

Control Number: 43890



Item Number: 9

Addendum StartPage: 0

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



TEXAS WATER SYSTEMS Inc
An Investor Owned Utility

72870
RECEIVED

2014 DEC -5 PM 4:34

PUBLIC UTILITY COMMISSION
FILING CLERK

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 2nd, 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

2014 DEC -5 AM 8:08

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 th , 2006 | | | | 2 nd to 9 th of each month |
| Date of Last Rate Change | | | | Date Meters Typically Read |

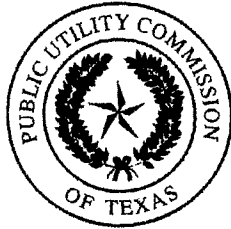
EFFECTIVE DATE OF PROPOSED INCREASE: December 2nd, 2008

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.



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

Central Records Personally Identifiable Information Audit

NOTICE OF REDACTION

Documents containing Personally Identifiable Information* have been redacted from electronic posting, in accordance with Texas privacy statutes.

*"Personally Identifiable Information" (PII) is defined to include information that alone or in conjunction with other information identifies an individual, including an individual's: Social security or employer taxpayer identification number, driver's license number, government-issued identification card number, or passport numbers, checking and savings account numbers, credit card numbers, debit card numbers, unique electronic identification number, address, or routing code, electronic mail names or addresses, internet account numbers, or internet identification names, digital signatures, unique biometric data, and mother's maiden name, marriage and any other numbers or information used to access an individual's financial account.

Admin Review: UFR

| | |
|---|---|
| Utility Name: <u>Texas Water Systems Inc.</u> Deposit User Report: _____ <p style="text-align: center;"><u>Administrative Review - Rate</u></p> Date received By Program Area: <u>9/30/2008</u> Subdivisions: <u>Cape Tranquility, Mt. Sylvan, Country Club etc.</u> <u>Garden Acres</u> Contact Person: <u>Glenn E. Trimble, President</u> Address: <u>7891 Hwy 271</u> <u>Tyler, TX 75708</u> | Admin Review No. <u>R-053-8</u> Application No.: <u>36195-R</u> Effective Date: <u>12/2/2008</u> Renoticed (Y/N): _____ County(s): <u>Smith, Gregg, henderson & Upshur</u> CCN No(s): <u>12473</u> Total Water Billed: <u>54,307,000</u> Customer Number: <u>673</u> |
|---|---|

| Current Rates | | | | Proposed Rates | | | |
|---------------------|----------|-----------|-----------|---------------------|----------|-------------------|-----------|
| Residential | Gal Incl | Base Rate | Gal. Rate | Residential | Gal Incl | Base Rate | Gal. Rate |
| 3/4" | 1,000 | \$28.50 | \$2.30 | 3/4" | 1,000 | \$34.90 / \$53.25 | \$2.30 |
| 1" | 1,000 | \$45.28 | \$2.30 | 1" | 1,000 | \$87.25 | \$2.30 |
| 1 1/2" | 1,000 | \$144.90 | \$2.30 | 1 1/2" | 1,000 | \$1,774.50 | \$2.30 |
| 2" | 1,000 | \$230.46 | \$2.30 | 2" | 1,000 | \$279.20 | \$2.30 |
| 3" | 1,000 | \$430.10 | \$2.30 | 3" | 1,000 | \$523.50 | \$2.30 |
| Garden Acres | | | | Garden Acres | | | |
| 3/4" | 2,000 | \$12.00 | \$1.40 | 3/4" | 1,000 | \$34.90 / \$53.25 | \$2.30 |
| | | | | | | | |
| | | | | | | | |

Regulatory Assessment Fees Paid - (Y/N): Y **Filing Fees Paid - (Y/N)** Y

Deficiencies: _____

All Pages of Application Complete and Correct- (Y/N): _____

Deficiencies:

Date customer notice mailed not indicated on the notice.

