

**SECTION X - ALTERNATE METHOD OF RATE DESIGN - WATER \***

After you have performed the calculations in **SECTION IX**, you may find that the cost per 1,000 gallons is not what you think your customers will approve. If that is the case, then the following will allow you to calculate a rate structure that still recovers your revenue requirement, but with rates that you think may be more appropriate for your customers.

**Table X. A.**

	Line		
Cost per 1,000 gallons	[A]	\$0.0000	This is the rate that you think is appropriate. Enter in Table X. B., Column ③, Lines [B] through
Total # of 1,000 Gallons billed *	[B]	0	See Adj17 Workpapers
Total Cost to be recovered through gallonage charge	[C]	\$0	Multiply Line [A] times Line [B]
Total Revenue Requirement	[D]	\$0	From Table VI. A., Line [T] Box ⑥
Total to be recovered through base rate	[E]	\$0	Subtract Line [C] from Line [D]
Total number of meter equivalents	[F]	0	From Table VII, Line [L], Box ⑥
Base rate per meter equivalent	[G]	\$0.00	Divide Line [E] by Line [F] & then divide by 12months Enter this in Table X. B., Line [A]

**Table X. B.**

	Line	①	②	③	④=②*③	⑤=①+④
Base charge per meter equivalent or for each unmetered connection From Table X. A, Line [G]	[A]	\$0.00				
Base rate per meter size						
5/8" x 3/4"	[B]		\$0.00	\$0.0000	\$0.00 <sup>⑥</sup>	\$0.00
1"	[C]		\$0.00	\$0.0000	\$0.00	\$0.00
1 1/2"	[D]		\$0.00	\$0.0000	\$0.00	\$0.00
2"	[E]		\$0.00	\$0.0000	\$0.00	\$0.00
3"	[F]		\$0.00	\$0.0000	\$0.00	\$0.00
4"	[G]		\$0.00	\$0.0000	\$0.00	\$0.00
6"	[H]		\$0.00	\$0.0000	\$0.00	\$0.00
8"	[I]		\$0.00	\$0.0000	\$0.00	\$0.00
10"	[J]		\$0.00	\$0.0000	\$0.00	\$0.00
12"	[K]		\$0.00	\$0.0000	\$0.00	\$0.00

⑥ From Table X. A., Line [A]

\* SEE NEXT PAGE FOR PROPOSED ALTERNATIVE RATE DESIGN

**SECTION X - ALTERNATE METHOD OF RATE DESIGN - WATER**

**Cost of Service Table IV.A** \$12,513,579

<u>Volumes</u>	<u>Rate</u>	
<b>First Block Under 20k</b>		
998,305	\$3.10	\$3,094,746
<b>2nd Block Over 20k</b>		
218,401	\$4.10	\$895,442
Amount to Recover From Base		\$8,523,391
Total Meter Equivalents		14,698
5/8" Base		\$48.33
Volumetric < 20k		\$3.10
Volumetric > 20k		\$4.10
Pass-Through (See Next Page)		\$1.0088

**Proposed Meter Base Charges**

5/8 x 3/4"	1	\$48.33
1"	2.5	\$120.83
1½"	5	\$241.65
2"	8	\$386.64
3"	16	\$773.28
4"	25	\$1,208.25
6"	50	\$2,416.50
8"	80	\$3,866.40
10"	115	\$5,557.95
12"	250	\$12,082.50

\* Amounts represents normalized volumes. See Attachment SW 2 Workpapers for normalization calculations.

**SECTION X - ALTERNATE METHOD OF RATE DESIGN - Pass Throughs**

**Regional Pass-Through Gallonage Charge Calculation**

1	As adjusted Test Year Purchase Water	\$980,296	
2	As adjusted Test Year Pumping Fee	\$247,060	
3	<b>Total Pass Through Costs</b>	<u>\$1,227,356</u>	
4	Normalized Test Year Volumes Sold	<u>1,216,706</u>	
5	<b>Pass Through Rate (Line 3/Line 4)</b>		<u><u>\$1.0088</u></u>



Aqua Texas, Inc.  
1106 Clayton Lane, Suite 400W  
Austin, Texas 78723

T: 512-990-4400  
F: 512-990-4411  
www.aqua-texas.com

December 16, 2011

Dear Eagle's Bluff Customer:

On or before December 23, 2011, Aqua Texas (Aqua) will file a request to increase water rates in our North Texas region, which includes your service area. **This is Aqua's first request for a base rate increase in more than seven years, and it affects only your water rates, not your sewer rates.** Information about your current and proposed new rates accompanies this letter. (Please be aware that Aqua previously notified you of this rate request in a letter last January, but we withdrew that request and postponed it until now.) **Even with the proposed increase, an average Aqua customer would pay a little more than a penny per gallon for water.**

This rate request is necessary to enable Aqua to recover \$36.1 million — about \$2,200 per customer — that we have spent since 2004, most of which we invested to improve water quality, service and reliability for about 52,500 residents throughout North Texas. We continued to meet increasingly stringent state and federal environmental standards by drilling new water supply wells, installing new water mains and stand-by power generators, increasing storage capacity and making other infrastructure improvements. These capital improvement costs represent about 85 percent of Aqua's proposed increase. The significant infrastructure investment made over the past seven years now enables your water system to meet all federal and state drinking water standards.

In Eagle's Bluff, Aqua drilled a new water well to meet peak demands and installed a stand-by power generator at the water plant to keep customers in service during a power outage. We also constructed an 84,000-gallon ground storage tank to improve the deliverability of water.

We understand that customers are concerned about bill increases of any amount, but Aqua must make timely and prudent investments in wells, treatment plants, and water mains to help ensure quality, dependable water service for our customers. Although we had to make these necessary capital improvements to bring the North Texas systems' water infrastructure up to today's standards, we're committed to keeping water rates as low as possible in the future. In fact, Aqua's operations and maintenance cost per customer in North Texas has increased only slightly — and less than inflation — since 2004.

Aqua looks forward to providing our customers with a high-quality, sustainable source of water in the years to come. If you have any questions about your service or bill, please call Aqua at 877.WTR.AQUA (877.987.2782).

Sincerely,

Robert L. Laughman  
President



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December 16, 2011

Dear Holiday Estates Customer:

On or before December 23, 2011, Aqua Texas (Aqua) will file a request to increase water rates in our North Texas region, which includes your service area. Information about your current and proposed new rates accompanies this letter. (Please be aware that Aqua previously notified you of this rate request in a letter last January, but we withdrew that request and postponed it until now.) **Even with the proposed increase, an average Aqua customer would pay a little more than a penny per gallon for water.**

This rate request is necessary to enable Aqua to recover \$36.1 million — about \$2,200 per customer — that we have spent since 2004, most of which we invested to improve water quality, service and reliability for about 52,500 residents throughout North Texas. Aqua typically spends more per customer after acquiring smaller systems such as yours to ensure that we continue to meet increasingly stringent state and federal environmental standards by drilling new water supply wells, installing new water mains and stand-by power generators, increasing storage capacity, and making other infrastructure improvements. These capital improvement costs represent about 85 percent of Aqua's proposed increase.

Examples of Aqua's improvements at Holiday Estates include the installation of new radio-frequency meters that can be read without accessing our customers' properties and the replacement of flush valves throughout the system to maintain high drinking water quality. Aqua also developed a distribution system map so that we can accurately and quickly identify valves and flush valves during emergencies.

We understand that customers are concerned about bill increases of any amount, but Aqua must make timely and prudent investments in wells, treatment plants, and water mains to help ensure quality, dependable water service for our customers. Although we had to make these necessary capital improvements to bring the North Texas systems' water infrastructure up to today's standards, we're committed to keeping water rates as low as possible in the future. In fact, Aqua's operations and maintenance cost per customer in North Texas has increased only slightly — and less than inflation — since 2004.

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Sincerely,

Robert L. Laughman  
President

An Aqua America Company



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December 16, 2011

Dear Blue Water Shores, Lakeside Hills and River Run Customer:

On or before December 23, 2011, Aqua Texas (Aqua) will file a request to increase water rates in our North Texas region, which includes your service area. Information about your current and proposed new rates accompanies this letter. (Please be aware that Aqua previously notified you of this rate request in a letter last January, but we withdrew that request and postponed it until now.) **Even with the proposed increase, an average Aqua customer would pay a little more than a penny per gallon for water.**

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In Hood County, Aqua installed a stand-by generator to keep both the Blue Water Shores water and wastewater plants operational during a power outage. We installed an interconnection between the Lakeside Hills and Hunterwood water systems to provide a backup water supply, and we replaced old water meters with new radio-frequency meters that can be read without accessing our customers' properties.

We understand that customers are concerned about bill increases of any amount, but Aqua must make timely and prudent investments in wells, treatment plants, and water mains to help ensure quality, dependable water service for our customers. Although we had to make these necessary capital improvements to bring the North Texas systems' water infrastructure up to today's standards, we're committed to keeping water rates as low as possible in the future. In fact, Aqua's operations and maintenance cost per customer in North Texas has increased only slightly — and less than inflation — since 2004.

