

Source	La Junta Subdivision	Lago Lindo Estates	Lake Country Acres	Lake Palestine Water Company	Lake Utility Company	Lame Duck Water System
Prior RC Rec TCEQ Schedule	61,214.72	360,773.99	529,420.54	663,737.12	103,525.33	85,691.24
Prior RC Rec PP Query	61,215.13	360,774.39	529,423.80	663,737.12	103,525.21	85,691.87
2003 Rate Case						
Unreconciled difference						
Retirement						
Difference	(0.41)	(0.40)	(3.26)	(0.00)	0.12	(0.63)
Rollforward PP Query	61,215.13	360,774.39	529,423.80	663,737.12	103,525.21	85,691.87
Rollforward PP Query	42,309.86	149,244.76	636,351.77	781,068.58	85,948.83	10,509.82
Rollforward PP Query	(7,307.84)	(18,190.71)	(26,445.73)	(53,135.32)	(17,419.73)	-
2004 to 2010 adds						
Retirement						
Unreconciled difference						
System Sale						
Total 2010 Assets	96,217.15	491,828.44	1,139,329.84	1,391,670.38	172,054.31	96,201.69

156,574.33

35,160.43

96,217.15	491,828.44	1,139,329.84	1,583,405.14	172,054.31	96,201.69
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Source	2003 Rate Case	2003 Rate Case	2003 Rate Case	2003 Rate Case	2003 Rate Case	2003 Rate Case	2003 Rate Case	2003 Rate Case
Prior RC Rec TCEQ Schedule	116,759.55	207,980.44	248,864.46	403,278.76	368,509.42	268,067.15		
Prior RC Rec PP Query	116,759.97	207,980.90	248,863.82	403,276.78	368,509.88	268,067.49		
Unreconciled difference								
Retirement								
Difference	(0.42)	(0.46)	0.64	1.98	(0.46)	(0.34)		
Rollforward	PP Query	2003 Rate Case	116,759.97	207,980.90	248,863.82	403,276.78	368,509.88	268,067.49
Rollforward	PP Query	Non Used & Useful	31,451.50	74,210.04	29,054.82	213,296.33	250,188.79	87,882.82
Rollforward	PP Query	2004 to 2010 adds	(12,344.92)	(12,648.72)	(1,899.19)	(3,842.02)	(9,927.17)	(3,822.20)
Rollforward	PP Query	Retirement						
		Unreconciled difference						
		System Sale						
		Total 2010 Assets	135,866.55	269,542.22	276,019.45	612,731.09	608,771.50	352,128.11
			135,866.55	269,542.22	276,019.45	612,731.09	608,771.50	352,128.11

	Source	Nolan Creek Estates	North Bosque Estates	North County Water	North Fork Creek I	North Fork Creek II	North Fork Estates
Prior RC Rec	TCEQ Schedule	128,055.09	326,503.80	799,950.61	150,542.00	404,560.00	531,016.94
Prior RC Rec	PP Query	128,055.04	326,503.02	799,952.22	154,705.52	404,560.61	526,694.35
	2003 Rate Case						
	2003 Rate Case						
	Unreconciled difference						
	Retirement						
	Difference	0.05	0.78	(1.61)	(4,163.52)	(0.61)	4,322.59

Rollforward	PP Query	128,055.04	326,503.02	799,952.22	154,705.52	404,560.61	526,694.35
Rollforward	PP Query						
Rollforward	PP Query	29,263.07	87,473.26	158,747.78	10,234.29	95,128.99	201,451.49
Rollforward	PP Query	(990.24)	(8,646.44)	(39,805.88)	(1,294.35)	(1,601.33)	(25,557.20)
	2004 to 2010 adds						
	Retirement						
	Unreconciled difference						
	System Sale						
	Total 2010 Assets	156,327.87	405,329.84	918,894.12	163,645.46	498,088.27	702,588.64

	Asset ID	156,327.87	405,329.84	918,894.12	163,645.46	498,088.27	702,588.64
	Asset ID						
	4970561 in TCEQ schedule \$4323 North Fork Estates. In PP North Fork Creek						
	4970561 in TCEQ schedule \$4323 North Fork Estates. In PP North Fork Creek						

	Source	North Ridge Estate	Oak Ridge Estates	Oakview Farms Subdivision	Old Chisolm Estate	Old Stoney Estates Water System
Prior RC Rec	TCEQ Schedule	177,196.04	24,126.30	423,174.96	230,484.58	122,851.58
Prior RC Rec	PP Query	177,196.16	24,126.95	423,174.58	230,483.82	122,851.15
	2003 Rate Case					
	2003 Rate Case					
	Unreconciled difference					
	Retirement					
	Difference	(0.12)	(0.65)	0.38	0.76	0.43
Rollforward	PP Query	177,196.16	24,126.95	423,174.58	230,483.82	122,851.15
Rollforward	PP Query					
Rollforward	PP Query	(9,953.96)	37,372.63	92,044.10	662,629.42	1,077.20
Rollforward	PP Query	-	-	(35,033.48)	(1,573.58)	-
	2003 Rate Case					
	Non Used & Useful					
	2004 to 2010 adds					
	Retirement					
	Unreconciled difference					
	System Sale					
	Total 2010 Assets	167,242.20	61,499.58	480,185.20	891,539.66	123,928.35
		167,242.20	61,499.58	480,185.20	891,539.66	123,928.35

In Lake Palestine Water

Source	2003 Rate Case	2003 Rate Case	2003 Rate Case	2003 Rate Case	2003 Rate Case
Prior RC Rec TCEQ Schedule	2003 Rate Case	2003 Rate Case	2003 Rate Case	2003 Rate Case	2003 Rate Case
Prior RC Rec PP Query	2003 Rate Case	2003 Rate Case	2003 Rate Case	2003 Rate Case	2003 Rate Case
Unreconciled difference Retirement					
Difference	4,092.00	(0.39)	23,400.02	1.23	1.60
Rollforward	PP Query	2003 Rate Case	Non Used & Useful	2004 to 2010 adds	Retirement
Rollforward	PP Query	2003 Rate Case	2004 to 2010 adds	Retirement	Unreconciled difference
Rollforward	PP Query	2003 Rate Case	2004 to 2010 adds	Retirement	System Sale
Total 2010 Assets	156,574.67	428,665.95	311,155.70	843,384.56	132,352.91

TCEQ Asset - Intercompany Construction - \$3,847 and Engineering \$245 not identified in PP. (156,574.67)

Reconciling Difference - PP Asset is \$3,600, TCEQ Approved \$27,000 in 2003 Rate Base. - Distribution System - Asset ID 5113865

428,665.95 311,155.70 843,384.56 132,352.91

Source	2003 Rate Case	2003 Rate Case	2003 Rate Case	2003 Rate Case	2003 Rate Case
Prior RC Rec TCEQ Schedule	277,470.36	286,579.00	444,532.00	119,331.41	257,175.00
Prior RC Rec PP Query	277,469.09	286,579.87	444,530.74	119,332.48	257,174.99
Unreconciled difference Retirement					
Difference	1.27	(0.87)	1.26	(1.07)	0.01
Rollforward PP Query	277,469.09	286,579.87	444,530.74	119,332.48	257,174.99
Rollforward PP Query	10,230.83	208,427.13	472,623.79	289,257.39	207,824.85
Rollforward PP Query	(16,296.06)	(170,149.02)	-	(37,633.97)	(40,597.61)
System Sale					
Total 2010 Assets	271,403.86	324,857.98	917,154.53	370,955.90	424,402.23
	271,403.86	324,857.98	917,154.53	370,955.90	424,402.23