Delete Reconnection Fee of \$25.00, only a caption

Reconnection Fee - Customers' Request is \$25.00 not \$15.00

transfer fee is \$15.00 not \$20.00

Garden Acres - Transfer Fee is -0- not \$20.00; Delete Reconnecton Fee of \$25.00, only a caption

Notice Correct (Y/N): _____ **Annual Rev. Increase (Y/N):** Y **In City Limits** No

Customer Notice Dates: none **Other Deficiencies:** _____

Forms of Paymen . cash, checks & money order; no credit cards

Late Charge: \$4

Revenues Recomputed: no **Rate of Return Requested: (Y/N)** 12%

Rejection Letter Date: _____ **Acceptance Letter Date:** _____

File Assignment Date: _____

File Assigned To - Auditor: Elizabeth Flores Engr. Kamal Adhikari

Name of Reviewe: Leila Guerrero-Gantioqui **Date Admin Review Complete:** 10/2/2008

**WATER UTILITY TARIFF
FOR**

Texas Water Systems, Inc.
(Utility Name)

7891 U.S. Highway 271
(Business Address)

Tyler, Texas 75708
(City, State, Zip Code)

(903)595-2128
(Area Code/Telephone)

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

12473

This tariff is effective in the following counties:

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 and public water systems:

See attached list.

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 | 4 |
| SECTION 3.0 -- EXTENSION POLICY | 11 |
| SECTION 4.0 -- DROUGHT CONTINGENCY PLAN | 16 |
| APPENDIX A -- SAMPLE SERVICE AGREEMENT | |
| APPENDIX B -- APPLICATION FOR SERVICE | |

TEXAS COMM. ON ENVIRONMENTAL QUALITY
35383-C, CCN 12473 APRIL 30, 2007
APPROVED TARIFF BY 28/DET

This tariff is effective in the following subdivisions or systems:

| SUBDIVISION | PWS ID NUMBER | COUNTY |
|----------------------------|---------------|-----------|
| Cape Tranquility | 1070176 | Henderson |
| Country Club Estates | 2300021 | Upshur |
| Friendship Community | 2300020 | Upshur |
| Garden Acres Subdivision | 0920031 | Gregg |
| Garden Valley Water System | 2120081 | Smith |
| Mount Sylvan Community | 2120034 | Smith |
| Rosewood Community | 2300026 | Upshur |
| Stallion Lake | 2120104 | Smith |

TEXAS COMM. ON ENVIRONMENTAL QUALITY
35383-C, CCN 12473 APRIL 30, 2007
APPROVED TARIFF BY *LF/DR T*

SECTION 1.0 -- RATE SCHEDULE

Section 1.01 - Rates

| <u>Meter Size</u> | <u>Monthly Minimum Charge</u> | <u>Gallonge Charge</u> |
|-------------------|--|--|
| 5/8" or 3/4" | <u>\$28.50</u> (Includes <u>1,000</u> gallons) | <u>\$2.30</u> per 1000 gallons, same for all meter sizes |
| 1" | <u>\$45.28</u> | |
| 1 1/2 " | <u>\$144.90</u> | |
| 2" | <u>\$230.46</u> | |
| 3" | <u>\$430.10</u> | |

FORM OF PAYMENT: The utility will accept the following forms of payment:

Cash X, Check X, Money Order X, Credit Card _____, Other (specify) _____
 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.

REGULATORY ASSESSMENT 1.0%
 TCEQ RULES REQUIRE THE UTILITY TO COLLECT A FEE OF ONE PERCENT OF THE RETAIL MONTHLY
 BILL.

Section 1.02 - Miscellaneous Fees

TAP FEE \$750.00
 TAP FEE COVERS THE UTILITY'S COSTS FOR MATERIALS AND LABOR TO INSTALL A STANDARD
 RESIDENTIAL 5/8" or 3/4" METER. AN ADDITIONAL FEE TO COVER UNIQUE COSTS IS PERMITTED IF
 LISTED ON THIS TARIFF.

TAP FEE (Unique costs) Actual Cost
 FOR EXAMPLE, A ROAD BORE FOR CUSTOMERS OUTSIDE OF SUBDIVISIONS OR RESIDENTIAL
 AREAS.

TAP FEE (Large meter) Actual Cost
 TAP FEE IS THE UTILITY'S ACTUAL COST FOR MATERIALS AND LABOR FOR METER SIZE INSTALLED.

METER RELOCATION FEE Actual Relocation Cost, Not to Exceed Tap Fee
 THIS FEE MAY BE CHARGED IF A CUSTOMER REQUESTS THAT AN EXISTING METER BE RELOCATED.

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

TEXAS COMM. ON ENVIRONMENTAL QUALITY
 35331-R, CCN 12473 NOVEMBER 16, 2006
 APPROVED TARIFF BY KA

SECTION 1.0 -- RATE SCHEDULE (Continued)

METER TEST FEE\$25.00

THIS FEE WHICH SHOULD REFLECT THE UTILITY'S COST 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. THE FEE MAY NOT EXCEED \$25.