Aqua looks forward to providing our customers with a high-quality, sustainable source of water in the years to come. If you have any questions about your service or bill, please call Aqua at 877.WTR.AQUA (877.987.2782).

Sincerely,

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President



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December 16, 2011

Dear Saddle Club Customer:

On or before December 23, 2011, Aqua Texas (Aqua) will file a request to increase water rates in our North Texas region, which includes your service area. Information about your current and proposed new rates accompanies this letter. (Please be aware that Aqua previously notified you of this rate request in a letter last January, but we withdrew that request and postponed it until now.) **Even with the proposed increase, an average Aqua customer would pay a little more than a penny per gallon for water.**

This rate request is necessary to enable Aqua to recover \$36.1 million — about \$2,200 per customer — that we have spent since 2004, most of which we invested to improve water quality, service and reliability for about 52,500 residents throughout North Texas. Aqua typically spends more per customer after acquiring smaller systems such as yours to ensure that we continue to meet increasingly stringent state and federal environmental standards by drilling new water supply wells, installing new water mains and stand-by power generators, increasing storage capacity, and making other infrastructure improvements. These capital improvement costs represent about 85 percent of Aqua's proposed increase.

In Saddle Club, Aqua acquired land and drilled a new water well to improve deliverability and water quality during peak demand periods. We also installed remote controls at all wells to better manage peak demand situations, and we replaced old water meters with new radio-frequency meters that can be read without accessing our customers' properties.

We understand that customers are concerned about bill increases of any amount, but Aqua must make timely and prudent investments in wells, treatment plants, and water mains to help ensure quality, dependable water service for our customers. Although we had to make these necessary capital improvements to bring the North Texas systems' water infrastructure up to today's standards, we're committed to keeping water rates as low as possible in the future. In fact, Aqua's operations and maintenance cost per customer in North Texas has increased only slightly — and less than inflation — since 2004.

Aqua looks forward to providing our customers with a high-quality, sustainable source of water in the years to come. If you have any questions about your service or bill, please call Aqua at 877.WTR.AQUA (877.987.2782).

Sincerely,

Robert L. Laughman  
President



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December 16, 2011

Dear Shell Shores/Cedar Bay Customer:

On or before December 23, 2011, Aqua Texas (Aqua) will file a request to increase water rates in our North Texas region, which includes your service area. Information about your current and proposed new rates accompanies this letter. (Please be aware that Aqua previously notified you of this rate request in a letter last January, but we withdrew that request and postponed it until now.) **Even with the proposed increase, an average Aqua customer would pay a little more than a penny per gallon for water.**

This rate request is necessary to enable Aqua to recover \$36.1 million — about \$2,200 per customer — that we have spent since 2004, most of which we invested to improve water quality, service and reliability for about 52,500 residents throughout North Texas. Aqua typically spends more per customer after acquiring smaller systems such as yours to ensure that we continue to meet increasingly stringent state and federal environmental standards by drilling new water supply wells, installing new water mains and stand-by power generators, increasing storage capacity, and making other infrastructure improvements. These capital improvement costs represent about 85 percent of Aqua's proposed increase.

Aqua drilled a new water well for customers in Shell Shores/Cedar Bay to meet peak demands and installed an interconnection from Shell Shores/Cedar Bay to Eagle's Bluff. We installed a stand-by power generator at the water plant to keep customers in service during a power outage, constructed an 84,000-gallon ground storage tank to improve deliverability of water, replaced more than 60 long service connections for better flow and pressure, and replaced old water meters with new radio-frequency meters.

We understand that customers are concerned about bill increases of any amount, but Aqua must make timely and prudent investments in wells, treatment plants, and water mains to help ensure quality, dependable water service for our customers. Although we had to make these necessary capital improvements to bring the North Texas systems' water infrastructure up to today's standards, we're committed to keeping water rates as low as possible in the future. In fact, Aqua's operations and maintenance cost per customer in North Texas has increased only slightly — and less than inflation — since 2004.

Aqua looks forward to providing our customers with a high-quality, sustainable source of water in the years to come. If you have any questions about your service or bill, please call Aqua at 877.WTR.AQUA (877.987.2782).

Sincerely,

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December 16, 2011

Dear Stony Hill/Spring Hill Customer:

On or before December 23, 2011, Aqua Texas (Aqua) will file a request to increase water rates in our North Texas region, which includes your service area. Information about your current and proposed new rates accompanies this letter. (Please be aware that Aqua previously notified you of this rate request in a letter last January, but we withdrew that request and postponed it until now.) **Even with the proposed increase, an average Aqua customer would pay a little more than a penny per gallon for water.**

This rate request is necessary to enable Aqua to recover \$36.1 million — about \$2,200 per customer — that we have spent since 2004, most of which we invested to improve water quality, service and reliability for about 52,500 residents throughout North Texas. Aqua typically spends more per customer after acquiring smaller systems such as yours to ensure that we continue to meet increasingly stringent state and federal environmental standards by drilling new water supply wells, installing new water mains and stand-by power generators, increasing storage capacity, and making other infrastructure improvements. These capital improvement costs represent about 85 percent of Aqua's proposed increase.

Aqua's improvements at Spring Hill and Stony Hill include the installation of new radio-frequency meters that can be read without accessing our customers' properties. Aqua has also conducted a variety of hydro-geologic studies throughout the area to confirm adequate water supply for the Stony Hill and Spring Hill communities in the future.

We understand that customers are concerned about bill increases of any amount, but Aqua must make timely and prudent investments in wells, treatment plants, and water mains to help ensure quality, dependable water service for our customers. Although we had to make these necessary capital improvements to bring the North Texas systems' water infrastructure up to today's standards, we're committed to keeping water rates as low as possible in the future. In fact, Aqua's operations and maintenance cost per customer in North Texas has increased only slightly — and less than inflation — since 2004.

Aqua looks forward to providing our customers with a high-quality, sustainable source of water in the years to come. If you have any questions about your service or bill, please call Aqua at 877.WTR.AQUA (877.987.2782).

Sincerely,

Robert L. Laughman  
President



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December 16, 2011

Dear T&A and VLS Customer:

On or before December 23, 2011, Aqua Texas (Aqua) will file a request to increase water rates in our North Texas region, which includes your service area. Information about your current and proposed new rates accompanies this letter. (Please be aware that Aqua previously notified you of this rate request in a letter last January, but we withdrew that request and postponed it until now.) **Even with the proposed increase, an average Aqua customer would pay a little more than a penny per gallon for water.**

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Examples of Aqua's improvements to the T&A and VLS systems include the rehabilitation of the T&A water supply well to improve deliverability, the acquisition of water line easements to install an interconnection between VLS and the City of Waco, and the completion of the interconnection. Aqua also installed new radio-frequency meters that can be read without accessing our customers' properties.

We understand that customers are concerned about bill increases of any amount, but Aqua must make timely and prudent investments in wells, treatment plants, and water mains to help ensure quality, dependable water service for our customers. Although we had to make these necessary capital improvements to bring the North Texas systems' water infrastructure up to today's standards, we're committed to keeping water rates as low as possible in the future. In fact, Aqua's operations and maintenance cost per customer in North Texas has increased only slightly — and less than inflation — since 2004.

Aqua looks forward to providing our customers with a high-quality, sustainable source of water in the years to come. If you have any questions about your service or bill, please call Aqua at 877.WTR.AQUA (877.987.2782).

Sincerely,

Robert L. Laughman  
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December 16, 2011

Dear Aqua Texas Customer:

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You might recall that, until last January, Aqua had collected a monthly surcharge of nearly \$12.50 to recover expenses related to our 2004 rate request. In this current rate request, Aqua plans to recover expenses in the base rate instead of a surcharge. The base rate for most customers would increase by about \$11.20 per month, but your bill won't include any surcharges. **Even with the proposed increase, an average Aqua customer would pay a little more than a penny per gallon for water.**

This rate request is necessary to enable Aqua to recover \$36.1 million — about \$2,200 per customer — that we have spent since 2004, most of which we invested to improve water quality, service and reliability for about 52,500 residents throughout North Texas. We continued to meet increasingly stringent state and federal environmental standards by drilling new water supply wells, installing new water mains and stand-by power generators, increasing storage capacity and making other infrastructure improvements. These capital improvement costs represent about 85 percent of Aqua's proposed increase. The significant infrastructure investment made over the past seven years now enables your water system to meet all federal and state drinking water standards.

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Aqua looks forward to providing our customers with a high-quality, sustainable source of water in the years to come. If you have any questions about your service or bill, please call Aqua at 877.WTR.AQUA (877.987.2782).