Source	Radecke Road	Ranch Oak	Reatta	Reatta	Remuda Ranch
	Estates	Estates	Estates	Estates	Estates
Prior RC Rec TCEQ Schedule	59,548.45	536,838.46	159,899.00	155,778.00	321,076.08
Prior RC Rec PP Query	59,570.24	536,839.43	159,898.52	155,778.86	321,075.18
Unreconciled difference					
Retirement					
Difference	(21.79)	(0.97)	0.48	(0.86)	0.90
2003 Rate Case	59,570.24	536,839.43	159,898.52	155,778.86	321,075.18
Non Used & Useful					
2004 to 2010 adds	17,813.77	121,921.15	-	364,529.85	70,486.96
Retirement	(5,643.35)	(3,875.48)	-	-	(24,059.98)
Unreconciled difference					
System Sale					
Total 2010 Assets	71,740.66	654,885.10	680,207.23	520,308.71	367,502.16
	71,740.66	654,885.10	680,207.23		367,502.16

CIAC

Source	Riggs Place Estates	River Country Acres	Rivercrest Water Corporation	Rock Harbor Estates	Rockwall East Mini-Ranch
Prior RC Rec TCEQ Schedule	226,944.40	308,286.00	159,260.40	253,726.65	25,531.53
Prior RC Rec PP Query	226,944.74	308,286.14	158,873.99	253,729.75	25,531.49
Unreconciled difference Retirement			388.35		
Difference	(0.34)	(0.14)	(1.94)	(3.10)	0.04
Rollforward PP Query	226,944.74	308,286.14	158,873.99	253,729.75	25,531.49
Rollforward PP Query					
Rollforward PP Query	69,523.15		100,284.71	110,670.19	51,098.87
Rollforward PP Query	(4,311.36)		(1,195.79)	(1,266.78)	(934.09)
Unreconciled difference System Sale					
Total 2010 Assets	226,944.74	373,497.93	257,962.91	363,133.16	75,696.27
	-	373,497.93	257,962.91	363,133.16	75,696.27

(226,944.74)

Source	Sage Meadows	Sandy Acre Addition	Sandy Beach Subdivision	Saratoga Estates	Savannah Estates
Prior RC Rec TCEQ Schedule	391,853.88	271,067.00	142,823.00	520,903.39	246,288.27
Prior RC Rec PP Query	391,854.58	271,067.75	142,823.00	520,902.82	246,288.27
Unreconciled difference Retirement	(0.70)	(0.75)	-	0.57	0.00
2003 Rate Case	391,854.58	271,067.75	142,823.00	520,902.82	246,288.27
Non Used & Useful					
2004 to 2010 adds	98,445.63	309,451.03		105,940.69	11,944.66
Retirement		(10,912.49)	(16,915.24)	(19,408.09)	(1,447.49)
Unreconciled difference System Sale					
Total 2010 Assets	391,854.58	358,600.89	435,358.79	607,435.42	256,785.44
		358,600.89	435,358.79	607,435.42	256,785.44

(391,854.58)

Source	Shady Hills Estates	Shady Meadows Estates	Shale Creek/Stone Creek	Shale/Stone Creek	Shangri-La Subdivision
Prior RC Rec TCEQ Schedule	155,747.16	231,720.51	417,799.00	97,963.00	558,887.50
Prior RC Rec PP Query	155,747.99	231,721.85	417,799.12	97,963.00	557,724.41
Unreconciled difference Retirement	(0.83)	(1.34)	(0.12)	-	1,163.09
2003 Rate Case	155,747.99	231,721.85	417,799.12	97,963.00	557,724.41
Non Used & Useful					
2004 to 2010 adds	437,667.87	69,959.71	1,188,747.13	-	463,610.01
Retirement	(1,885.25)	(7,462.25)	(22,489.68)	-	(62,546.57)
Unreconciled difference System Sale					
Total 2010 Assets	591,530.61	294,219.31	1,682,019.57	97,963.00	958,787.85
	591,530.61	294,219.31	1,682,019.57		958,787.85

Other assets are included like Canyon County

CIAC

Source	Silver Creek Estates	Singing Meadows Subdivision	Slay Estates	Smith Water Company	Songbird Addition	Southwood Addition
Prior RC Rec TCEQ Schedule	251,103.00	160,998.23	280,641.00	109,051.63	394,118.03	636,521.66
Prior RC Rec PP Query	251,104.05	161,037.17	280,642.87	109,051.34	394,117.99	636,525.35
Unreconciled difference						
Retirement	(1.05)	(38.94)	(1.87)	0.29	0.04	(3.69)
Difference						
Rollforward PP Query	251,104.05	161,037.17	280,642.87	109,051.34	394,117.99	636,525.35
Rollforward PP Query	227,052.18	8,849.55	116,847.27	20,083.20	62,070.12	(347,468.96)
Rollforward PP Query	(1,030.14)	(1,479.76)	(8,740.86)	(645.66)	(7,024.85)	-
Rollforward PP Query						
Unreconciled difference						
System Sale						
Total 2010 Assets	477,126.09	168,406.96	388,749.28	128,488.88	449,163.26	289,056.39
	477,126.09	168,406.96	388,749.28	128,488.88	449,163.26	289,056.39

Source	Spanish Oaks Addition	Springtown Subdivision	Squaw Creek Subdivision	Stone Valley Farm	Stonegate Water System	Strawberry Estates
Prior RC Rec TCEQ Schedule	264,913.38	55,807.14	175,834.09	532,910.00	196,439.00	140,405.59
Prior RC Rec PP Query	264,913.29	55,807.77	175,833.69	532,910.12	196,440.13	140,405.10
Unreconciled difference						
Retirement	0.09	(0.63)	0.40	(0.12)	(1.13)	0.49
Difference						
2003 Rate Case	264,913.29	55,807.77	175,833.69	532,910.12	196,440.13	140,405.10
Non Used & Useful						
2004 to 2010 adds	21,835.79	17,615.07	11,725.79	42,937.09	29,751.14	12,049.69
Retirement	(2,714.83)	(1,788.07)	(4,000.00)	(3,586.23)	(8,790.16)	-
Unreconciled difference						
System Sale						
Total 2010 Assets	284,034.25	71,634.77	183,559.48	572,260.98	217,401.11	152,454.79
	284,034.25	71,634.77	183,559.48	572,260.98	217,401.11	152,454.79

Source	Sun Valley Estates WSC	Sunchase Meadows	Sunny Ranches Water System	Sunset Acres MHP	Sunshine Meadows
Prior RC Rec TCEQ Schedule	456,130.55	248,082.80	256,190.12	215,091.77	103,061.00
Prior RC Rec PP Query	456,129.94	248,082.20	256,190.33	215,092.32	103,061.09
2003 Rate Case					
2003 Rate Case					
Unreconciled difference					
Retirement					
Difference	0.61	0.60	(0.21)	(0.55)	(0.09)
2003 Rate Case	456,129.94	248,082.20	256,190.33	215,092.32	103,061.09
Non Used & Useful					
2004 to 2010 adds	18,410.07	460,043.77	9,461.56	401,693.36	-
Retirement	-	(26,095.94)	(3,778.31)	(42,149.99)	-
Unreconciled difference					
System Sale					
Total 2010 Assets	474,540.01	682,030.03	261,873.58	574,635.69	103,061.09
	474,540.01	682,030.03	261,873.58	574,635.69	

CIAC

Source	Sunshine Meadows Subdivision	Tanglewood Estates	The Resort	The Resort at Eagle Mountain Lake	The Woodlands
Prior RC Rec TCEQ Schedule	878,329.92	310,978.00	461,305.00	230,790.00	328,188.00
Prior RC Rec PP Query	878,329.37	310,978.57	461,304.76	230,789.66	
2003 Rate Case					
2003 Rate Case					
Unreconciled difference Retirement	0.55	(0.57)	0.24	0.34	328,188.00
Difference					
Rollforward PP Query	878,329.37	310,978.57	461,304.76	230,789.66	-
Rollforward PP Query					
Rollforward PP Query	39,238.95	256,692.90	-	1,065,157.89	
Rollforward PP Query	(5,746.41)	(42,285.86)	-	(6,345.02)	
Unreconciled difference System Sale					
Total 2010 Assets	1,014,883.00	525,385.61	461,304.76	1,750,907.29	-
	1,014,883.00	525,385.61		1,750,907.29	