RECONNECTION FEE

THE RECONNECT FEE MUST BE PAID BEFORE SERVICE CAN BE RESTORED TO A CUSTOMER WHO HAS BEEN DISCONNECTED FOR THE FOLLOWING REASONS (OR OTHER REASONS LISTED UNDER SECTION 2.0 OF THIS TARIFF):

- a) Non payment of bill (Maximum \$25.00).....\$25.00
- b) Customer's request that service be disconnected\$25.00

TRANSFER FEE\$15.00

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

LATE CHARGE (EITHER \$5.00 OR 10% OF THE BILL)\$4.00

TCEQ RULES ALLOW A ONE-TIME PENALTY TO BE CHARGED ON DELINQUENT BILLS. A LATE CHARGE MAY NOT BE APPLIED TO ANY BALANCE TO WHICH THE PENALTY WAS APPLIED IN A PREVIOUS BILLING.

RETURNED CHECK CHARGE\$15.00

RETURNED CHECK CHARGES MUST BE BASED ON THE UTILITY'S DOCUMENTABLE COST.

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

COMMERCIAL & NON-RESIDENTIAL DEPOSIT 1/6TH OF ESTIMATED ANNUAL BILL

GOVERNMENTAL TESTING, INSPECTION AND COSTS SURCHARGE:

WHEN AUTHORIZED IN WRITING BY TCEQ AND AFTER NOTICE TO CUSTOMERS, THE UTILITY MAY INCREASE RATES TO RECOVER INCREASED COSTS FOR INSPECTION FEES AND WATER TESTING. [30 TAC 291.21(K)(2)]

LINE EXTENSION AND CONSTRUCTION CHARGES:

REFER TO SECTION 3.0--EXTENSION POLICY FOR TERMS, CONDITIONS, AND CHARGES WHEN NEW CONSTRUCTION IS NECESSARY TO PROVIDE SERVICE.

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

TEXAS COMM. ON ENVIRONMENTAL QUALITY
35331-R, CCN 12473 NOVEMBER 16, 2006
APPROVED TARIFF BY *LB/KA*

SECTION 1.0 -- RATE SCHEDULE

Section 1.01 - Rates

Meter Size
5/8" or 3/4"

Monthly Minimum Charge
\$12.00 (Includes 2,000 gallons)

Gallage Charge
\$12.00 per 1000 gallons

140

FORM OF PAYMENT: The utility will accept the following forms of payment:

Cash X, Check X, Money Order X, Credit Card _____, Other (specify)

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.

REGULATORY ASSESSMENT 1.0%
TCEQ RULES REQUIRE THE UTILITY TO COLLECT A FEE OF ONE PERCENT OF THE RETAIL MONTHLY BILL.

Section 1.02 - Miscellaneous Fees

TAP FEE \$400.00
TAP FEE COVERS THE UTILITY'S COSTS FOR MATERIALS AND LABOR TO INSTALL A STANDARD RESIDENTIAL 5/8" or 3/4" METER. AN ADDITIONAL FEE TO COVER UNIQUE COSTS IS PERMITTED IF LISTED ON THIS TARIFF.

TAP FEE (Unique costs) Actual Cost
FOR EXAMPLE, A ROAD BORE FOR CUSTOMERS OUTSIDE OF SUBDIVISIONS OR RESIDENTIAL AREAS.

TAP FEE (Large meter) Actual Cost
TAP FEE IS THE UTILITY'S ACTUAL COST FOR MATERIALS AND LABOR FOR METER SIZE INSTALLED.

METER RELOCATION FEE Actual Relocation Cost, Not to Exceed Tap Fee
THIS FEE MAY BE CHARGED IF A CUSTOMER REQUESTS THAT AN EXISTING METER BE RELOCATED.

METER TEST FEE \$25.00
THIS FEE WHICH SHOULD REFLECT THE UTILITY'S COST 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. THE FEE MAY NOT EXCEED \$25.