Sincerely,

Robert L. Laughman  
President

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## NOTICE OF PROPOSED RATE CHANGE

Aqua Texas, Inc., Aqua Utilities, Inc., Aqua Development, Inc. ("Aqua Texas") CCN Numbers 11157, 12902 and 13201

1106 Clayton Lane, Suite 400W Austin, Texas 78723

(512) 990-4400

Company Address

Telephone Number

have submitted a rate/tariff change application affecting nearly all Aqua Texas North Region water ratepayers to the Texas Commission on Environmental Quality (Commission) and with each North Region city in which they provide retail water utility service. The application filed with the Commission is identical to the rate/tariff change application filed with each municipality in which the utility provides retail water utility service. The proposed rates, fees, charges and tariff provisions listed on the following pages will apply to retail water utility service received after the effective date provided below. If the Commission or a City 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 from ratepayers with active metered Aqua Texas connections not located within the corporate limits of a municipality 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:

Subdivisions or Systems Affected by Rate Change

(This Rate Change affects nearly all Aqua Texas North Region water ratepayers - See lists on pages 5-9 for more detail.)

Comparison of Existing and Proposed Rates at 5,000, 10,000 & 30,000 gallons (Please see following pages.)

Schedule of Proposed Rates, Fees, Adjustment Clauses, Future Rate Filings and Surcharges -  
(Please see following pages.)

\$4,343,091

Annual Revenue Increase

On or before December 23, 2011

Date Customers Notices Mailed

July 13, 2004 (modified by TCEQ Commission Order effective January 1, 2009)

Date of Last Rate Change

Daily Throughout each month

Date meters Typically Read

**EFFECTIVE DATE OF PROPOSED INCREASE: February 21, 2012**

The proposed rates will apply to all retail water utility service rendered after the effective date and will be reflected on the first water bill you receive after the effective date. The first water bill you receive after the effective date will be prorated to apply the proposed rates to service during those days in the billing cycle when the proposed rates were in effect. All bills received thereafter will be calculated using only the proposed rates.

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/tariff change application at Aqua Texas' office at 9450 Silver Creek, Fort Worth, Texas 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.

**INSIDE-CITY CUSTOMERS**

NOTICE TO RATEPAYERS WHO RECEIVE SERVICE FROM AQUA TEXAS  
 AT A LOCATION THAT IS INSIDE OF THE CORPORATE LIMITS OF A MUNICIPALITY

If you are an Aqua Texas water ratepayer who receives retail water utility service from Aqua Texas at a location inside the corporate limits of a municipality, your municipality has original ratemaking jurisdiction over your rates. A rate/tariff change application has been filed with the appropriate representative of all North Region Cities in which Aqua Texas is aware that active metered Aqua Texas water connections currently exist. However, recent annexations may have brought additional connections within a City's corporate limits. If your connection is inside the corporate limits of a municipality, and you do not see your municipality identified below, please contact Aqua Texas immediately. This rate increase still applies to you. Unless protests are received from 10 percent of the affected ratepayers or the City Staff requests a hearing, no hearing may be held. Please contact your municipality directly for information on any specific procedures for processing rate/tariff change applications it may have.

As with Aqua Texas' other North Region water ratepayers, the proposed rates will apply to all retail water utility service rendered after the effective date of February 21, 2012 and will be reflected on the first water bill you receive after the effective date. The first water bill you receive after the effective date will be prorated to apply the proposed rates to service during those days in the billing cycle when the proposed rates were in effect. All bills received thereafter will be calculated using only the proposed rates.

In the event that the application is set for hearing, the specific rates requested by Aqua Texas may be decreased or increased by order of the City. If the City orders a lower rate to be set, Aqua Texas 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 Aqua Texas' office at 9450 Silver Creek, Fort Worth, Texas or at the appropriate City office identified below.

All protests and hearing requests from Aqua Texas ratepayers with water service connections located inside the corporate limits of a municipality must be filed with the appropriate City Representative as directed by each municipality. The municipalities below have informed Aqua Texas that their appropriate City Representatives for receipt of protests and hearing requests are as follows:

<b>City of Brazos Bend</b>	Send protests to: Mr. Donald Walton, City Secretary City of Brazos Bend 1905 Canaveral Ct. Brazos Bend, Texas 76048
<b>City of Buffalo Gap</b>	Send protests to: The Honorable David Perry, Mayor City of Buffalo Gap P. O. Box 506 Buffalo Gap, Texas 79508
<b>City of Granbury</b>	Send protests to: Mr. Ron Berryman, City Manager City of Granbury P.O. Box 969 Granbury, Texas 76048
<b>Town of Lakewood Village</b>	Send protests to: Ms. Linda Asbell, City Secretary Town of Lakewood Village 100 Highridge Drive Lakewood Village, Texas 75068
<b>City of Rhome</b>	Send protests to: Ms. Ramah Burns, City Secretary City of Rhome P.O. Box 228 Rhome, Texas 76078

**City of Shady Shores**

Send protests to: Ms. Wendy Withers, City Secretary  
City of Shady Shores  
P.O. Box 362  
Lake Dallas, Texas 75065

**City of Waco**

Send protests to: Ms. Patricia Ervin, City Secretary  
City of Waco  
P.O. Box 2570  
Waco, Texas 76702-2570

## OVERVIEW OF NORTH REGION WATER RATE CHANGE REQUEST

Aqua Texas is proposing the following specific changes to its North Region Water Tariff:

### TERMS & CONDITIONS OF SERVICE

Aqua Texas proposes to make changes to its existing state-approved terms and conditions of service contained in its tariffs applicable to nearly all its North Region water systems. Customers are encouraged to view these changes in the tariff included in the rate change application available for public inspection in the company's business offices and at the offices of the appropriate regulatory authority (*i.e.*, TCEQ; Municipality).

### NORTH REGION (General WATER Tariff)

#### RATE SCHEDULE CHANGES

Aqua Texas is proposing rate schedule changes that will affect nearly all its North Region water ratepayers. A list of Aqua Texas' current North Region water systems affected by this application, identified numerically by TCEQ Public Drinking Water System ("PWS") Identification Number, is provided in this Notice. The PWS number may be found in the upper right corner of your monthly bill below your account number. System names as registered with TCEQ and the areas served may not match in all instances, but Aqua Texas is providing a list of its systems, with corresponding subdivisions and service areas, located in its North Region in an effort to further inform customers which Aqua Texas system provides each customer's service. Currently, Aqua Texas has North Region ratepayers located in Anderson, Bosque, Camp, Cherokee, Cooke, Denton, Erath, Grayson, Gregg, Henderson, Hood, Hunt, Johnson, Marion, McLennan, Parker, Rockwall, Smith, Somervell, Tarrant, Taylor, Wise and Wood Counties, Texas, but additional service territories in Aqua Texas' North Region may be added in the future. With this application, Rockwall County ratepayers are being removed from Aqua Texas' North Region.

To review Aqua Texas' proposed rate schedule changes, please review the following information applicable to your system or subdivision:

1. The list of water systems and subdivisions/service areas provided on pages 5-9;
2. Billing comparisons for the current and the new proposed rates on pages 10-27; and
3. Other proposed changes to certain rate provisions on pages 28-31.

There is a bill comparison showing the typical monthly charge at the current rates and the monthly charge at proposed rates assuming that a customer uses 5,000 gallons, 10,000 gallons or 30,000 gallons per month. TCEQ rules require a comparison of usage at 10,000 and 30,000 gallons per month, but Aqua Texas is also providing a comparison at 5,000 gallons since most Aqua Texas customers use less than 10,000 gallons per month. These comparisons do not necessarily represent the amount of water a typical Aqua Texas customer would use in a given month because that amount varies.

Along with the proposed monthly minimum charges and charges per 1,000 gallons used, there is a list of the current and the proposed miscellaneous fees charged in specific instances, such as a new water tap or the fee for reconnecting service, and certain other specific rate clauses.

We have tried to make this notice as clear as possible while complying with all of the rules and regulations governing water utilities. We appreciate you as customers and look forward to providing you with high quality service at the most reasonable rates that we can in the future. You will note that we are proposing separate line item "Charges per 1,000 Gallons Used" so that you can see how much of the rate is dependent on ground water pumping fees, assessments, and purchased water fees.

Please note that Aqua Texas requests a North Region water rate base determination by TCEQ in the rate/tariff change application.



