

Furn & Fixtures										
A/C & Controls	Nov 85	10		509.00	24	1		0.00	509.00	0.00
Electric Equipment	May 89	10		1408.00	20	7		0.00	1408.00	0.00
Gen Equipment	Dec 91	10		171.00	18			0.00	171.00	0.00
Elec Components	Feb 93	10		3201.00	16	10		0.00	3201.00	0.00
Mt Sylvan Main Disconnect	Nov 93	10		418.26	16	1		0.00	418.26	0.00
Plant Rebuild	Mar 95	10		6639.01	14	9		663.90	6639.01	0.00
Rosewood valves & control wk	Oct 95	10		249.60	14	2		24.96	249.60	0.00
Mt Sylvan Plant Rebuild	Dec 95	20		6071.77	14			303.59	4250.25	1821.52
Mt. Sylvan Booster station	Jan 99	10		4132.60	10	11		413.26	4132.60	0.00
Cape Tranquility Plant upgrade	Nov 99	10		3327.62	10	1		332.76	3327.61	0.01
410 Air Compressor	July 00	10		574.73	9	5		57.47	508.25	66.48
561 Air Compressor	Oct 00	10		840.93	9	2		84.09	756.83	84.10
Harmony Plant	Dec 02	10		2703.66	7			270.37	1892.57	811.09
Stallion Lake Plant	Dec 02	10		1079.45	7			107.95	755.63	323.82
Harmony Plant	Jan 03	10		1183.88	6	10		118.39	828.72	355.16
Mt Sylvan pump wiring	May 03	10		298.84	6	7		29.88	209.18	89.66
Total Furn & Fixtures				32809.35				2406.62	29257.51	3551.84
Fencing										
Country Club Fence Material	May 77	20	50	375.00	32	7		7.50	247.50	127.50
840'x6' sec Fence	Jan 78	20	50	4000.00	31	11		80.00	2480.00	1520.00
Mt. Sylvan Fencing	Jan 82	20	50	1500.00	27	11		30.00	840.00	660.00
Friendship Fencing	Jan 98	20	50	2128.16	11	11		42.56	510.74	1617.42
Harmony Fencing	Dec 01	20	50	1927.22	8			38.54	308.34	1618.88
Fence tear down & site clean up	Jan 06	20	50	845.50	3	11		16.91	67.64	777.86
Mt Sylvan fence const.	Feb 07	20	50	3511.53	2	10		70.23	210.69	3300.84
Garden Acres acquisition	Mar 07	20	50	660.00	2	9		13.20	39.60	620.40
Fence installation	Oct 07	20	50	5450.29	2	2		109.01	327.02	5123.27
Fence install at Plant	Nov 08	20	50	6170.06	1	1		123.40	246.80	5923.26
Fence construction	Nov 09	20	50	4533.13		1		90.66	90.66	4442.47
Total Fencing				31100.89				622.02	5368.99	25731.90
Other Plant & Misc Equip										
Friendship A/C	Feb 00		5	479.24	7	10		95.85	479.24	0.00
Plant 2 Fixtures	Dec 01		20	18845.64	6			942.28	7538.25	11307.39
Plant Const.	Dec 02		20	1037.85	5			51.89	363.24	674.61
Plant Const.	Dec 02		20	5397.20	5			269.86	1889.02	3508.18
Harmony plant parts	Mar 03		10	3036.35	4	9		303.64	2125.46	910.89
Harmony A/C system	Jan 03		10	1206.14	4	11		120.61	844.29	361.85
Harmony plant parts	Jul 04		10	328.50	3	5		32.85	197.10	131.40
Garden Acres acquisition	Mar 07		20	1455.00		9		72.75	218.25	1236.75
Total Other				31785.92				1889.73	13654.85	18131.07
Access Roads										
Plant 2 road, ck 520	Dec 01		30	4001.00	6			133.37	1066.94	2934.06
Pad work at Stallion Lake plant	Dec 03		30	1323.25	4			44.11	308.76	1014.49
Total Access Roads				5324.25				177.48	1375.70	3948.55
Total				1357042.49				43728.76	416322.94	940719.55

Attachment 7

SECTION III. PLANT & EQUIPMENT INFORMATION - WATER

C. DEVELOPER CONTRIBUTIONS - WATER

Table III. C.