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

TEXAS COMM. ON ENVIRONMENTAL QUALITY
35383-C, CCN 12473 APRIL 30, 2007
APPROVED TARIFF BY 281 DRT

SECTION 1.0 -- RATE SCHEDULE (Continued)

RECONNECTION FEE

THE RECONNECT FEE MUST BE PAID BEFORE SERVICE CAN BE RESTORED TO A CUSTOMER WHO HAS BEEN DISCONNECTED FOR THE FOLLOWING REASONS (OR OTHER REASONS LISTED UNDER SECTION 2.0 OF THIS TARIFF):

- a) Non payment of bill (Maximum \$25.00)\$25.00
- b) Customer's request that service be disconnected\$10.00

TRANSFER FEE\$0.00

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

LATE CHARGE (EITHER \$5.00 OR 10% OF THE BILL)\$5.00

TCEQ RULES ALLOW A ONE-TIME PENALTY TO BE CHARGED ON DELINQUENT BILLS. A LATE CHARGE MAY NOT BE APPLIED TO ANY BALANCE TO WHICH THE PENALTY WAS APPLIED IN A PREVIOUS BILLING.

RETURNED CHECK CHARGE\$15.00

RETURNED CHECK CHARGES MUST BE BASED ON THE UTILITY'S DOCUMENTABLE COST.

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

COMMERCIAL & NON-RESIDENTIAL DEPOSIT 1/6TH OF ESTIMATED ANNUAL BILL

GOVERNMENTAL TESTING, INSPECTION AND COSTS SURCHARGE:

WHEN AUTHORIZED IN WRITING BY TCEQ AND AFTER NOTICE TO CUSTOMERS, THE UTILITY MAY INCREASE RATES TO RECOVER INCREASED COSTS FOR INSPECTION FEES AND WATER TESTING. [30 TAC 291.21(K)(2)]

LINE EXTENSION AND CONSTRUCTION CHARGES:

REFER TO SECTION 3.0--EXTENSION POLICY FOR TERMS, CONDITIONS, AND CHARGES WHEN NEW CONSTRUCTION IS NECESSARY TO PROVIDE SERVICE.

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

TEXAS COMM. ON ENVIRONMENTAL QUALITY
35383-C, CCN 12473 APRIL 30, 2007
APPROVED TARIFF BY *28/DR*

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

November 12, 2008

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

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:

Thank you for providing the additional information we requested regarding the application referenced above. Your response was received on November 5, 2008, and your application has been accepted for filing. It has been assigned Application No. 36195-R. Please refer to this number in future correspondence.

If the Texas Commission on Environmental Quality (TCEQ) receives complaints from at least 10% of the ratepayers within 90 days of the effective date of the rate increase, or if TCEQ staff protests the actual service rates, the application will be scheduled for a hearing. You will be notified if a hearing is scheduled. If, during the course of a hearing, rates are set which are different from the rates charged by Texas Water Systems, Inc., you may be required 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 as determined by the Commission.

Your new rates may go into effect on January 2, 2009. Your new effective date must be at least 60 days following the date your completed application is mailed to us and correct notice is mailed or delivered to the customers. The effective date of the new rates must be the first day of the billing period, and the new rates may not apply to service rendered before the effective date of the new rates. If TCEQ does not receive the required number of complaints within 90 days of the effective date, and the staff does not require a hearing, you will receive another letter from TCEQ so informing you along with your approved tariff.

If you have any further questions, please contact Ms. Elizabeth Flores at (512)239-6846, or Mr. Kamal Adhikari at (512) 239-0680. You may contact them by email at eflores@tceq.state.tx.us or kadhikar@tceq.state.tx.us. If by correspondence, include MC 153 in the address.

Sincerely,

A handwritten signature in cursive script that reads "Tammy Benter".

Tammy Benter, Team Leader
Utilities & Districts Section
Water Supply Division

TB/LG/ln

AFFIDAVIT

STATE OF TEXAS

COUNTY OF SMITH

I, 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.

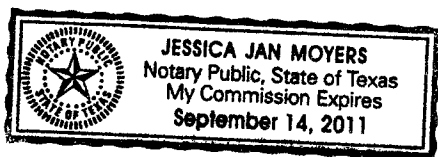
Subscribed and sworn to before me this the 30th day of October, 2008, to certify
which witness my hand and seal of office.

Jessica J. Moyers
NOTARY PUBLIC IN AND FOR THE
STATE OF TEXAS

Jessica J. Moyers
PRINT OR TYPE NAME OF NOTARY

MY COMMISSION EXPIRES 9-14-11

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

Sincerely,

A handwritten signature in cursive script, appearing to read "Glenn E. Trimble".