PWS #	TCEQ System Name	Subdivision/Area Served	County	Rate Region
0010038	DOGWOOD HILLS NORTH	DOGWOODS HILLS NORTH UNIT I & II	ANDERSON	North
0010039	DOGWOOD HILLS EAST	DOGWOOD HILLS EAST	ANDERSON	North
0180072	LAME DUCK WATER SYSTEM	LAME DUCK SUBDIVISION	BOSQUE	North
0180082	CHINA SPRINGS RANCHES	CHINA SPRINGS RANCHES	BOSQUE	North
0320015	CHEROKEE POINT	CHEROKEE POINT	CAMP	North
0370052	EAGLES BLUFF	EAGLES BLUFF CEDAR BAY SHELL SHORES	CHEROKEE	North
0490042	FRF WATER SYSTEMS	FRF SUBDIVISION	COOKE	North
0610009	WREN WATER SYSTEM	WREN WATER	DENTON	North
0610084	WOODLAND HILLS	WOODLAND HILLS	DENTON	North
0610099	HIDDEN VALLEY WATER SYSTEM	HIDDEN VALLEY WATER SYSTEM	DENTON	North
0610163	SARATOGA ESTATES	SARATOGA ESTATES	DENTON	North
0610164	FOXBANE COMBINED WS	FOXBANE COMBINED WATER SYSTEM RIGGS PLACE ESTATES DOUBLE TREE ESTATES SAGE MEADOWS PAYTON PLACE	DENTON	North
0610165	SONGBIRD ADDITION	SONGBIRD ADDITION	DENTON	North
0610166	HANDBY ACRES	HANDBY ACRES HANDBY VIEW ESTATES	DENTON	North
0610201	PONDER ACRES WATER SYSTEM	PONDER ACRES WATER SYSTEM	DENTON	North
0610203	TRAIL CREEK WATER SYSTEM	INDIAN TRAIL ADDITION INDIAN TRAILS COLLINGWOOD PROPP WASH AVERY RANCH GUY JAMES RANCH	DENTON	North
0610209	CINNAMON RIDGE	CINNAMON RIDGE	DENTON	North
0610210	DOVE HOLLOW WATER SYSTEM	DOVE HOLLOW WATER SYSTEM	DENTON	North
0610212	WILLOW WOOD ADDITION MEADOW VISTA	MEADOW VISTA WILLOW WOOD ADDITION	DENTON	North
0610214	SPANISH OAKS ADDITION	SPANISH OAKS ADDITION	DENTON	North
0610218	SPRING HILL ESTATES	SPRING HILL ESTATES	DENTON	North
0610220	STONY HILLS	STONY HILLS	DENTON	North
0610224	OLD STONY ESTATES	OLD STONY ESTATES	DENTON	North
0610229	SUNNY RANCHES	SUNNY RANCHES	DENTON	North
0610230	HILL COUNTRY WAY ESTATES	HILL COUNTRY WAY ESTATES	DENTON	North
0610233	PONDEROSA RANCH	PONDEROSA RANCH	DENTON	North
0610234	RADECKE ROAD WATER SYSTEM	RADECKE ROAD WATER SYSTEM	DENTON	North
0610236	STONE VALLEY FARM	STONE VALLEY FARM	DENTON	North

PWS #	TCEQ System Name	Subdivision/Area Served	County	Rate Region
0610237	WILLOW SPRINGS ADDITION	WILLOW SPRINGS ADDITION	DENTON	North
0610238	SHALE CREEK COMMUNITY	SHALE CREEK STONE CREEK	DENTON	North
0610247	DROP M ESTATES	DROP M ESTATES	DENTON	North
0720037	MOUNTAIN LAKES ADDITION	MOUNTAIN LAKES ADDITION	ERATH	North
0910139	HERITAGE ESTATES	HERITAGE ESTATES	GRAYSON	North
0920026	FOREST LAKE SUBDIVISION	FOREST LAKE SUBDIVISION FOREST PARK SUBDIVISION	GREGG	North
1070059	LAKE UTILITY CO	LAKE UTILITIES DORSEY ESTATES PENNSULA POINT TIMBER LAKE ESTATES	HENDERSON	North
1070198	LAKE PALESTINE WATER CO	PARKSIDE SHORES WATER SYSTEM CHEROKEE ESTATES FOREST GROVE SOUTH HOLLY HILLS LAKE POINT ESTATES SUNRISE SHORES TWIN OAKS ESTATES	HENDERSON	North
1070211	PHOENIX WATER WORKS	PHOENIX WATER WORKS	HENDERSON	North
1070233	HIGH POINT WATER CO	HIGH POINT WATER COMPANY	HENDERSON	North
1070247	SAFARI WATER SYSTEM	SAFARI WATER SYSTEM	HENDERSON	North
1110024	ROCK HARBOR ESTATES	ROCK HARBOR ESTATES	HOOD	North
1110026	SANDY BEACH SUBDIVISION	SANDY BEACH SUBDIVISION	HOOD	North
1110027	WHIPPORWILL BAY SUBDIVISION	WHIPPORWILL BAY SUBDIVISION	HOOD	North
1110028	BRAZOS RIVER ACRES	BRAZOS RIVER ACRES	HOOD	North
1110035	MOUNTAIN VIEW SUBDIVISION	MOUNTAIN VIEW SUBDIVISION	HOOD	North
1110045	RIVER COUNTRY ACRES	RIVER COUNTRY ACRES	HOOD	North
1110052	EASTWOOD VILLAGE	EASTWOOD PLAZA EAST PARK	HOOD	North
1110059	LAKE COUNTRY ACRES	LAKE COUNTRY ACRES BIG TIMBER ESTATES	HOOD	North
1110074	NORTH FORK CREEK I	NORTH FORK CREEK I	HOOD	North
1110076	RIVER RUN SUBDIVISION	RIVER RUN	HOOD	North
1110077	SUNSET ACRES MOBILE HOME PARK	SUNSET ACRES MHP	HOOD	North
1110079	BLUE WATER SHORES	BLUE WATER SHORES	HOOD	North
1110080	NOLAN CREEK ESTATES	NOLAN CREEK ESTATES	HOOD	North
1110082	PLAZA EAST	PLAZA EAST	HOOD	North
1110083	HUNTERWOOD SUBDIVISION WATER SYSTEM	HUNTERWOOD SUBDIVISION LAKESIDE HILLS	HOOD	North
1110087	SUNCHASE MEADOWS	SUNCHASE MEADOWS	HOOD	North
1110088	NORTH FORK CREEK II	NORTH FORK CREEK II MEADOWLARK ADDITION	HOOD	North
1110089	COUNTRY MEADOWS SUBDIVISION	COUNTRY MEADOWS SUBDIVISION	HOOD	North

PWS #	TCEQ System Name	Subdivision/Area Served	County	Rate Region
1110094	MIDHAVEN ESTATES	MIDHAVEN ESTATES	HOOD	North
1110112	MALLARD POINTE SUBDIVISION	MALLARD POINTE SUBDIVISION	HOOD	North
1110115	PENINSULA ADDITION	PENINSULA ADDITION	HOOD	North
1110116	BENTWATER ON LAKE GRANBURY	BENTWATER ON LAKE GRANBURY	HOOD	North
1160011	ROCKWALL EAST MINI RANCH	ROCKWALL EAST MINI RANCH	HUNT	North
1160028	HOLIDAY ESTATES WATER	HOLIDAY ESTATES WATER	HUNT	North
1160063	QUINLAN NORTH SUBDIVISION	QUINLAN NORTH SUBDIVISION	HUNT	North
1160064	QUINLAN SOUTH SUBDIVISION	QUINLAN SOUTH SUBDIVISION	HUNT	North
1160066	BARROW SUBDIVISION	BARROW SUBDIVISION	HUNT	North
1160067	CRAZY HORSE SUBDIVISION	CRAZY HORSE SUBDIVISION	HUNT	North
1160079	OAK RIDGE ESTATES	OAK RIDGE ESTATES	HUNT	North
1160093	COUNTRY WOOD ESTATES	COUNTRY WOOD ESTATES M G M ESTATES	HUNT	North
1260010	OAKVIEW FARMS SUBDIVISION	OAKVIEW FARMS SUBDIVISION VILLAGE CREEK ESTATES	JOHNSON	North
1260067	PEACEFUL MEADOWS SUBDIVISION	PEACEFUL MEADOWS SUBDIVISION	JOHNSON	North
1260071	SHADY HILLS ESTATES WATER SYSTEM	SHADY HILLS ESTATES WATER SYSTEM	JOHNSON	North
1260072	SHADY MEADOWS ESTATES	SHADY MEADOWS ESTATES	JOHNSON	North
1260092	GARDEN ACRES	GARDEN ACRES	JOHNSON	North
1260101	WALDEN ESTATES	WALDEN ESTATES WATER CO	JOHNSON	North
1550021	CHINA SPRING WATER CO	CHINA SPRINGS WATER PLANT	MCLENNAN	North
1550049	NORTH COUNTY WATER SUPPLY	NORTH COUNTY WATER SUPPLY	MCLENNAN	North
1550072	WESTERN HILLS WATER SYSTEM	WESTERN HILLS WATER SYSTEM BRETTWOOD ADDITION LAZY ACRES SCHWANN LANE WESTLAKE ADDITION PARK ONE	MCLENNAN	North
1550085	T & A WATER SYSTEM	T&A WATER SYSTEM	MCLENNAN	North
1550089	RIVERCREST WATER CO	RIVERCREST WATER CO	MCLENNAN	North
1550091	SMITH WATER	SMITH WATER COMPANY	MCLENNAN	North
1550113	V L S	V L S	MCLENNAN	North
1550125	TUBBS WATER SYSTEM	TUBBS WATER SYSTEM	MCLENNAN	North
1550126	GOODALL WATER SYSTEM	GOODALL WATER SYSTEM	MCLENNAN	North
1550129	NORTH BOSQUE ESTATES WATER SUPPLY	NORTH BOSQUE ESTATES WATER SUPPLY	MCLENNAN	North
1550130	BEHRINGER WATER SYSTEM	BEHRINGER WATER SYSTEM	MCLENNAN	North
1580016	CRESTWOOD WATER CO	CRESTWOOD WATER COMPANY	MARION	North
1840011	TANGLEWOOD ESTATES	TANGLEWOOD ESTATES	PARKER	North