Item	Date of installation or Contribution	Total Cost	Amount of Developer Contribution	Net Book Value (from Table III. B.)
Service Lines & Taps	12/1999	5987.93	1840.00	4147.93
SH 154 mains	7/1998	11463.59	12070.00	-606.41
New mains	6/1999	13551.38	13551.38	0.00
New mains	12/1999	32480.00	23482.64	8997.36
Dove Ridge Main	12/1999	16545.49	10160.00	6385.49
New mains	12/2000	2087.38	1150.00	937.38
New mains	12/2001	18324.99	11798.00	6526.99
New mains	9/2005	4703.76	4495.00	208.76
New mains	12/2005	19754.29	10168.00	9586.29
New mains	6/2006	18329.40	11095.50	7233.90
New mains	7/2006	3970.71	514.00	3456.71
New mains	6/2007	10731.19	2126.10	8605.09
New mains	4/2008	11808.23	8528.00	3280.23
Total		169738.34	110978.62	58759.72

ATTACHMENT #8

B. Known & Measurable

Line D – Estimated cost increase due to additional system & overall cost increase

Line E – Estimated 5% inflationary increase in utilities

Line F – Estimated 5% cost increase due to increasing fuel & labor costs



TEXAS WATER SYSTEMS, INC.

"AN INVESTOR OWNED UTILITY"

7891 U.S. HIGHWAY 271

TYLER, TX 75708

Red@TexasPumpandWater.com

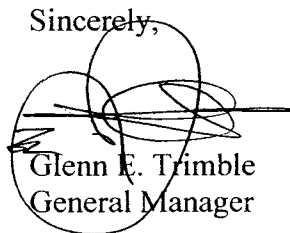
June 1, 2010

Dear Texas Water Systems Customer:

Attached, please find an official notice of rate change that is being filed with the Texas Commission on Environmental Quality, Austin, Texas. This rate change will go into effect on August 2nd, 2010. The Base Rate minimum charge for water service will increase from \$34.90 to \$38.85; however, the rate per gallon for water used in excess of the basic amount of 1000 gallons will not change.

A copy of the rate application is available for your review at our offices at 7891 U.S. Highway 271, Tyler, Texas and we are available to answer any questions you might have. You can reach our offices by calling (903) 595-2128.

Sincerely,



Glenn E. Trimble
General Manager

Encl
As Stated

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, Garden Acres

Subdivisions or Systems Affected by Rate Change

7891 Hwy 271	Tyler	TX	75708	903-597-5788
Company Address	City	State	Zip	Telephone
\$45,433.28			June 2, 2010	
Annual Revenue Increase			Date Customer Notice Mailed	
January 2, 2009			2 nd to 9 th of each month	
Date of Last Rate Change			Date Meters Typically Read	

EFFECTIVE DATE OF PROPOSED INCREASE: August 2, 2010

BILLING COMPARISON

Water:	Existing	10,000 gallons:	\$ 55.60 /mo	Existing	30,000 gallons:	\$ 101.60 /mo
	Proposed	10,000 gallons:	\$ 59.55 /mo	Proposed	30,000 gallons:	\$ 105.55 /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.

Si desea informacion en Espanol, puede llamar al 512-239-0200.