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: | \$ 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 RATES

Monthly base rate including 1000 gallons

Meter Size:

Residential

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

Gallonge Charge:

\$2.30for each additional 1000 gallons over the minimum

PROPOSED RATES

Monthly base rate including 1000 gallons

Meter Size:

Residential

| | |
|----------------|-----------------|
| 5/8" or 3/4" | <u>\$34.90</u> |
| 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> |

Gallonge Charge:

\$2.30for each additional 1000 gallons over the minimum

Miscellaneous Fees

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

Miscellaneous Fees

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

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 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 | 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



TEXAS WATER SYSTEMS, INC.

7891 U.S. HIGHWAY 271

TYLER, TX 75708

903/595-2128 Fax 903/526-0076

Facsimile Transmittal

To: Kamal

Fax: 512-239-6872

From: Glenn Trimble

Date: 4/2/09

RE: Friendship System

Pages (Incl. Cover) 2

Compliance – Rate App.

Comments:

Compliance letter follows

pass thru provision



TEXAS WATER SYSTEMS Inc
An Investor Owned Utility

William D. Gibson
TCEQ Region 5
2916 League Dr.
Tyler, TX 75701-3734

3/31/09

RE Compliance requirements for Inspection of May 2, 2007 Friendship WS, PWS.
#2300020

Dear Mr. Gibson,

Regarding Track #274604, we have completed the project to convert our 1500 gallon Pressure Tank from a vertical position to horizontal, enabling the installation of a Visiprobe assembly inside the pump house for level monitoring and control. Pictures are enclosed, and we assume this closes out the open compliance issues for this system.

Sincerely,

A handwritten signature in cursive script, appearing to read "Glenn E. Trimble".

Glenn E. Trimble
General Manager



TEXAS WATER SYSTEMS, INC.

7891 U.S. HIGHWAY 271

TYLER, TX 75708

903/595-2128 Fax 903/526-0076

Facsimile Transmittal

To: Kamal

Fax: 512-239-6972

From: Glenn Trimble

Date: 4-3-09

RE: App. # 36195-12

Pages (Incl. Cover) 3

Comments: Friendship System Compliance Track # 274541

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

September 8, 2008

CERTIFIED MAIL 91 7108 2133 3934 3518 7815
RETURN RECEIPT REQUESTED

Mr. Glen Trumble, President
Friendship WS
P.O. Box 131945
Tyler, TX 75713

Re: Unresolved Alleged Violations for the Comprehensive Compliance Investigation at
Located off FM 852 NW of SH 154, (Upshur County), Texas
RN101210292, TCEQ Additional ID 2300020, Investigation No. 699544

Dear Mr. Trumble:

The Texas Commission on Environmental Quality (TCEQ) Region Office has previously requested that you submit compliance documentation for the alleged violations noted during the investigation of the above-referenced conducted on May 4, 2007. We have received acceptable compliance documentation from you for all of the alleged violations except those listed in the enclosed summary. Please be advised that you are responsible for correcting these remaining problems. These unresolved alleged violations will be placed in your file to be evaluated during any subsequent investigation.

If you or members of your staff have any questions regarding these matters, please feel free to contact Mr. Clayton Nicolardi in the Tyler Region Office at (903) 535-5162.

Sincerely,



William D. Gibson, Work Leader
Tyler Region Office

WDC/pcn

Enclosure: Summary of Unresolved Investigation Findings

Summary of Investigation Findings**FRIENDSHIP WATER SYSTEM****Investigation # 699544****Investigation Date: 08/12/2008****UPSHUR COUNTY,****Additional ID(s): 2300020****OUTSTANDING ALLEGED VIOLATION(S)
ASSOCIATED TO A NOTICE OF VIOLATION****Track No. 274604****Compliance Due Date: To Be Determined****30 TAC Chapter 290.43(d)(3)****Alleged Violation:**

Investigation 558295

Comment Date 05/15/2007

Failure to provide the pressure tank with facilities for maintaining the air water volume at the design water level and working pressure.