PWS #	TCEQ System Name	Subdivision	Area Served	County	Rate Region
1840012	LIVE OAK HILLS ADDITION	LIVE OAK HILLS ADDITION	LIVE OAK HILLS ADDITION	PARKER	North
1840013	ASHCREEK ADDITION	ASHCREEK ACRES REYNOLDS CREEK ESTATES	ASHCREEK ACRES REYNOLDS CREEK ESTATES	PARKER	North
1840015	SPRINGTOWN SUBDIVISION	SPRINGTOWN SUBDIVISION	SPRINGTOWN SUBDIVISION	PARKER	North
1840016	LA JUNTA	LA JUNTA ADDITION	LA JUNTA ADDITION	PARKER	North
1840017	AGNES SUBDIVISION	AGNES SUBDIVISION	AGNES SUBDIVISION	PARKER	North
1840018	LAZY BEND ESTATES	LAZY BEND ESTATES	LAZY BEND ESTATES	PARKER	North
1840021	SHANGRI LA SUBDIVISION	WEST FORTY ACRES CANYON COUNTRY CANYON COUNTRY ESTATES AZLE WEST 40 CHERRY VALLEY FARMS CHERRY VALLEY FARMS ADDITION	WEST FORTY ACRES CANYON COUNTRY CANYON COUNTRY ESTATES AZLE WEST 40 CHERRY VALLEY FARMS CHERRY VALLEY FARMS ADDITION	PARKER	North
1840035	FLAT ROCK ESTATES	FLAT ROCK ESTATES	FLAT ROCK ESTATES	PARKER	North
1840037	DEER BUTTE SUBDIVISION	DEER BUTTE RANCHOS	DEER BUTTE RANCHOS	PARKER	North
1840038	LAGO LINDO ESTATES	LAGO LINDO ESTATES	LAGO LINDO ESTATES	PARKER	North
1840047	REMUDA RANCH ESTATES	REMUDA RANCH ESTATES	REMUDA RANCH ESTATES	PARKER	North
1840076	WINDSOR ESTATES	WINDSOR ESTATES	WINDSOR ESTATES	PARKER	North
1840094	KINBROOK ESTATES	KINBROOK ESTATES	KINBROOK ESTATES	PARKER	North
1840098	SANDY ACRES ADDITION	SANDY ACRES ADDITION FOX HOLLOW ADDITION	SANDY ACRES ADDITION FOX HOLLOW ADDITION	PARKER	North
1840108	TIMBERCREEK VALLEY	TIMBERCREEK VALLEY UTILITY	TIMBERCREEK VALLEY UTILITY	PARKER	North
1840130	SADDLE CLUB ESTATES	SADDLE CLUB ESTATES OAKS SUBDIVISION	SADDLE CLUB ESTATES OAKS SUBDIVISION	PARKER	North
1840133	BOLING RANCH ESTATES	BOLING RANCH ESTATES	BOLING RANCH ESTATES	PARKER	North
1840138	THE WOODLANDS	WOODLANDS OF PARKER COUNTY & OLD BANK	WOODLANDS OF PARKER COUNTY & OLD BANK	PARKER	North
2120045	ENCHANTED LAKES WATER SYSTEM	ENCHANTED LAKES WATER SYSTEM	ENCHANTED LAKES WATER SYSTEM	SMITH	North
2120077	WWW WATER SYSTEM	WWW WATER SYSTEM	WWW WATER SYSTEM	SMITH	North
2130021	SQUAW CREEK SUBDIVISION WATER SYSTEM	SQUAW CREEK SUBDIVISION	SQUAW CREEK SUBDIVISION	SOMERVELL	North
2130036	GREENFIELDS ON SQUAW CREEK	GREENFIELD ON SQUAW CREEK	GREENFIELD ON SQUAW CREEK	SOMERVELL	North
2200045	COTTONWOOD HILLS ESTATES	COTTONWOOD HILLS ESTATES	COTTONWOOD HILLS ESTATES	TARRANT	North
2200061	LINKWOOD ESTATES SUBDIVISION	LINKWOOD ESTATES SUBDIVISION	LINKWOOD ESTATES SUBDIVISION	TARRANT	North
2200072	SLAY ESTATES	SLAY ESTATES	SLAY ESTATES	TARRANT	North
2200100	BLUE MOUND ESTATES	BLUE MOUND ESTATES	BLUE MOUND ESTATES	TARRANT	North
2200108	SOUTHWOOD ADDITION	SOUTHWOOD ADDITION	SOUTHWOOD ADDITION	TARRANT	North
2200184	AVONDALE HEIGHTS	AVONDALE HEIGHTS	AVONDALE HEIGHTS	TARRANT	North
2200185	EAGLES NEST	EAGLES NEST	EAGLES NEST	TARRANT	North
2200208	LUNAR LANE WATER SYSTEM	LUNAR LANE WATER SYSTEM OAK GROVE ACRES	LUNAR LANE WATER SYSTEM OAK GROVE ACRES	TARRANT	North

PWS #	TCEQ System Name	Subdivision/Area Served	County	Rate Region
2200277	SILVER CREEK ESTATES	SILVER CREEK ESTATES	TARRANT	North
2200291	RANCH OAKS SUBDIVISION	RANCH OAKS SUBDIVISION	TARRANT	North
2200326	NORTH RIDGE ESTATES	NORTH RIDGE ESTATES	TARRANT	North
2200329	NORTHFORK ADDITION	NORTHFORK ESTATES NORTHFORK ADDITION	TARRANT	North
2200337	SUN VALLEY ESTATES WATER SUPPLY	SUN VALLEY ESTATES	TARRANT	North
2200338	SAVANNA ESTATES	SAVANNA ESTATES	TARRANT	North
2200341	VAN ZANDT FARMS	VAN ZANDT FARMS	TARRANT	North
2200343	CARSON RANCH	CARSON RANCH	TARRANT	North
2200344	RESORT AT EAGLE MOUNTAIN LAKE	THE RESORT AT EAGLE MOUNTAIN LAKE	TARRANT	North
2200348	PRAIRIE RIDGE ESTATES	PRAIRIE RIDGE ESTATES	TARRANT	North
2210023	GAP WATER	GAP WATER COMPANY	TAYLOR	North
2490013	KILLOUGH ADDITION	KILLOUGH ADDITION	WISE	North
2490030	DECATUR ACRES WATER	DECATUR ACRES	WISE	North
2490031	SINGING MEADOWS SUBDIVISION	SINGING MEADOWS SUBDIVISION	WISE	North
2490032	KINGS REST SUBDIVISION	KINGS REST SUBDIVISION	WISE	North
2490036	OLD CHISOLM ESTATES	OLD CHISOLM ESTATES	WISE	North
2490037	STONEGATE WATER	STONEGATE WATER	WISE	North
2490040	SUNSHINE MEADOWS WATER UTILITY	SUNSHINE MEADOWS WATER UTILITY ALLIANCE ESTATES BYWELL LEXINGTON (HUNTERS GLEN) SUNCHASE HILLS SUNCHASE VILLAGE	WISE	North
2490042	HIGHLAND MEADOWS WATER SYSTEM	HIGHLAND MEADOWS WATER SYSTEM	WISE	North
2490045	STRAWBERRY ESTATES	STRAWBERRY ESTATES	WISE	North
2490047	MESA RIDGE SUBDIVISION	MESA RIDGE SUBDIVISION	WISE	North
2490052	DIAMOND RIDGE	DIAMOND RIDGE	WISE	North
2490056	REATA ESTATES	REATA ESTATES	WISE	North
2490057	HIGHLAND HILLS	HIGHLAND HILLS	WISE	North
2490060	CHISHOLM SPRINGS	CHISHOLM SPRINGS	WISE	North
2490077	HAWK RIDGE	HAWK RIDGE	WISE	North
2500017	CLEAR LAKES	CLEAR LAKES SUBDIVISION	WOOD	North

The rate/tariff changes proposed in this application are intended to apply to any retail water utility service area, except that of recently acquired Carrizo Water Corp Forest Grove/Blue Water Key Water System (PWS ID No. 1070074), certificated under CCN Nos. 11157, 12902 and A1943 in Anderson, Bosque, Camp, Cherokee, Cooke, Denton, Erath, Grayson, Gregg, Henderson, Hood, Hunt, Johnson, Marion, McLennan, Parker, Smith, Somervell, Tarrant, Taylor, Wise and Wood Counties, Texas and all other Texas Counties established as part of Aqua Texas' North Region in its last state-wide rate case filed in 2004 except its service area in Rockwall County. Additionally, the changes are intended to apply to any Aqua Texas service areas adjacent to the aforementioned certificated areas.