CIAC

Source	Timbercreek Valley	Trail Creek Subdivision	Tubbs Water System	Twin Oaks Water System	Van Zandt Farms
Prior RC Rec TCEQ Schedule	189,356.00	1,001,956.44	98,084.72	35,160.43	1,137,908.00
Prior RC Rec PP Query	189,353.75	1,002,003.87	98,084.64	35,160.43	1,137,907.92
Unreconciled difference Retirement		(47.43)	0.08	-	0.08
Difference	2.25				
Rollforward PP Query	189,353.75	1,002,003.87	98,084.64	35,160.43	1,137,907.92
Rollforward PP Query	269,367.99	431,991.93	139,233.55		578,324.92
Rollforward PP Query	(43,907.08)	(864.86)	(2,528.56)		(10,009.59)
Unreconciled difference System Sale					
Total 2010 Assets	414,814.66	1,433,130.94	234,789.63	35,160.43	1,706,223.25
	414,814.66	1,433,130.94	234,789.63	-	1,706,223.25

(35,160.43)

	Source	Walden Estates	Western Hills Water System	Whipoorwill Bay	Willow Springs Addition	Willow Wood/Meadow Vista
Prior RC Rec	TCEQ Schedule	243,166.43	1,037,060.09	512,770.89	132,700.00	403,389.67
Prior RC Rec	PP Query	243,165.98		512,771.96	132,698.66	403,389.50
	Unreconciled difference					
	Retirement					
	Difference	0.45	1,037,060.09	(1.07)	1.34	0.17
Rollforward	PP Query	243,165.98	-	512,771.96	132,698.66	403,389.50
Rollforward	PP Query					
Rollforward	PP Query	60,084.82		156,223.33	38,877.96	28,356.11
Rollforward	PP Query	(23,244.30)		(6,067.94)	-	(3,747.21)
	Unreconciled difference					
	System Sale					
	Total 2010 Assets	280,006.50	-	662,927.35	171,576.62	427,998.40
		280,006.50	1,332,973.61	662,927.35	171,576.62	427,998.40

Source	Windsor Estates	Woodland Hills	Woodlands of Parker County & Old Bank	Wren Water System	WWWW Water System
Prior RC Rec TCEQ Schedule	76,022.19	137,008.00	170,037.00	609,656.04	70,255.00
Prior RC Rec PP Query	76,025.77	137,009.97	170,038.09	609,580.65	70,254.25
2003 Rate Case	(3.58)	(1.97)	(1.09)	75.39	0.75
2003 Rate Case					
Unreconciled difference Retirement					
Difference					
2003 Rate Case	76,025.77	137,009.97	170,038.09	609,580.65	70,254.25
Non Used & Useful	3,077.25		4,009.75		
2004 to 2010 adds	14,199.43	54,925.53	711,813.21	60,121.22	32,696.91
Retirement	(763.00)	(7,400.56)	(11,797.53)	(19,371.21)	(2,402.66)
Unreconciled difference System Sale					
Total 2010 Assets	92,539.45	184,534.94	874,063.52	650,330.66	100,548.50

Well total
\$4103 only
25% U&U in
2003 RB

Booster pump
for \$6995 in
TCEQ, in PP
as \$6917

Source		Total
Prior RC Rec	TCEQ Schedule	46,834,951.92
Prior RC Rec	PP Query	45,222,710.24
	Unreconciled difference	-
	Retirement	9,885.68
	Difference	<u>1,602,356.00</u>
Rollforward	PP Query	45,222,710.24
Rollforward	PP Query	10,150.93
Rollforward	PP Query	33,886,269.36
Rollforward	PP Query	(2,004,853.54)
	Unreconciled difference	-
	System Sale	-
	Total 2010 Assets	<u>77,114,276.99</u>

Texas - Southwest Water Asset Rollforward

Source	2003 Rate Case	Barton Creek Lakeside	Bear Creek Water System	Bear Paw	Blue Medina WSC
Prior RC Rec	TCEQ Schedule	1,011,368.00	138,547.67	258,092.85	94,032.00
Prior RC Rec	PP Query	1,011,368.26	138,540.23	251,692.95	94,031.00
	Unreconciled difference Retirement				
	Difference	(0.26)	7.44	(0.10)	1.00
Rollforward	2003 Rate Case	1,011,368.26	138,540.23	251,692.95	94,031.00
Rollforward	Non Used & Useful				
Rollforward	2004 to 2010 adds	530,038.44	146,628.42	140,906.87	554,520.56
Rollforward	Retirement	(12,006.58)	(3,877.36)	(15,099.33)	
	Unreconciled difference System Sale				
	Total 2010 Assets	1,529,400.12	281,291.29	377,596.49	648,551.56
	PP Query Pivot Tab	1,529,400.12	281,291.29	377,596.49	648,551.56
	Difference	-	-	-	-

Texas - Southwest Water Asset Rollforward

	Source	2003 Rate Case	2003 Rate Case	Brentwood Estates	Briarcreek Subdivision	Canyon Ridge Springs	Center Point North
Prior RC Rec	TCEQ Schedule	170,844.23	946,853.00	Subdivision	946,853.00	698,745.00	205,159.22
Prior RC Rec	PP Query	170,844.32	946,853.41		946,853.41	698,745.32	198,759.20
	Unreconciled difference						
	Retirement						
	Difference	(0.09)	(0.41)			(0.32)	0.02
Rollforward	PP Query	170,844.32	946,853.41			698,745.32	198,759.20
Rollforward	PP Query						
Rollforward	PP Query	253,162.08	434,917.66			500,341.83	37,911.68
Rollforward	PP Query	(1,090.91)				(177,754.25)	(3,515.88)
	Unreconciled difference						
	System Sale						
	Total 2010 Assets	422,915.49	1,381,771.07			1,021,332.90	233,155.00
	PP Query Pivot Tab	422,915.49	1,381,771.07			1,021,332.90	233,155.00
	Difference	-	-			-	-

Texas - Southwest Water Asset Rollforward

Copper Hills & SW Territory included
 Hill Country NW
 Cherry Hollow WA
 PWS # 2270173

Source	Center Point-Taylor System	Chaparral Water Company	Cherry Hollow Estate	Cherry Ridge Water Company
Prior RC Rec TCEQ Schedule	102,272.00	482,157.76	952,228.64	144,564.65
Prior RC Rec PP Query	102,271.56	482,158.97	952,228.96	138,165.22
Unreconciled difference Retirement				
Difference	0.44	(1.21)	(0.32)	(0.57)

Rollforward PP Query	102,271.56	482,158.97	952,228.96	138,165.22
Rollforward PP Query	36,916.48			
Rollforward PP Query	610,084.86	525,112.26	244,474.74	30,823.65
Rollforward PP Query		(84,697.20)	(14,047.35)	(12,524.99)
Unreconciled difference Retirement				
Unreconciled difference System Sale				
Total 2010 Assets	749,272.90	922,574.03	1,182,656.95	156,463.88

PP Query Pivot Tab	749,272.90	1,751,079.78	1,182,656.35	156,463.88
Difference	-	828,505.75	-	-

Texas - Southwest Water Asset Rollforward

In Chaparral
Water & ZZ
Copper Hills

	Source	2003 Rate Case	2003 Rate Case	Comanche Cliffs	Common Assets for Southwest Region	Copper Hills	Country View Estates
Prior RC Rec	TCEQ Schedule			224,998.00	139,468.00	369,924.00	585,442.00
Prior RC Rec	PP Query			218,599.07	139,468.00	369,929.27	579,044.93
	Unreconciled difference Retirement Difference			(1.07)	-	(5.27)	(2.93)
Rollforward	PP Query			218,599.07	139,468.00	369,929.27	579,044.93
Rollforward	PP Query			80,506.65	2,567,009.07		540,001.66
Rollforward	PP Query			(5,805.52)	(88,969.43)	(5,765.53)	(12,434.23)
Rollforward	PP Query						
	Unreconciled difference System Sale						
	Total 2010 Assets			293,300.20	2,617,507.64	364,163.74	1,106,612.36
	PP Query Pivot Tab			293,300.20	2,617,507.64	0.00	1,106,612.36
	Difference			-	-	(364,163.74)	-