It was observed during the investigation on May 4, 2007 that the 1500 gallon pressure tank did not have a working visi-probe

Investigation 699544

Comment Date 08/12/2008

The investigator could not resolve this violation based on the documentation sent in by the water system

Recommended Corrective Action: These unresolved alleged violations will be placed in your file to be evaluated during any subsequent investigation

**ALLEGED VIOLATION(S) NOTED AND RESOLVED
ASSOCIATED TO A NOTICE OF VIOLATION****Track No: 274541****30 TAC Chapter 291.93(3)****Alleged Violation:**

Investigation 558295

Comment Date 05/14/2007

Failure, by a retail public utility that possesses a certificate of public convenience and necessity that has reached 85% of its capacity as compared to the most restrictive criteria of the commission's minimum capacity requirements in Chapter 290 T A C , to submit to the executive director a planning report that clearly explains how the retail public utility will provide the expected service demands to the remaining areas within the boundaries of its certificated area

It was documented during the investigation on May 4, 2007 that Friendship Water System had exceeded the 85% rule for well production capacity and total storage capacity

Investigation 699544

Comment Date 08/12/2008

Reference the above

Resolution: The water system submitted a plan for installing an additional plant site. Plans include photographs of the location and a copy of the survey. In addition, the water system is in the process of attaining the necessary sanitary control easements. Upon completion of the new plant the system should have more than enough total storage capacity

Track No: 274600**30 TAC Chapter 290.42(c)(6)**

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

November 12, 2008

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

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:

Thank you for providing the additional information we requested regarding the application referenced above. Your response was received on November 5, 2008, and your application has been accepted for filing. It has been assigned Application No. 36195-R. Please refer to this number in future correspondence.

If the Texas Commission on Environmental Quality (TCEQ) receives complaints from at least 10% of the ratepayers within 90 days of the effective date of the rate increase, or if TCEQ staff protests the actual service rates, the application will be scheduled for a hearing. You will be notified if a hearing is scheduled. If, during the course of a hearing, rates are set which are different from the rates charged by Texas Water Systems, Inc., you may be required 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 as determined by the Commission.

Your new rates may go into effect on January 2, 2009. Your new effective date must be at least 60 days following the date your completed application is mailed to us and correct notice is mailed or delivered to the customers. The effective date of the new rates must be the first day of the billing period, and the new rates may not apply to service rendered before the effective date of the new rates. If TCEQ does not receive the required number of complaints within 90 days of the effective date, and the staff does not require a hearing, you will receive another letter from TCEQ so informing you along with your approved tariff.

If you have any further questions, please contact Ms. Elizabeth Flores at (512)239-6846, or Mr. Kamal Adhikari at (512) 239-0680. You may contact them by email at eflores@tceq.state.tx.us or kadhikar@tceq.state.tx.us. If by correspondence, include MC 153 in the address.

Sincerely,

A handwritten signature in cursive script that reads "Tammy Benter".

Tammy Benter, Team Leader
Utilities & Districts Section
Water Supply Division

TB/LG/ln

W - 36195-R

S - _____

Utility Information Sheet

Review Number: R-053-8

Date Application Received: 9-30-08

Date Application Sent to Program Area: 10-2-08

Rate/Tariff Change Application

CCN Number(s): Water 12473 Sewer _____

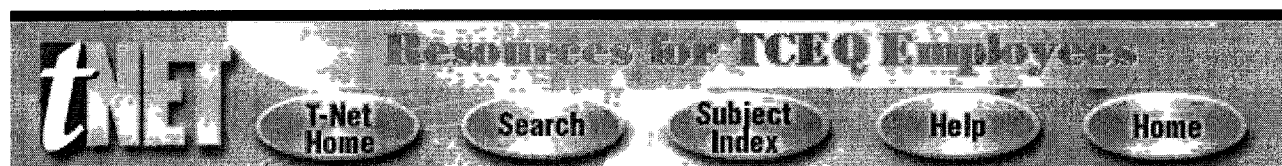
Utility Name: Texas Water Systems Inc

Checklist For Rate Change

Review Number: R - 053 - 8

- ☒ Fees due (does not include Regulatory Assessment Fees)
- ☒ Original and four copies of application received (Page 20 of General Information)
- ☒ Applicant Name
- ☒ Utility Name and address
- ☒ Contact Person and address
- ☒ CCN Number(s) 12473
- CN: 600629893 RN: 101450484
- ☐ Not on file with Central Registry. Core Data Form Needed.
- Number of Connections: (W) 562 (S) _____
- ☒ Filing Fee (Page 20 of General Information)

| | |
|---------------------|-------|
| <100 connections | \$ 50 |
| 100-200 connections | \$100 |
| 201-500 connections | \$200 |
| >500 connections | \$500 |



IWUD Main

Districts

Utilities

PWS

Reports

Documents

Maps

Utility details for TEXAS WATER SYSTEMS INC (12473)



Affiliations



Documents



Site Visits



Schedules

Properties

CR Regulated Entity Number: RN101450484

CCEDS Status: NO ACTIVE NOE EXISTS

Utility Type: WATER UTILITY

Ownership Type: INVESTOR

Primary County: UPSHUR

County Code: 230

619
31
673
Appl.