**NORTH REGION WATER (GENERAL)**  
**APPLIES TO ALL CUSTOMERS NOT INCLUDED IN THE INDIVIDUAL CHARTS BELOW**  
**BILL COMPARISON (CURRENT vs. PROPOSED RATES)**

Meter Size	North Region Existing			North Region Proposed		
	Total Charges			Total Charges		
	@ 5,000G per Month	@ 10,000G per Month	@ 30,000G per Month	@ 5,000G per Month	@ 10,000G per Month	@ 30,000G per Month
5/8" x 3/4"	\$53.24	\$69.59	\$134.99	\$69.50	\$90.94	\$194.21
1"	\$108.58	\$124.93	\$190.33	\$141.59	\$163.03	\$266.30
1 1/2"	\$200.82	\$217.17	\$282.57	\$261.74	\$283.18	\$386.45
2"	\$311.50	\$327.85	\$393.25	\$405.92	\$427.36	\$530.63
3"	\$569.75	\$586.10	\$651.50	\$790.40	\$811.84	\$915.11
4"	\$938.68	\$955.03	\$1,020.43	\$1,222.94	\$1,244.38	\$1,347.65
6"	\$1,861.01	\$1,877.36	\$1,942.76	\$2,424.44	\$2,445.88	\$2,549.15
8"	\$2,967.80	\$2,984.15	\$3,049.55	\$3,866.24	\$3,887.68	\$3,990.95
10"	\$4,258.70	\$4,275.05	\$4,340.45	\$5,548.34	\$5,569.78	\$5,673.05
12"	N/A	N/A	N/A	\$12,036.44	\$12,057.88	\$12,161.15

<b>EXISTING</b>	<b>PROPOSED</b>
<b>NORTH REGION</b>	

**MINIMUM MONTHLY CHARGES:**

**Monthly Minimum Charge by Meter Size**

	(Includes 0 Gallons)
5/8" x 3/4"	\$36.89
1"	\$92.23
1 1/2"	\$184.47
2"	\$295.15
3"	\$553.40
4"	\$922.33
6"	\$1,844.66
8"	\$2,951.45
10"	\$4,242.35
12"	N/A

**Monthly Minimum Charge by Meter Size**

	(Includes 0 Gallons)
5/8" x 3/4"	\$48.06
1"	\$120.15
1 1/2"	\$240.30
2"	\$384.48
3"	\$768.96
4"	\$1,201.50
6"	\$2,403.00
8"	\$3,844.80
10"	\$5,526.90
12"	\$12,015.00

**CHARGES PER 1,000 GALLONS USED:**

<b>Gallonge Charge</b>	\$3.27
<b>Regional Pass-Through Gallonge Charge</b>	\$0.0000

**CHARGES PER 1,000 GALLONS USED:**

<b>Gallonge Charge</b>	
1 to 20,000 Gallons	\$4.05
Per 1,000 Gallons Thereafter	\$5.80
<b>Regional Pass-Through Gallonge Charge</b>	\$0.2384

MISCELLANEOUS FEES (CURRENT)	
Tap Fee 5/8" x 3/4" Meter	\$500.00
Tap Fee (Unique Costs)	Actual Cost
Tap Fee (Larger Meter)	Actual Cost
Reconnection Fee – Non-payment of bill	\$25.00
Reconnection Fee - Customer's request that service be disconnected	\$45.00
Transfer Fee	\$45.00
Late Charge	10% of bill
Returned Check Charge	\$25.00
Customer Deposit Residential	\$50.00
Commercial & Non-Residential Deposit	1/6 of estimated annual bill
Relocated.[sic] Meter Test Fee	\$25.00
Meter Relocation Fee (Customer's Request)	Actual Relocation Cost, Not to Exceed Tap Fee
Standard Meter Installation Fee	\$150.00
Customer Service Inspection Fee	\$75.00
Lock Removal or Damage Fee	\$10.00
Damaged Meter and Appurtenances Fee	Actual Cost
Seasonal Reconnection Fee - Base rate for meter size times number of months off system not to exceed six months when leave and return within a twelve month period.	
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 <sup>1</sup>
Tap Fee (Unique Costs)	Actual Cost <sup>2</sup>
Tap Fee (Larger Meter)	Actual Cost <sup>3</sup>
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% of bill
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 Fee (Customer's Request)	Actual Cost
Standard Meter Installation Fee	\$150.00
Customer Service Inspection Fee	\$100.00 <sup>4</sup>
Illegal Reconnection, Lock Removal, or Damage Fee	\$85.00 <sup>5</sup>
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 The 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 for requirements and language changes to "Customer Service Inspection Fee", "Illegal Reconnection, Lock Removal, or Damage Fee", and "Damaged Meter and Appurtenances Fee".

**NORTH REGION WATER (EAGLES BLUFF – EAGLES BLUFF ONLY)**  
**BILL COMPARISON (CURRENT vs. PROPOSED RATES)**

Meter Size	Eagles Bluff Existing			Eagles Bluff Proposed		
	Total Charges			Total Charges		
	@ 5,000G per Month	@ 10,000G per Month	@ 30,000G per Month	@ 5,000G per Month	@ 10,000G per Month	@ 30,000G per Month
5/8" x 3/4"	\$59.76	\$77.91	\$162.61	\$69.50	\$90.94	\$194.21
1"	\$122.18	\$140.33	\$225.03	\$141.59	\$163.03	\$266.30
1½"	\$226.20	\$244.35	\$329.05	\$261.74	\$283.18	\$386.45
2"	\$351.03	\$369.18	\$453.88	\$405.92	\$427.36	\$530.63
3"	\$642.30	\$660.45	\$745.15	\$790.40	\$811.84	\$915.11
4"	\$1,058.41	\$1,076.56	\$1,161.26	\$1,222.94	\$1,244.38	\$1,347.65
6"	\$2,098.66	\$2,116.81	\$2,201.51	\$2,424.44	\$2,445.88	\$2,549.15
8"	\$3,346.97	\$3,365.12	\$3,449.82	\$3,866.24	\$3,887.68	\$3,990.95
10"	\$4,803.33	\$4,821.48	\$4,906.18	\$5,548.34	\$5,569.78	\$5,673.05
12"	N/A	N/A	N/A	\$12,036.44	\$12,057.88	\$12,161.15

<b>EXISTING</b>	<b>PROPOSED</b>
<i>EAGLES BLUFF</i>	

**MINIMUM MONTHLY CHARGES:**

**Monthly Minimum Charge by Meter Size**

	<b>(Includes 0 Gallons)</b>
5/8" x 3/4"	\$41.61
1"	\$104.03
1½"	\$208.05
2"	\$332.88
3"	\$624.15
4"	\$1,040.26
6"	\$2,080.51
8"	\$3,328.82
10"	\$4,785.18
12"	N/A

**Monthly Minimum Charge by Meter Size**

	<b>(Includes 0 Gallons)</b>
5/8" x 3/4"	\$48.06
1"	\$120.15
1½"	\$240.30
2"	\$384.48
3"	\$768.96
4"	\$1,201.50
6"	\$2,403.00
8"	\$3,844.80
10"	\$5,526.90
12"	\$12,015.00

**CHARGES PER 1,000 GALLONS USED:**

<b>Gallonge Charge</b>	
1 to 20,000 Gallons	\$3.63
Per 1,000 Gallons Thereafter	\$4.84
<b>Regional Pass-Through Gallonge Charge</b>	\$0.0000

**CHARGES PER 1,000 GALLONS USED:**

<b>Gallonge Charge</b>	
1 to 20,000 Gallons	\$4.05
Per 1,000 Gallons Thereafter	\$5.80
<b>Regional Pass-Through Gallonge Charge</b>	\$0.2384



MISCELLANEOUS FEES (CURRENT)	
Tap Fee 5/8" x 3/4" Meter	\$750.00
Tap Fee (Unique Costs)	Actual Cost
Tap Fee (Larger Meter)	Actual Cost
Reconnection Fee – Non- payment of bill	\$25.00
Reconnection Fee - Customer's request that service be disconnected	\$45.00
Transfer Fee	\$45.00
Late Charge	10%
Returned Check Charge	\$25.00
Customer Deposit Residential	\$50.00
Commercial & Non-Residential Deposit	1/6 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	\$150.00
Customer Service Inspection Fee	\$75.00
Lock Removal or Damage Fee	\$10.00
Damaged Meter and Appurtenances Fee	Actual Cost
Seasonal Reconnection Fee - Base rate for meter size times number of months off system not to exceed six months when leave and return within a twelve month period.	
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 <sup>1</sup>
Tap Fee (Unique Costs)	Actual Cost <sup>2</sup>
Tap Fee (Larger Meter)	Actual Cost <sup>3</sup>
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 <sup>4</sup>
Illegal Reconnection, Lock Removal, or Damage Fee	\$85.00 <sup>5</sup>
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.	

<sup>1</sup> 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.

<sup>2</sup> 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.

<sup>3</sup> 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.

<sup>4,5</sup> See page 31 for requirements and language changes to "Customer Service Inspection Fee", "Illegal Reconnection, Lock Removal, or Damage Fee", and "Damaged Meter and Appurtenances Fee".