Texas - Southwest Water Asset Rollforward

Source	2003 Rate Case	Eagle Creek Ranch	Elmwood Estates	Erlund Subdivision
Prior RC Rec	510,118.00	2,977,093.32	173,136.00	462,087.34
Prior RC Rec	510,115.82	2,970,694.93	166,733.74	455,687.80
Unreconciled difference				
Retirement				
Difference	2.18	(1.61)	2.26	(0.46)
Rollforward				
Rollforward	510,115.82	2,970,694.93	166,733.74	455,687.80
Rollforward	17,003.69	1,325,812.79	48,225.72	286,457.99
Rollforward	(1,245.45)	(28,195.71)	(6,467.29)	(35,862.29)
Unreconciled difference				
System Sale				
Total 2010 Assets	525,874.06	4,268,312.01	208,492.17	706,283.50
PP Query Pivot Tab	525,874.06	4,268,312.01	208,492.17	706,283.50
Difference	-	-	-	-

Texas - Southwest Water Asset Rollforward

Woodcreek
water system
included in
rollforward #

Source	2003 Rate Case	2003 Rate Case	Unreconciled difference Retirement	Estates at Stone Gate	Falling Water Subdivision	Four Seasons	Golden Acres Water Company
Prior RC Rec	TCEQ Schedule	2003 Rate Case	Unreconciled difference Retirement	249,254.35	637,507.00	384,983.00	143,997.68
Prior RC Rec	PP Query	2003 Rate Case	Unreconciled difference Retirement	243,244.60	637,507.02	372,183.96	143,997.62
				(390.25)	(0.02)	(0.96)	0.06
Rollforward	PP Query	2003 Rate Case		243,244.60	637,507.02	372,183.96	143,997.62
Rollforward	PP Query	Non Used & Useful					
Rollforward	PP Query	2004 to 2010 adds		71,826.96	147,373.59	565,016.19	149,627.52
Rollforward	PP Query	Retirement		(13,636.20)	(5,371.46)	(10,067.69)	(9,153.85)
		Unreconciled difference System Sale					
		Total 2010 Assets		301,435.36	779,509.15	927,132.46	284,471.29
		PP Query Pivot Tab		301,435.36	779,509.15	1,187,688.63	284,471.29
		Difference		-	-	887,555.57	-

Texas - Southwest Water Asset Rollforward

Source	Granite Creek Water System	Horseshoe Oaks	Kendall Pointe	Lake Cliff on Lake Travis	Lake Vista Utility Company
Prior RC Rec	219,567.88	178,721.00	473,893.51	640,415.00	1,013,748.65
Prior RC Rec	219,570.29	172,319.71	467,491.85	640,417.65	1,013,749.58
2003 Rate Case					
2003 Rate Case					
Unreconciled difference Retirement					
Difference	(2.41)	1.29	1.66	(2.65)	(0.93)
Rollforward	219,570.29	172,319.71	467,491.85	640,417.65	1,013,749.58
Rollforward	272,494.69	304,239.91	135,921.53	42,583.28	122,596.24
Rollforward	(11,682.19)	(311.36)	(7,231.60)		(33,947.94)
Rollforward					
Unreconciled difference System Sale					
Total 2010 Assets	480,382.79	476,248.26	596,181.78	683,000.93	1,102,397.88
PP Query Pivot Tab					
Difference	-	-	-	-	-

Texas - Southwest Water Asset Rollforward

Included in
Sandy Creek
Ranches

Source	Lakewood Water	Leisurewoods Water Company	Live Oak Water System	Meadow Woods Water System	Mooreland Water Supply
Prior RC Rec TCEQ Schedule	780,546.13	598,169.64	202,335.70	1,043,053.00	340,004.00
Prior RC Rec PP Query	774,146.91	598,169.87	202,336.09	1,043,051.56	340,004.40
Unreconciled difference Retirement Difference	(0.78)	(0.23)	(0.39)	1.44	(0.40)

Rollforward PP Query	774,146.91	598,169.87	202,336.09	1,043,051.56	340,004.40
Rollforward PP Query	154,867.60	384,038.67		270,503.85	127,046.10
Rollforward PP Query	(35,365.26)	(40,068.00)		(61,647.07)	(15,182.52)
Unreconciled difference System Sale					
Total 2010 Assets	893,649.25	942,140.54	202,336.09	1,251,908.34	451,867.98

PP Query Pivot Tab	893,649.25	942,140.54		1,251,908.34	451,867.98
Difference	-	-	(202,336.09)	-	-

ZZ-Union Creek
for GST \$4,194

Texas - Southwest Water Asset Rollforward

Source	2003 Rate Case	2003 Rate Case	Northwest Hills	Oak Forest South	Oak Meadows	Union Creek Meadows Water
Prior RC Rec	TCEQ Schedule	2003 Rate Case	391,373.00	470,825.53	465,706.16	271,579.64
Prior RC Rec	PP Query	2003 Rate Case	384,972.70	463,837.82	465,706.44	267,385.96
	Unreconciled difference					
	Retirement					4,194.00
	Difference		0.30	587.71	(0.28)	(0.32)
			Easements			
Rollforward	PP Query	2003 Rate Case	384,972.70	463,837.82	465,706.44	267,385.96
Rollforward	PP Query	Non Used & Useful				
Rollforward	PP Query	2004 to 2010 adds	90,295.10	78,659.93	615,000.40	126,485.19
Rollforward	PP Query	Retirement	(33,224.83)	(8,657.82)	(8,330.81)	(35,451.00)
	Unreconciled difference					
	System Sale					
	Total 2010 Assets		442,042.97	533,639.93	1,072,376.03	358,420.15

PP Query Pivot Tab	410,329.62	442,042.97	533,839.93	1,072,376.03	358,420.15
Difference	-	-	-	-	-

Texas - Southwest Water Asset Rollforward

	Source	Park Palace Subdivision	Pecan Valley Water System	Real Oaks Subdivision	Rivercrest Water System, Inc.
Prior RC Rec	TCEQ Schedule	100,218.00	338,065.00	118,242.00	1,035,877.83
Prior RC Rec	PP Query	100,219.25	331,665.99	111,843.74	1,035,915.84
	Unreconciled difference				
	Retirement				
	Difference	(1.25)	(0.99)	(1.74)	(38.01)
Rollforward	PP Query	100,219.25	331,665.99	111,843.74	1,035,915.84
Rollforward	PP Query	5,017.00			
Rollforward	PP Query	5,897.39	96,836.56	43,274.73	203,365.68
Rollforward	PP Query		(3,486.76)	(6,587.91)	(311.36)
	Unreconciled difference				
	System Sale				
	Total 2010 Assets	111,133.64	425,015.79	148,530.56	1,238,970.16
	PP Query Pivot Tab	111,133.64	425,015.79	148,530.56	1,238,970.16
	Difference	-	-	-	-

Texas - Southwest Water Asset Rollforward

Includes Live Oak

Source	Saddlewood Subdivision	San Julian Creek Estates	Sandy Creek Ranches	Shady Hollow Estates	Sierra West Subdivision
Prior RC Rec	585,468.00	160,697.00	1,461,395.18	2,140,863.64	677,708.00
Prior RC Rec	579,068.87	154,297.51	1,461,395.38	2,140,864.66	677,704.55
2003 Rate Case					
2003 Rate Case					
Unreconciled difference Retirement					
Difference	(0.87)	(0.51)	(0.20)	(1.02)	3.45
Rollforward	579,068.87	154,297.51	1,461,395.38	2,140,864.66	677,704.55
Rollforward	57,481.77	25,360.78	1,703,148.42	101,866.75	487,055.90
Rollforward	(18,819.12)		(56,882.84)	(6,311.36)	(36,052.72)
Unreconciled difference System Sale					
Total 2010 Assets	617,731.52	179,658.29	3,107,660.96	2,236,420.05	1,128,707.73

PP Query Pivot Tab	617,731.52	179,658.29	3,309,997.05	2,236,420.05	1,128,707.73
Difference	-	-	202,336.09	-	-

Texas - Southwest Water Asset Rollforward

In Chaparral Water

	Source	Sleepy Hollow	South San Gabriel Ranches	Southwest Territory Water System	Stonegate Water System
Prior RC Rec	TCEQ Schedule	143,828.00	370,480.34	464,341.84	271,372.00
Prior RC Rec	PP Query	137,427.81	370,481.22	464,342.01	264,972.04
	Unreconciled difference Retirement	0.19	(0.88)	(0.17)	(0.04)
	Difference				
Rollforward	PP Query	137,427.81	370,481.22	464,342.01	264,972.04
Rollforward	PP Query				
Rollforward	PP Query	66,707.08	180,883.42		68,751.59
Rollforward	PP Query	(15,932.10)	(311.36)		(4,123.76)
	Unreconciled difference System Sale				
	Total 2010 Assets	188,202.79	551,053.28	(464,342.01)	329,599.87
	PP Query Pivot Tab	188,202.79	551,053.28		329,599.87
	Difference	-	-	(464,342.01)	-

Texas - Southwest Water Asset Rollforward

	Source	Ten West Ranches	Tonkawa Springs (Tal Tex)	Valentine Ranch	Walnut Hills Estates
Prior RC Rec	TCEQ Schedule	178,944.00	1,110,360.54	379,137.00	393,290.00
Prior RC Rec	PP Query	172,543.74	1,114,967.74	379,136.24	386,889.23
	Unreconciled difference Retirement				
	Difference	0.26	(4,607.20)	0.76	0.77
Rollforward	PP Query	172,543.74	1,114,967.74	379,136.24	386,889.23
Rollforward	PP Query		4,546.56		
Rollforward	PP Query	17,812.43	215,581.43	46,862.27	34,745.26
Rollforward	PP Query		(403,951.77)	(2,440.30)	(1,856.50)
	Unreconciled difference System Sale				
	Total 2010 Assets	190,356.17	931,143.96	423,558.21	419,777.99
	PP Query Pivot Tab	190,356.17	931,143.96	423,558.21	419,777.99
	Difference	-	-	-	-

Texas - Southwest Water Asset Rollforward

	Source	In Woodcreek Utility Center 1 & ZZ- Woodcreek	Included in Four Seasons	Total
Prior RC Rec	TCEQ Schedule	Woodcreek Utilities	Woodcreek Water Sys.	
Prior RC Rec	PP Query	Woodcreek Utilities II	Woodcreek Water Sys.	
	2003 Rate Case	2,335,281.54	887,556.00	33,789,628.56
	2003 Rate Case	2,178,855.64	887,555.57	33,472,950.13
	Unreconciled difference			160,000.00
	Retirement	574.42		5,283.32
	Difference	155,851.48	0.43	151,395.11

Rollforward	PP Query	2,178,855.64	887,555.57	33,472,950.13
Rollforward	PP Query			46,480.04
Rollforward	PP Query	1,240,885.31		20,357,335.78
Rollforward	PP Query	(5,056.11)		(1,416,014.57)
	Unreconciled difference			-
	System Sale			-
	Total 2010 Assets	3,414,684.84	887,555.57	52,460,751.38

PP Query Pivot Tab		3,414,684.84	4,279,546.43	0.00	52,460,751.38
Difference		-	-	(887,555.57)	0.00

Aqua Texas Depreciation Summary - NOD 9, 10, 11

	Book Value 12/31/2008	Accumulated Depreciation	Reconciling Items	2009 Book Value	Provision (2009)	Capitalized	Reconciling Items	2010 Book Value
309 00-SUPPLY MAINS	85,144 43	2,182 48		87,326 91	191,230 83			278,557 74
310 00-POWER GENERATION EQUIPMENT	20,764 84	(8,846 92)		11,917 92	57,145 68			69,063 60
311 20-PUMPING EQUIPMENT-SOURCE OF SUPPLY AND PUMPING	823,674 69	(1,216,537 13)		(392,862 44)	2,813,579 71		1,116 63	2,421,833 90
311 30-PUMPING EQUIPMENT-WATER TREATMENT	53,670 45	(20,769 53)		32,900 92	38,854 30			71,755 22
311 40-PUMPING EQUIPMENT-TRANSMISSION AND DISTRIBUTION	281,004 93	(205,599 80)		75,405 13	1,199,050 34			1,274,455 47
320 00-WATER TREATMENT EQUIPMENT	115,262 46	(1,675 02)		113,587 44	178,245 70			291,833 14
330 00-DISTRIBUTION RESERVOIRS AND STANDPIPES	1,958,822 10	(400,538 76)		1,558,283 34	1,163,238 32			2,721,521 66
330 00-TRANSMISSION AND DISTRIBUTION MAINS	3,103,339 38	807,939 33		3,911,278 71	2,425,358 82			6,336,637 53
333 00-SERVICES	1,305,853 21	(139,550 58)		1,166,302 63	1,652,880 60			2,819,183 23
334 00-METERS AND METER INSTALLATIONS	55,688 37	12,640 63		68,329 00	27,725 08			96,054 08
335 00-FIRE HYDRANTS	11,540 62	654 05		12,194 67	8,585 48			20,780 15
339 00-OTHER PLANT AND MISCELLANEOUS EQUIPMENT-SOURCE OF SUPPLY AND PUMPING	271 44			271 44	1,834 28			2,105 72
339 00-OTHER PLANT AND MISCELLANEOUS EQUIPMENT-WATER TREATMENT	564 99	(40,092 79)		(40,092 79)	72,195 84			32,103 05
340 00-OFFICE FURNITURE AND EQUIPMENT	14,331 33	(54,726 38)		(40,395 05)	55,820 41	(1,942 34)		13,483 02
341 00-TRANSPORTATION EQUIPMENT		797 77		797 77	6,112 86			6,910 63
344 00-TOOLS, SHOP AND GARAGE EQUIPMENT		(69 75)		(69 75)	69 75			
345 00-POWER OPERATED EQUIPMENT		(1,485 60)		(1,485 60)	8,048 04			6,562 44
346 00-COMMUNICATION EQUIPMENT	16,325 67	11,171 13		27,496 80	23,065 91			50,562 71
347 00-MISCELLANEOUS EQUIPMENT	5,155 28	2,222 08		7,377 36	8,341 89			15,719 25
348 00-OTHER TANGIBLE PLANT	25,645 78	(9,514 16)		16,131 62	63,938 90	(1,993 00)		78,077 52
Reconciling Item - NARUC Classification		3,817 10		3,817 10				3,817 10
Texas SE Wastewater	7,366,573.96	2,395,359.53	(424,653.49)	9,337,280.00	6,825,187.91	(129.28)	414,618.25	16,576,956.88
Reconciling Item		(414,618.25)		(414,618.25)			414,618.25	
351 00-ORGANIZATION		(5,143 44)		(5,143 44)	32,107 90			26,964 46
352 00-FRANCHISES		164 84		164 84				164 84
353 50-LAND AND LAND RIGHTS - RAW WATER TREATMENT		7,689 48		7,689 48				7,689 48
353 70-LAND AND LAND RIGHTS - GENERAL		28,794 03		28,794 03				28,794 03
354 20-STRUCTURES AND IMPROVEMENTS-COLLECTION	53,747 00	(97,936 41)		(44,189 41)	177,149 49			132,960 08
354 30-STRUCTURES AND IMPROVEMENTS-PUMPING	88,771 82	5,151 29		93,923 11	58,995 86			152,918 97
354 40-STRUCTURES AND IMPROVEMENTS-TRANSMISSION AND DISTRIBUTION PLANT	88,079 58	(15,324 89)		72,754 69	86,083 00			158,837 69
354 50-STRUCTURES AND IMPROVEMENTS-RAW WATER TREATMENT	35,934 86	87,762 46		123,697 32	465,024 94			588,722 26
354 70-STRUCTURES AND IMPROVEMENTS-GENERAL	31,474 39	96,616 35		128,090 74	225,855 49			353,946 23
355 20-POWER GENERATION EQUIPMENT-COLLECTION	1,734 88	(2,179 83)		(444 95)	558 21			113 26
360 00-COLLECTION SEWERS - FORCE	185,793 52	195,381 29		381,174 81	265,442 66			646,617 47
361 00-COLLECTION SEWERS - GRAVITY	3,037,917 86	513,558 65		3,551,476 51	1,209,099 17			4,760,575 68
362 00-SPECIAL COLLECTING STRUCTURES	49,087 88	(5,794 82)		43,293 06	22,701 26			65,994 32
363 00-SERVICES TO CUSTOMERS	4,038 98	(120,492 85)		(116,453 87)	36,694 12			(79,759 75)
364 00-FLOW MEASURING DEVICES	25,553 31	(8,383 04)		17,170 27	70,797 22			87,967 49
365 00-FLOW MEASURING INSTALLATIONS		1,146 50		(2,857 50)	1,790 40			(1,067 10)
366 00-REUSE SERVICES	1,731 86			1,731 86	564 90			2,296 76
367 00-REUSE METERS AND INSTALLATIONS					64 40			64 40
370 00-RECEIVING WELLS	333,371 77	652,216 86		985,588 63	186,713 99			1,172,302 62
371 30-PUMPING EQUIPMENT-PUMPING	378,382 36	(51,971 96)		326,410 40	471,629 36			798,039 76
374 00-PUMPING EQUIPMENT-RAW WATER DISTRIBUTION	614 59	2,650 72		3,265 31	10,666 09			13,931 40
374 50-PUMPING EQUIPMENT-RAW WATER TREATMENT	9,422 60	13,089 18		22,511 78	42,423 75			64,935 53
380 00-REUSE TRANSMISSION AND DISTRIBUTION SYSTEM	8,260 97			8,260 97	9,171 75			17,432 72
380 40-TREATMENT AND DISPOSAL EQUIPMENT-TRANSMISSION AND DISTRIBUTION PLANT	2,616,589 03	(600,146 57)		2,016,442 46	2,281,049 72			4,297,492 18
380 50-TREATMENT AND DISPOSAL EQUIPMENT-RAW WATER TREATMENT	383,838 58	1,544,858 49		1,928,697 07	954,807 69			2,883,504 76
381 40-PLANT SEWERS-TRANSMISSION AND DISTRIBUTION PLANT	12,653 38	(3,171 03)		9,482 35	78,410 80			87,893 15

Aqua Texas Depreciation Summary - NOD 9, 10, 11

	12/31/2009	12/31/2009	12/31/2009	12/31/2009	12/31/2009	12/31/2009	12/31/2009	12/31/2009	12/31/2009	12/31/2009	12/31/2009	12/31/2009
	Accumulated Depreciation	Accumulated Depreciation	Accumulated Depreciation	Accumulated Depreciation	Accumulated Depreciation	Accumulated Depreciation	Accumulated Depreciation	Accumulated Depreciation	Accumulated Depreciation	Accumulated Depreciation	Accumulated Depreciation	Accumulated Depreciation
308 20-Infirration Gall & Tun		1,163 00										1,163 00
309 00-SUPPLY MAINS	15,598 69	13,836 61										111,147 55
310 20-POWER GENERATION EQUIPMENT	2,572 73	(767 94)										8,961 48
311 20-PUMPING EQUIPMENT-SOURCE OF SUPPLY AND PUMPING	626,570 74	(466,397 52)										1,611,258 27
311 30-PUMPING EQUIPMENT-WATER TREATMENT	11,829 72	(4,493 53)										13,251 63
311 40-PUMPING EQUIPMENT-TRANSMISSION AND DISTRIBUTION	16,937 60	224,872 75										678,969 81
320 00-WATER TREATMENT EQUIPMENT	106,608 86	139,152 64										355,036 51
330 00-DISTRIBUTION RESERVOIRS AND STANDPIPES	1,666,427 90	(257,852 74)										2,356,240 01
331 00-TRANSMISSION AND DISTRIBUTION MAINS	4,672,030 77	2,079,650 23										9,774,890 47
333 00-SERVICES	15,840 11	(454,749 15)										(147,620 39)
334 00-METERS AND METER INSTALLATIONS	1,145,428 11	(332,169 26)										2,311,713 24
335 00-FIRE HYDRANTS	121,684 43	74,830 89										255,768 90
339 10-OTHER PLANT AND MISCELLANEOUS EQUIPMENT-INTANGIBLE	9,903 46	(9,272 62)										6,832 66
339 20-OTHER PLANT AND MISCELLANEOUS EQUIPMENT-SOURCE OF SUPPLY AND PUMPING	34,589 27	(38,007 69)										44,611 89
339 40-OTHER PLANT AND MISCELLANEOUS EQUIPMENT-TRANSMISSION AND DISTRIBUTION	13,131 80	(118,747 10)										(31,693 03)
340 00-OFFICE FURNITURE AND EQUIPMENT	1,838 12	(2,640 74)										1,949 25
341 00-TRANSPORTATION EQUIPMENT	-	(104,584 77)										(268 80)
343 00-TOOLS, SHOP AND GARAGE EQUIPMENT	-	(1,086 91)										3,473 65
344 00-LABORATORY EQUIPMENT	-	(26 80)										-
345 00-POWER OPERATED EQUIPMENT	3,643 17	(1,553 11)										13,865 99
346 00-COMMUNICATION EQUIPMENT	2,587 29	(11,467 84)										(10,205 25)
347 00-MISCELLANEOUS EQUIPMENT	290,444 82	(95,127 19)										645 25
348 00-OTHER TANGIBLE PLANT	-	(110,024 02)										457,900 58
Reconciling Item - NARUC Classification												(110,024 02)
Grand Total	38,756,194 56	2,066,033 69	323,124 75	41,147,353 00	46,582,000 61	(8,442 14)	(94,314 10)	87,086,597 37				

ATTACHMENT 8

AFFIDAVIT

State of Texas §
 §
County of Travis §

BEFORE me, the undersigned authority, personally appeared Kurt Scheibelhut, who, being by me duly sworn, deposed as follows:

1. My name is Kurt Scheibelhut, I am of sound mind, capable of making this affidavit, and personally acquainted with the facts herein stated.
2. I hereby file the customer letter attached hereto as **Exhibit B** in my capacity as Controller of Aqua Texas, Inc., Aqua Utilities, Inc., Aqua Development, Inc., Harper Water Company, Inc., and Kerrville South Water Company, Inc. d/b/a Aqua Texas ("Aqua Texas"). In such capacity, I am qualified and authorized to file and verify such document. I hereby verify such document and that all statements made and matters set forth herein are true and correct.
3. The document attached labeled as **Exhibit A** is an exact duplicate of an original Aqua Texas business record. **Exhibit A**, a list of Aqua Texas' customers served by Aqua Texas' VLS water system ("VLS"), was made at or near the time by or from information transmitted by a person with knowledge and is kept in the course of regularly conducted business activity. I am a person responsible for keeping such records for Aqua Texas, and Aqua Texas keeps such records in the regular course of business.
4. In my capacity as Controller for Aqua Texas, I prepared an electronic version of **Exhibit A**. That list was prepared to fulfill the Texas Commission on Environmental Quality's requirement that a customer letter re-noticing affected customers, attached hereto as **Exhibit B**, be sent to all of Aqua Texas' VLS customers.
5. **Exhibit A** contains the address information kept by Aqua Texas for all of its VLS customers as of February 16, 2012.
6. I prepared the electronic version of **Exhibit A** on February 16, 2012. The names and addresses in **Exhibit A** were extracted from Aqua Texas' billing records.
7. In order to ensure that the customer letter was mailed to all Aqua Texas' VLS customers, Aqua Texas engaged Quik Print-Bee Cave, located at 2804 Bee Caves Road, Austin, Texas 78746. Quik Print-Bee Cave is a "bulk mailer" that mails out advertising vouchers, catalogs, papers, announcements, and the like for third parties on a commercial basis.
8. On February 16, 2012, I delivered to Jon Morningstar an electronic version of **Exhibit A** and instructed Jon Morningstar to mail a copy of the customer letter attached as **Exhibit B** to each person or entity named in **Exhibit A**.
9. Attached hereto as **Exhibit C** is the Affidavit of Jon Morningstar, the Manager and person responsible at Quik Print-Bee Cave for Aqua Texas' mail-outs, further describing those mail-outs.

10. Quik Print-Bec Cave sent all 21 of the customer letters mailed to Aqua Texas' VLS customers via First Class U.S. Mail.

11. The 21 copies of **Exhibit B** were mailed as a stand-alone letter to Aqua Texas' customers. The customer letter was not included in a regular bill mailing by Aqua Texas in order to meet the TCEQ's requested re-notice deadline.

12. As reflected in **Exhibit C**, Aqua Texas paid Quik Print-Bee Cave a total of \$17.48 for its services in connection with the VLS customer letter mail-outs.

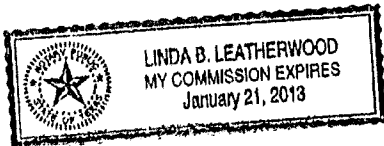
Further affiant sayeth not.

Kurt A. Scheibelhut

Kurt A. Scheibelhut
Aqua Texas
1106 Clayton Ln., Suite 400W
Austin, Texas 78723

SWORN TO and SUBSCRIBED before me by Kurt Scheibelhut on
February 20, 2012.

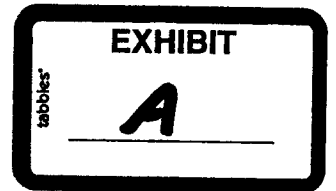
Linda B. Leatherwood
Notary Public in and for the State of Texas



My commission expires: 1-21-2013

VLS Water

DISTRICT	NAME	STREET NUMBER	SERVICE PDIR CODE	SERVICE STREET NAME	SERVICE			SERVICE CITY	SERVICE STAT CODE	SERVICE ZIP
					SSFX CODE	UTYP CODE	UNIT			
VLS Water	JOHN LONDENBERG	542		ZIEGLER	LN		WACO	TX	76708	
VLS Water	MIKE COMBS	224		FERN VALLEY	RD		WACO	TX	76708	
VLS Water	DAVID COMBS	264		FERN VALLEY	RD		WACO	TX	76708	
VLS Water	RUTH COMBS	336		ZIEGLER	LN		WACO	TX	76708	
VLS Water	RICHARD FRIEDLI	412		FERN VALLEY	RD		WACO	TX	76708	
VLS Water	DON LOWRY	478		FERN VALLEY	RD		WACO	TX	76708	
VLS Water	JOANE CASE	594		FERN VALLEY	RD		WACO	TX	76708	
VLS Water	LEO JOHNSON	654		FERN VALLEY	RD		WACO	TX	76708	
VLS Water	STEVE JENSON	750		FERN VALLEY	RD		WACO	TX	76708	
VLS Water	DUMITRU TIPRIGAN	659		FERN VALLEY	RD		WACO	TX	76708	
VLS Water	STEVE STRAHL	627		FERN VALLEY	RD		WACO	TX	76708	
VLS Water	TERESA KLOSS	781		FERN VALLEY	RD		WACO	TX	76708	
VLS Water	RAYMOND KAVEY	625		FERN VALLEY	RD		WACO	TX	76708	
VLS Water	DALE SCHNEIDER	417		FERN VALLEY	RD		WACO	TX	76708	
VLS Water	JIM FITZGERALD	329		FERN VALLEY	RD		WACO	TX	76708	
VLS Water	BRAD RECORD	265		FERN VALLEY	RD		WACO	TX	76708	
VLS Water	THOMAS SUTTON III	201		FERN VALLEY	RD		WACO	TX	76708	
VLS Water	ROBERT BROWN	177		FERN VALLEY	RD		WACO	TX	76708	
VLS Water	WILLIAM GIBBS	608		ZIEGLER	LN		WACO	TX	76708	
VLS Water	DIANE HUNSBERGER	668		ZIEGLER	LN		WACO	TX	76708	
VLS Water	STEVE VESELKA	14315		OLD CHINA SPRING	RD		CHINA SPRING	TX	76633	



A UA

February 16, 2012

Dear Aqua Texas Customer:

In December 2011, Aqua Texas (Aqua) mailed you a notice regarding a water rate/tariff change filed with the Texas Commission on Environmental Quality (TCEQ) on December 22, 2011. TCEQ has designated that application as Application Nos. 37234-R and 37235-R.

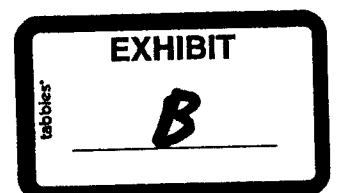
Aqua was informed by TCEQ that its records show miscellaneous fee amounts in place for Aqua's VLS water system, rather than "None" as indicated on Page N-27 of the North Region notice applicable to Aqua's VLS water system. A correct comparison of current/existing miscellaneous fees with those proposed in the pending application is shown on the reverse side of this letter. This proposed change will place VLS miscellaneous fees in line with the rest of Aqua's North Region.

Please call Aqua at 877.WTR.AQUA (877.987.2782) if you have any questions about this correction.

Sincerely,



Robert L. Laughman
President



MISCELLANEOUS FEES (CURRENT)	
Tap Fee 5/8" x 3/4" Meter	\$0
Tap Fee (Unique Costs)	Actual Cost
Tap Fee (Larger Meter)	Actual Cost
Reconnection Fee – Non- payment of bill	\$0
Reconnection Fee - Customer's request that service be disconnected	\$0
Transfer Fee	\$0
Late Charge	10%
Returned Check Charge	\$25.00
Customer Deposit Residential	\$50.00
Commercial & Non-Residential Deposit	1/6 th of estimated annual bill
Meter Test Fee	\$25.00
Meter Relocation Fee (Customer's Request)	Actual Relocation Cost, Not to Exceed Tap Fee
Standard Meter Installation Fee	None
Customer Service Inspection Fee	None
Lock Removal or Damage Fee	None
Damaged Meter and Appurtenances Fee	None
Seasonal Reconnection Fee - NONE	
Regulatory Assessment Fee – 1.0%	
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 Tariff Section 3.0--Extension Policy for terms, Conditions, and charges when new construction is necessary to provide service.	

MISCELLANEOUS FEES (PROPOSED)	
Tap Fee 5/8" x 3/4" Meter	\$1100.00 ¹
Tap Fee (Unique Costs)	Actual Cost ²
Tap Fee (Larger Meter)	Actual Cost ³
Reconnection Fee – Non- payment of bill	\$25.00
Reconnection Fee - Customer's request that service be disconnected	\$75.00
Transfer Fee	\$50.00
Late Charge	10%
Returned Check Charge	\$25.00
Customer Deposit - Residential	\$50.00
Customer Deposit – Commercial or Non-Residential	1/6 of estimated annual bill
Meter Test Fee	\$25.00
Meter/Service Relocation (Customer's Request)	Actual Cost
Standard Meter Installation Fee	\$150.00
Customer Service Inspection Fee	\$100.00 ⁴
Illegal Reconnection, Lock Removal, or Damage Fee	\$85.00 ⁵
Damaged Meter and Appurtenances Fee	Actual Cost
Seasonal Reconnection Fee - NONE	
Regulatory Assessment Fee – 1.0%	
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 Tariff Section 3.0--Extension Policy for terms, Conditions, and charges when new construction is necessary to provide service.	