<u>CURRENT RATES</u>		PROPOSED RATES	
Monthly base rate including <u>1000</u> gallons		Monthly base rate including <u>1000</u> gallons	
Meter Size:		Meter Size:	
Residential		Residential	
5/8" x 3/4"	\$ 34.90	5/8" x 3/4"	\$ 38.85
3/4"	\$ 52.35	3/4"	\$ 57.13
1"	\$ 87.25	1"	\$ 93.68
1-1/2"	\$ 174.50	1-1/2"	\$ 185.05
2"	\$ 279.20	2"	\$ 294.70
3"	\$ 523.50	3"	\$ 550.55
Gallonage Charge:		Gallonage Charge:	
\$ <u>2.30</u> for each additional 1000 gallons over the minimum		\$ <u>2.30</u> for each additional 1000 gallons over the minimum	
<u>Miscellaneous Fees</u>		<u>Miscellaneous Fees</u>	
Tap fee	\$ 800.00	Tap fee	\$ 900.00
Reconnect fee: Non-payment (Maximum - \$25.00)	\$ 25.00	Reconnect fee" Non-payment (Maximum - \$25.00)	\$ 25.00
Customer's request	\$ 40.00	Customer's request	\$ 40.00
Transfer fee	\$ 30.00	Transfer fee	\$ 30.00
Late charge	\$ 4.00	Late charge (Indicate either \$5.00 or 10%)	\$ 5.00
Returned check charge	\$ 25.00	Returned check charge	\$ 25.00
Deposit	\$ 50.00	Deposit (Maximum \$50.00)	\$ 50.00
Meter test fee	\$ 25.00	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

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 2nd, 2009. Thus, the first bill with the new rates will appear about February 10th.

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 st , 2008	
Annual Revenue Increase			Date Customer Notice Mailed	
July 6 th , 2006			2 nd to 9 th 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:	<u>\$ 49.20 /mo</u>	Existing	30,000 gallons:	<u>\$ 95.20 /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.

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

Gallage 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

Gallage 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 gallage 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 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			October 31 st , 2008	
Annual Revenue Increase			Date Customer Notice Mailed	
July 6 th , 2006			2 nd to 9 th 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	Existing	30,000 gallons:	\$ N/A /mo
	Proposed	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.)

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

Miscellaneous Fees

Tap fee \$400.00

Reconnection fee

Non-payment \$25.00
(Maximum - \$25.00)

Customer's request \$10.00

Transfer fee \$0

Late charge \$5.00

Returned check charge \$15.00

Deposit \$50.00

Meter test fee \$25.00

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 \$800.00

Reconnection fee

Non-payment \$25.00
(Maximum - \$25.00)

Customer's request \$40.00

Transfer fee \$30.00

Late charge **(Indicate either \$5.00 or 10%)** \$4.00

Returned check charge \$25.00

Deposit \$50.00
(Maximum \$50.00)

Meter test fee \$ 25.00

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

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



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

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.

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

Gallonage 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

PROPOSED 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

Gallonage Charge:

\$2.30 for each additional 1000 gallons over the minimumMiscellaneous 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 (Indicate either \$5.00 or 10%)	\$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

ATTACHMENT 9
COMMENT ON UNIFORM RATE

This application continues the practice by Texas Water Systems of providing a uniform rate structure for all of its systems. The reasons this is appropriate are as follows:

1. All systems are ground water systems with well sizes under 8", fitted with submersible pumps 15 H.P. or less.
2. All have common treatment by simple chlorination excepted by only two plants which are additionally supplemented by simple caustic feed for P.H. adjustment.
3. All plant designs are similar with standard alternating service pump arrangements, with pump sizes 20 H.P. and less.
4. All distribution systems are similar, built with 2" to 6" PVC class pipe with reasonable proportion of main length to system population.
5. All have similar customer bases which are almost completely residential, and no heavy commercial or industrial consumers to affect demand on facilities.
6. None of the systems offer fire flows.
7. All are served by an operating and management company on a per tap basis for remuneration and all are similar distances from that company's base. Distances range from 18 miles minimum to 35 miles maximum.
8. A non-uniform rate structure would add operating costs to the customers by the additional weight of requiring specific expense data recording by the operators in the field, slowing operating efficiency ; and the added burden of accounting load and formulating rates for 8 fiscal entities instead of one.