Customers

Reference Number

CN600629893

Name

TEXAS WATER SYSTEMS INC

Role

RESPONSIBLE PARTY

Comments

Comment Date

06/14/2001

Text

DUAL CERT W/10478-PRITCHETT WSC & 10804-CRYSTAL

Staff Name

Occurrences retrieved.

Official Address / Phone

Address: 7891 HIGHWAY 271
TYLER, TX 75708-4002

Telephone: (903) 859-1491

PWS for this Utility

| PWS Name | PWS ID | Status |
|---------------------------------|---------|--------|
| (123) CAPE TRANQUILITY SYSTEM | 1070176 | A |
| (33) COUNTRY CLUB ESTATES | 2300021 | A |
| (59) FRIENDSHIP WATER SYSTEM | 2300020 | A |
| (52) GARDEN ACRES SUBDIVISION | 0920031 | A |
| (30) GARDEN VALLEY RESORT | 2120081 | A |
| HARMONY COMMUNITY | 2300030 | D |
| (202) MOUNT SYLVAN WATER SYSTEM | 2120034 | A |
| (139) ROSEWOOD WATER SYSTEM | 2300026 | A |

District(Number)

Stallion Lake Ranch (12)

Water System occurrences retrieved.

619
500 92%
52 8%
619
640

Counties

| Code | County Name | Primary |
|------|-------------|---------|
| 92 | GREGG | N |
| 107 | HENDERSON | N |
| 212 | SMITH | N |
| 230 | UPSHUR | Y |

Site County occurrences retrieved.

Activity

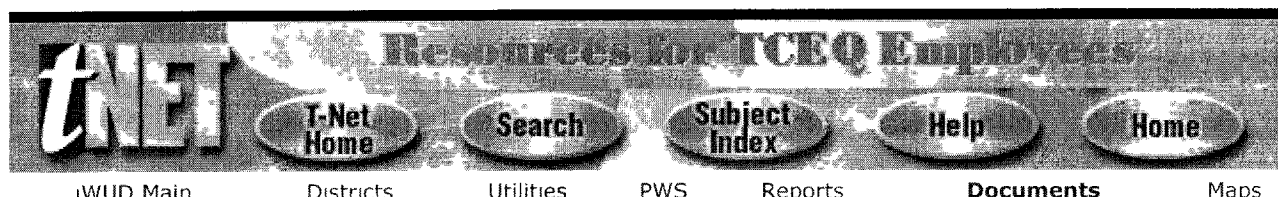
Activity Status: **ACTIVE**

End Date: 12/31/9999

[Run Utility Cases Report](#)
[Run Utility Summary Report](#)

Utility successfully retrieved.

**For questions or comments regarding information on this page, contact the
TCEQ iWUD Web Manager**



? Document for TEXAS WATER SYSTEMS INC (12473)


Comments
Reviews

Document Type

Name: UTILITY APPLICATION (RATE)

Description:

Document Status: Pending



Values

| | |
|------------------------------------|------------|
| REVIEW-PREFIX (R) | R |
| REVIEW-NUMBER | 053 |
| REVIEW-SUFFIX | 8 |
| APPL. OR CASE NUMBER | 36195 |
| APPLICATION EXTENSION (R, G) | R |
| CONTESTED (U, C) | U |
| CASE-TYPE (W, S) | W |
| CASE-STATUS (P, C, D, W) | P |
| FILED DATE | 09/30/2008 |
| EFFECTIVE DATE | 12/02/2008 |
| PROTEST END DATE | |
| TO LEGAL | |
| TCEQ DOCKET NUMBER | |
| DATE UTILITY AUDITED AND INSPECTED | |
| INFORMAL HEARING SCHEDULED | |
| SOAH DOCKET NUMBER | |
| PREFILED TESTIMONY DUE | |
| HEARING SCHEDULED | |
| ORDER SIGNED | |



Document

ID: 251305

Received Date: 09/30/2008

Final Action Date:

Document Creation Date: 10/02/2008

Document Affiliation

Type: