days after the effective date.

In the event that the application is set for hearing, the specific rates requested by the utility may be decreased or increased by order of the Commission. If the Commission orders a lower rate to be set, the utility may be ordered to refund or credit against future bills all sums collected during the pendency of the rate proceeding in excess of the rate finally ordered plus interest. You may inspect a copy of the rate change application at your utility's office or at the Commission's office at Park 35 - Building F, 12015 Park 35 Circle, Suite 3101, Austin, Texas, west side of IH-35, south of Yager Lane. Additional information about the application can be obtained by contacting the Utilities and Districts Section at 512/239-4691. Information about how you can participate in the rate setting process can be obtained by contacting the Public Interest Counsel at 512/239-6363.



CURRENT RATESMonthly base rate including 1000 gallons

Meter Size:

Residential

5/8" or 3/4" \$28.503/4" Full port \$28.501" \$45.281-1/2" \$144.902" \$230.463" \$430.10

Gallonge Charge:

\$2.30 for each additional 1000 gallons over the minimumMiscellaneous FeesTap fee \$750.00Reconnection fee Non-payment \$25.00  
(Maximum - \$25.00)Customer's request \$25.00Transfer fee \$15.00Late charge \$4.00Returned check charge \$15.00Deposit \$50.00Meter test fee \$25.00PROPOSED RATESMonthly base rate including 1000 gallons

Meter Size:

Residential

5/8" or 3/4" \$34.903/4" Full port \$53.251" \$87.251-1/2" \$174.502" \$279.203" \$523.50

Gallonge Charge:

\$2.30 for each additional 1000 gallons over the minimumMiscellaneous FeesTap fee \$800.00Reconnection fee Non-payment \$25.00  
(Maximum - \$25.00)Customer's request \$40.00Transfer fee \$30.00Late charge **(Indicate either \$5.00 or 10%)** \$4.00Returned check charge \$25.00Deposit \$50.00  
(Maximum \$50.00)Meter test fee \$ 25.00

Regulatory Assessment of 1% is added to base rate and gallonge charges

**NOTICE OF PROPOSED RATE CHANGE**

Texas Water Systems, Inc.

12473

Company Name

CCN Number

has submitted a rate change application to the Texas Commission on Environmental Quality (Commission). The proposed rates listed on the next page will apply to service received after the effective date provided below. If the Commission receives protests to the proposed increase from 10 percent of the ratepayers or from any affected municipality before the 91<sup>st</sup> day after the proposed effective date, a public hearing will be scheduled to determine if the proposed rates are reasonable. Protests should be mailed to:

**Texas Commission on Environmental Quality  
Water Supply Division  
Utilities & Districts Section, MC 153  
P. O. Box 13087  
Austin, Texas 78711-3087**

Unless protests are received from 10 percent of the ratepayers or the Commission staff requests a hearing, no hearing will be held and rates will be effective as proposed. Please read the following information carefully:

Pertains to Garden Acres

Subdivisions or Systems Affected by Rate Change				
7891 US Highway 271	Tyler	TX	75708	903-595-2128
Company Address	City	State	Zip	Telephone
\$17,645.00			October 31 <sup>st</sup> , 2008	
Annual Revenue Increase			Date Customer Notice Mailed	
July 6 <sup>th</sup> , 2006			2 <sup>nd</sup> to 9 <sup>th</sup> of each month	
Date of Last Rate Change			Date Meters Typically Read	

**EFFECTIVE DATE OF PROPOSED INCREASE:** January 2nd, 2009**BILLING COMPARISON**

Water:	Existing	10,000 gallons:	\$ 23.20 /mo	Existing	30,000 gallons:	\$ 51.20 /mo
	Proposed	10,000 gallons:	\$ 55.60 /mo	Proposed	30,000 gallons:	\$101.60 /mo
Sewer:	Existing	10,000 gallons:	\$ N/A /mo	Proposed	30,000 gallons:	\$ N/A /mo

The proposed rates will apply to all service rendered after the effective date and will be reflected on the bill you receive approximately 30 to 45 days after the effective date.

In the event that the application is set for hearing, the specific rates requested by the utility may be decreased or increased by order of the Commission. If the Commission orders a lower rate to be set, the utility may be ordered to refund or credit against future bills all sums collected during the pendency of the rate proceeding in excess of the rate finally ordered plus interest. You may inspect a copy of the rate change application at your utility's office or at the Commission's office at Park 35 - Building F, 12015 Park 35 Circle, Suite 3101, Austin, Texas, west side of IH-35, south of Yager Lane. Additional information about the application can be obtained by contacting the Utilities and Districts Section at 512/239-4691. Information about how you can participate in the rate setting process can be obtained by contacting the Public Interest Counsel at 512/239-6363.