¹ This tap fee covers the Utility's costs for materials and labor to install a standard residential 5/8" x 3/4" meter. An additional fee to cover unique costs is permitted as listed on the Utility's tariff.

² For example, a road bore for customers outside a subdivision is a unique cost. Unique costs will be determined on a case-by-case basis.

³ This tap fee is based on the Utility's actual cost for materials and labor for meters larger than standard 5/8" x 3/4" meters. Unique costs, such as road bores, will be charged in addition to this tap fee at their actual cost of installation.

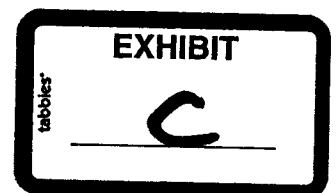
^{4,5} See page 31 of North Region notice for requirements and language changes to "Customer Service Inspection Fee", "Illegal Reconnection, Lock Removal, or Damage Fee", and "Damaged Meter and Appurtenances Fee".

AFFIDAVIT

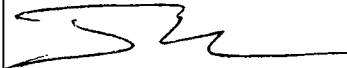
State of Texas §
 §
County of Travis §

BEFORE me, the undersigned authority, personally appeared Jon Morningstar, who, being by me duly sworn, deposed as follows:

1. My name is Jon Morningstar. I am capable of making this Affidavit. The facts stated in this Affidavit are within my personal knowledge and are true and correct.
2. I am the Manager of Quik Print-Bee Cave, located at 2804 Bee Caves Road, Austin, Texas 78746.
3. In my capacity as Manager of Quik Print-Bee Cave, I was contacted by Mr. Kurt Scheibelhut of Aqua Utilities, Inc., Aqua Development, Inc. and Aqua Texas, Inc. d/b/a Aqua Texas (“Aqua Texas”) regarding a mass mail-out that Aqua Texas needed to perform on an expedited basis on February 16, 2012.
4. Aqua Texas engaged Quik Print-Bee Cave for the purpose of mailing the Aqua Texas VLS water system (“VLS”) customer letter attached hereto as **Exhibit A**.
5. Quik Print-Bee Cave is a “bulk mailer” that routinely mails out advertising vouchers, catalogs, papers, announcements and the like, for third parties on a commercial basis.
6. Mr. Scheibelhut provided me with the electronic list of addresses on February 16, 2012 containing the addresses of requested recipients for the Aqua Texas VLS customer letter mailing.
7. On February 17, 2012, I supervised the mail-out of the VLS customer letter to the 21 addresses on the electronic lists. I personally delivered the 21 items to the custody of the U.S. Postal Service at the U.S. Post Office located at 8225 Cross Park Dr., Austin, Texas on February 17, 2012.
8. The customer letter was mailed to all requested VLS recipients identified on the lists provided by Mr. Scheibelhut separate from a regular bill mailing by Aqua Texas.
9. Aqua Texas paid Quik Print-Bee Cave a total of \$17.68 for its services in connection with the mail-outs.



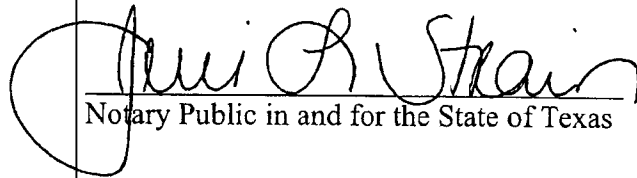
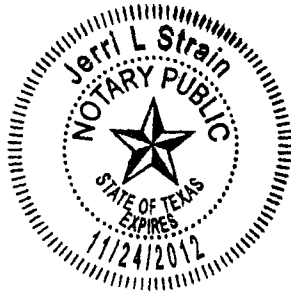
Further affiant sayeth not.



Jon Morningstar

Quik Print-Bee Cave

SWORN TO and SUBSCRIBED before me by Jon Morningstar on February 20th,
2012.



Notary Public in and for the State of Texas

My commission expires: November 24, 2012



A UA.

February 16, 2012

Dear Aqua Texas Customer:

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Aqua was informed by TCEQ that its records show miscellaneous fee amounts in place for Aqua's VLS water system, rather than "None" as indicated on Page N-27 of the North Region notice applicable to Aqua's VLS water system. A correct comparison of current/existing miscellaneous fees with those proposed in the pending application is shown on the reverse side of this letter. This proposed change will place VLS miscellaneous fees in line with the rest of Aqua's North Region.

Please call Aqua at 877.WTR.AQUA (877.987.2782) if you have any questions about this correction.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert L. Laughman".

Robert L. Laughman
President

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Returned Check Charge	\$25.00
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Meter Relocation Fee (Customer's Request)	Actual Relocation Cost, Not to Exceed Tap Fee
Standard Meter Installation Fee	None
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Lock Removal or Damage Fee	None
Damaged Meter and Appurtenances Fee	None
Seasonal Reconnection Fee - NONE	
Regulatory Assessment Fee – 1.0%	
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^{4,5} See page 31 of North Region notice for requirements and language changes to "Customer Service Inspection Fee", "Illegal Reconnection, Lock Removal, or Damage Fee", and "Damaged Meter and Appurtenances Fee".

ATTACHMENT 9

AFFIDAVIT

State of Texas §
 §
County of Travis §

BEFORE me, the undersigned authority, personally appeared Kurt Scheibelhut, who, being by me duly sworn, deposed as follows:

1. My name is Kurt Scheibelhut, I am of sound mind, capable of making this affidavit, and personally acquainted with the facts herein stated.
2. I hereby file the customer letter attached hereto as **Exhibit B** in my capacity as *Controller* of Aqua Texas, Inc., Aqua Utilities, Inc., Aqua Development, Inc., Harper Water Company, Inc., and Kerrville South Water Company, Inc. d/b/a Aqua Texas ("Aqua Texas"). In such capacity, I am qualified and authorized to file and verify such document. I hereby verify such document and that all statements made and matters set forth herein are true and correct.
3. The document attached labeled as **Exhibit A** is an exact duplicate of an original Aqua Texas business record. **Exhibit A**, a list of Aqua Texas' customers served by Aqua Texas' Briarcreek Subdivision water system ("Briarcreek"), was made at or near the time by or from information transmitted by a person with knowledge and is kept in the course of regularly conducted business activity. I am a person responsible for keeping such records for Aqua Texas, and Aqua Texas keeps such records in the regular course of business.
4. In my capacity as *Controller* for Aqua Texas, I prepared an electronic version of **Exhibit A**. That list was prepared to fulfill the Texas Commission on Environmental Quality's requirement that a customer letter re-noticing affected customers, attached hereto as **Exhibit B**, be sent to all of Aqua Texas' Briarcreek customers.
5. **Exhibit A** contains the address information kept by Aqua Texas for all of its Briarcreek customers as of February 16, 2012.
6. I prepared the electronic version of **Exhibit A** on February 16, 2012. The names and addresses in **Exhibit A** were extracted from Aqua Texas' billing records.
7. In order to ensure that the customer letter was mailed to all Aqua Texas' Briarcreek water customers, Aqua Texas engaged Quik Print-Bee Cave, located at 2804 Bee Caves Road, Austin, Texas 78746. Quik Print-Bee Cave is a "bulk mailer" that mails out advertising vouchers, catalogs, papers, announcements, and the like for third parties on a commercial basis.
8. On February 16, 2012, I delivered to Jon Morningstar an electronic version of **Exhibit A** and instructed Jon Morningstar to mail a copy of the customer letter attached as **Exhibit B** to each person or entity named in **Exhibit A**.
9. Attached hereto as **Exhibit C** is the Affidavit of Jon Morningstar, the Manager and person responsible at Quik Print-Bee Cave for Aqua Texas' mail-outs, further describing those mail-outs.