**NORTH REGION WATER (EAGLES BLUFF - SHELL SHORES/CEDAR BAY ONLY)**  
**BILL COMPARISON (CURRENT vs. PROPOSED RATES)**

Meter Size	Shell Shores / Cedar Bay Existing			Shell Shores / Cedar Bay Proposed		
	Total Charges			Total Charges		
	@ 5,000G per Month	@ 10,000G per Month	@ 30,000G per Month	@ 5,000G per Month	@ 10,000G per Month	@ 30,000G per Month
5/8" x 3/4"	\$38.05	\$49.60	\$103.50	\$69.50	\$90.94	\$194.21
1"	\$55.80	\$67.35	\$121.25	\$141.59	\$163.03	\$266.30
1 1/2"	\$99.80	\$111.35	\$165.25	\$261.74	\$283.18	\$386.45
2"	\$152.80	\$164.35	\$218.25	\$405.92	\$427.36	\$530.63
3"	N/A	N/A	N/A	\$790.40	\$811.84	\$915.11
4"	N/A	N/A	N/A	\$1,222.94	\$1,244.38	\$1,347.65
6"	N/A	N/A	N/A	\$2,424.44	\$2,445.88	\$2,549.15
8"	N/A	N/A	N/A	\$3,866.24	\$3,887.68	\$3,990.95
10"	N/A	N/A	N/A	\$5,548.34	\$5,569.78	\$5,673.05
12"	N/A	N/A	N/A	\$12,036.44	\$12,057.88	\$12,161.15

<b>EXISTING</b>	<b>PROPOSED</b>
<b>SHELL SHORES / CEDAR BAY</b>	

**MINIMUM MONTHLY CHARGES:**

**Monthly Minimum Charge by Meter Size**

	<b>(Includes 0 Gallons)</b>
5/8" x 3/4"	\$26.50
1"	\$44.25
1 1/2"	\$88.25
2"	\$141.25
3"	N/A
4"	N/A
6"	N/A
8"	N/A
10"	N/A
12"	N/A

**Monthly Minimum Charge by Meter Size**

	<b>(Includes 0 Gallons)</b>
5/8" x 3/4"	\$48.06
1"	\$120.15
1 1/2"	\$240.30
2"	\$384.48
3"	\$768.96
4"	\$1,201.50
6"	\$2,403.00
8"	\$3,844.80
10"	\$5,526.90
12"	\$12,015.00

**CHARGES PER 1,000 GALLONS USED:**

<b>Gallage Charge</b>	
1 to 20,000 Gallons	\$2.31
Per 1,000 Gallons Thereafter	\$3.08
<b>Regional Pass-Through Gallage Charge</b>	\$0.0000

**CHARGES PER 1,000 GALLONS USED:**

<b>Gallage Charge</b>	
1 to 20,000 Gallons	\$4.05
Per 1,000 Gallons Thereafter	\$5.80
<b>Regional Pass-Through Gallage Charge</b>	\$0.2384

MISCELLANEOUS FEES (CURRENT)	
Tap Fee 5/8" x 3/4" Meter	\$500.00
Tap Fee (Unique Costs)	
Tap Fee (Larger Meter)	
Reconnection Fee – Non- payment of bill	\$25.00
Reconnection Fee - Customer's request that service be disconnected	\$25.00
Transfer Fee	\$25.00
Late Charge	\$5.00 or 10%
Returned Check Charge	\$25.00
Customer Deposit Residential	\$50.00
Commercial & Non-Residential Deposit	
Meter Test Fee	\$25.00
Meter Relocation Fee (Customer's Request)	
Standard Meter Installation Fee	
Customer Service Inspection Fee	
Lock Removal or Damage Fee	
Damaged Meter and Appurtenances Fee	
Seasonal Reconnection Fee -	
Regulatory Assessment Fee – 1.0%	
Governmental Testing, Inspection and Costs Surcharge –	
Line Extension and Construction Charges –	

MISCELLANEOUS FEES (PROPOSED)	
Tap Fee 5/8" x 3/4" Meter	\$1100.00 <sup>1</sup>
Tap Fee (Unique Costs)	Actual Cost <sup>2</sup>
Tap Fee (Larger Meter)	Actual Cost <sup>3</sup>
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 <sup>4</sup>
Illegal Reconnection, Lock Removal, or Damage Fee	\$85.00 <sup>5</sup>
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.	

<sup>1</sup> 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.

<sup>2</sup> 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.

<sup>3</sup> 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.

<sup>4,5</sup> See page 31 for requirements and language changes to "Customer Service Inspection Fee", "Illegal Reconnection, Lock Removal, or Damage Fee", and "Damaged Meter and Appurtenances Fee".

**NORTH REGION WATER (HOLIDAY ESTATES WATER)  
BILL COMPARISON (CURRENT vs. PROPOSED RATES)**

Meter Size	Holiday Estates Water Existing			Holiday Estates Water Proposed		
	Total Charges			Total Charges		
	@ 5,000G per Month	@ 10,000G per Month	@ 30,000G per Month	@ 5,000G per Month	@ 10,000G per Month	@ 30,000G per Month
5/8" x 3/4"	\$47.50	\$65.60	\$141.60	\$69.50	\$90.94	\$194.21
1"	N/A	N/A	N/A	\$141.59	\$163.03	\$266.30
1 1/2"	N/A	N/A	N/A	\$261.74	\$283.18	\$386.45
2"	N/A	N/A	N/A	\$405.92	\$427.36	\$530.63
3"	N/A	N/A	N/A	\$790.40	\$811.84	\$915.11
4"	N/A	N/A	N/A	\$1,222.94	\$1,244.38	\$1,347.65
6"	N/A	N/A	N/A	\$2,424.44	\$2,445.88	\$2,549.15
8"	N/A	N/A	N/A	\$3,866.24	\$3,887.68	\$3,990.95
10"	N/A	N/A	N/A	\$5,548.34	\$5,569.78	\$5,673.05
12"	N/A	N/A	N/A	\$12,036.44	\$12,057.88	\$12,161.15

EXISTING	PROPOSED
<i>HOLIDAY ESTATES WATER</i>	

**MINIMUM MONTHLY CHARGES:**

**Monthly Minimum Charge by Meter Size**

**(Includes 0 Gallons)**

5/8" x 3/4"	\$30.00
1"	N/A
1 1/2"	N/A
2"	N/A
3"	N/A
4"	N/A
6"	N/A
8"	N/A
10"	N/A
12"	N/A

**Monthly Minimum Charge by Meter Size**

**(Includes 0 Gallons)**

5/8" x 3/4"	\$48.06
1"	\$120.15
1 1/2"	\$240.30
2"	\$384.48
3"	\$768.96
4"	\$1,201.50
6"	\$2,403.00
8"	\$3,844.80
10"	\$5,526.90
12"	\$12,015.00

**CHARGES PER 1,000 GALLONS USED:**

**Gallonge Charge**

1 to 8,000 Gallons	\$3.50
8,001 - 40,000 Gallons	\$3.80
Per 1,000 Gallons Thereafter	\$4.80
<b>Regional Pass-Through Gallonge Charge</b>	<b>\$0.0000</b>

**CHARGES PER 1,000 GALLONS USED:**

**Gallonge Charge**

1 to 20,000 Gallons	\$4.05
Per 1,000 Gallons Thereafter	\$5.80
<b>Regional Pass-Through Gallonge Charge</b>	<b>\$0.2384</b>

MISCELLANEOUS FEES (CURRENT)	
Tap Fee 5/8" x 3/4" Meter	\$300.00
Tap Fee (Unique Costs)	Actual Cost
Tap Fee (Larger Meter)	Actual Cost
Reconnection Fee – Non- payment of bill	\$25.00
Reconnection Fee - Customer's request that service be disconnected	\$50.00
Transfer Fee	\$25.00
Late Charge	\$5.00
Returned Check Charge	\$30.00
Customer Deposit Residential	\$50.00
Commercial & Non-Residential Deposit	1/6 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	
Customer Service Inspection Fee	
Lock Removal or Damage Fee	
Damaged Meter and Appurtenances Fee	
Seasonal Reconnection Fee	
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 <sup>1</sup>
Tap Fee (Unique Costs)	Actual Cost <sup>2</sup>
Tap Fee (Larger Meter)	Actual Cost <sup>3</sup>
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 <sup>4</sup>
Illegal Reconnection, Lock Removal, or Damage Fee	\$85.00 <sup>5</sup>
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.	

<sup>1</sup> 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.

<sup>2</sup> 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.

<sup>3</sup> 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.

<sup>4,5</sup> See page 31 for requirements and language changes to "Customer Service Inspection Fee", "Illegal Reconnection, Lock Removal, or Damage Fee", and "Damaged Meter and Appurtenances Fee".

**NORTH REGION WATER (BLUE WATER SHORES, LAKESIDE HILLS and RIVER RUN)**  
**BILL COMPARISON (CURRENT vs. PROPOSED RATES)**

Meter Size	Blue Water Shores, Lakeside Hills River Run Existing			Blue Water Shores, Lakeside Hills River Run Proposed		
	Total Charges			Total Charges		
	@ 5,000G per Month	@ 10,000G per Month	@ 30,000G per Month	@ 5,000G per Month	@ 10,000G per Month	@ 30,000G per Month
	5/8" x 3/4"	\$47.10	\$62.10	\$122.10	\$69.50	\$90.94
1"	N/A	N/A	N/A	\$141.59	\$163.03	\$266.30
1 1/2"	N/A	N/A	N/A	\$261.74	\$283.18	\$386.45
2"	N/A	N/A	N/A	\$405.92	\$427.36	\$530.63
3"	N/A	N/A	N/A	\$790.40	\$811.84	\$915.11
4"	N/A	N/A	N/A	\$1,222.94	\$1,244.38	\$1,347.65
6"	N/A	N/A	N/A	\$2,424.44	\$2,445.88	\$2,549.15
8"	N/A	N/A	N/A	\$3,866.24	\$3,887.68	\$3,990.95
10"	N/A	N/A	N/A	\$5,548.34	\$5,569.78	\$5,673.05
12"	N/A	N/A	N/A	\$12,036.44	\$12,057.88	\$12,161.15

EXISTING	PROPOSED
<i>BLUE WATER SHORES, LAKESIDE HILLS, RIVER RUN</i>	

**MINIMUM MONTHLY CHARGES:**

**Monthly Minimum Charge by Meter Size**

	(Includes 3,000 Gallons)
5/8" x 3/4"	\$41.10
1"	N/A
1 1/2"	N/A
2"	N/A
3"	N/A
4"	N/A
6"	N/A
8"	N/A
10"	N/A
12"	N/A

**Monthly Minimum Charge by Meter Size**

	(Includes 0 Gallons)
5/8" x 3/4"	\$48.06
1"	\$120.15
1 1/2"	\$240.30
2"	\$384.48
3"	\$768.96
4"	\$1,201.50
6"	\$2,403.00
8"	\$3,844.80
10"	\$5,526.90
12"	\$12,015.00

**CHARGES PER 1,000 GALLONS USED:**

Gallage Charge	
1 to 3,000 Gallons	\$0.00
Per 1,000 Gallons Thereafter	\$3.00
<b>Regional Pass-Through Gallage Charge</b>	<b>\$0.0000</b>

**CHARGES PER 1,000 GALLONS USED:**

Gallage Charge	
1 to 20,000 Gallons	\$4.05
Per 1,000 Gallons Thereafter	\$5.80
<b>Regional Pass-Through Gallage Charge</b>	<b>\$0.2384</b>

MISCELLANEOUS FEES (CURRENT)	
Tap Fee 5/8" x 3/4" Meter	\$585.00
Tap Fee (Unique Costs)	Actual Cost
Tap Fee (Larger Meter)	Actual Cost
Reconnection Fee – Non- payment of bill	\$25.00
Reconnection Fee - Customer's request that service be disconnected	\$50.00
Transfer Fee	\$50.00
Late Charge	\$5.00
Returned Check Charge	\$20.00
Customer Deposit Residential	\$50.00
Commercial & Non-Residential Deposit	1/6 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	
Customer Service Inspection Fee	
Lock Removal or Damage Fee	
Damaged Meter and Appurtenances Fee	
Seasonal Reconnection Fee -	
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 <sup>1</sup>
Tap Fee (Unique Costs)	Actual Cost <sup>2</sup>
Tap Fee (Larger Meter)	Actual Cost <sup>3</sup>
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 <sup>4</sup>
Illegal Reconnection, Lock Removal, or Damage Fee	\$85.00 <sup>5</sup>
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.	

<sup>1</sup> 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.

<sup>2</sup> 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.

<sup>3</sup> 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.

<sup>4,5</sup> See page 31 for requirements and language changes to "Customer Service Inspection Fee", "Illegal Reconnection, Lock Removal, or Damage Fee", and "Damaged Meter and Appurtenances Fee".

**NORTH REGION WATER (SADDLE CLUB ESTATES)  
BILL COMPARISON (CURRENT vs. PROPOSED RATES)**

Meter Size	Saddle Club Estates Existing			Saddle Club Estates Proposed		
	Total Charges			Total Charges		
	@ 5,000G per Month	@ 10,000G per Month	@ 30,000G per Month	@ 5,000G per Month	@ 10,000G per Month	@ 30,000G per Month
5/8" x 3/4"	\$34.00	\$44.00	\$106.50	\$69.50	\$90.94	\$194.21
1"	\$50.00	\$60.00	\$122.50	\$141.59	\$163.03	\$266.30
1 1/2"	\$90.00	\$100.00	\$162.50	\$261.74	\$283.18	\$386.45
2"	\$138.00	\$148.00	\$210.50	\$405.92	\$427.36	\$530.63
3"	\$250.00	\$260.00	\$322.50	\$790.40	\$811.84	\$915.11
4"	\$410.00	\$420.00	\$482.50	\$1,222.94	\$1,244.38	\$1,347.65
6"	N/A	N/A	N/A	\$2,424.44	\$2,445.88	\$2,549.15
8"	N/A	N/A	N/A	\$3,866.24	\$3,887.68	\$3,990.95
10"	N/A	N/A	N/A	\$5,548.34	\$5,569.78	\$5,673.05
12"	N/A	N/A	N/A	\$12,036.44	\$12,057.88	\$12,161.15

EXISTING	PROPOSED
<b>SADDLE CLUB ESTATES</b>	

**MINIMUM MONTHLY CHARGES:**

**Monthly Minimum Charge by Meter Size**

	(Includes 0 Gallons)
5/8" x 3/4"	\$24.00
1"	\$40.00
1 1/2"	\$80.00
2"	\$128.00
3"	\$240.00
4"	\$400.00
6"	N/A
8"	N/A
10"	N/A
12"	N/A

**Monthly Minimum Charge by Meter Size**

	(Includes 0 Gallons)
5/8" x 3/4"	\$48.06
1"	\$120.15
1 1/2"	\$240.30
2"	\$384.48
3"	\$768.96
4"	\$1,201.50
6"	\$2,403.00
8"	\$3,844.80
10"	\$5,526.90
12"	\$12,015.00

**CHARGES PER 1,000 GALLONS USED:**

<b>Gallage Charge</b>	
1 to 15,000 Gallons	\$2.00
Per 1,000 Gallons Thereafter	\$3.50
<b>Regional Pass-Through Gallage Charge</b>	\$0.0000

**CHARGES PER 1,000 GALLONS USED:**

<b>Gallage Charge</b>	
1 to 20,000 Gallons	\$4.05
Per 1,000 Gallons Thereafter	\$5.80
<b>Regional Pass-Through Gallage Charge</b>	\$0.2384



MISCELLANEOUS FEES (CURRENT)	
Tap Fee 5/8" x 3/4" Meter	\$450.00
Tap Fee (Unique Costs)	Actual Cost
Tap Fee (Larger Meter)	Actual Cost
Reconnection Fee – Non- payment of bill	\$25.00
Reconnection Fee - Customer's request that service be disconnected	\$35.00
Transfer Fee	\$35.00
Late Charge	\$5.00 or 10%
Returned Check Charge	\$25.00
Customer Deposit Residential	\$50.00
Commercial & Non-Residential Deposit	1/6 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	
Customer Service Inspection Fee	
Lock Removal or Damage Fee	
Damaged Meter and Appurtenances Fee	
Seasonal Reconnection Fee -	
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 <sup>1</sup>
Tap Fee (Unique Costs)	Actual Cost <sup>2</sup>
Tap Fee (Larger Meter)	Actual Cost <sup>3</sup>
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 <sup>4</sup>
Illegal Reconnection, Lock Removal, or Damage Fee	\$85.00 <sup>5</sup>
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.	

<sup>1</sup> 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.

<sup>2</sup> 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.

<sup>3</sup> 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.

<sup>4,5</sup> See page 31 for requirements and language changes to "Customer Service Inspection Fee", "Illegal Reconnection, Lock Removal, or Damage Fee", and "Damaged Meter and Appurtenances Fee".

**NORTH REGION WATER (SPRING HILL/STONY HILL)**  
**BILL COMPARISON (CURRENT vs. PROPOSED RATES)**

Meter Size	Spring Hill / Stony Hill Existing			Spring Hill / Stony Hill Proposed		
	Total Charges			Total Charges		
	@ 5,000G per Month	@ 10,000G per Month	@ 30,000G per Month	@ 5,000G per Month	@ 10,000G per Month	@ 30,000G per Month
5/8" x 3/4"	\$32.80	\$45.80	\$97.80	\$69.50	\$90.94	\$194.21
1"	\$50.30	\$63.30	\$115.30	\$141.59	\$163.03	\$266.30
1 1/2"	\$90.30	\$103.30	\$155.30	\$261.74	\$283.18	\$386.45
2"	\$140.30	\$153.30	\$205.30	\$405.92	\$427.36	\$530.63
3"	\$257.80	\$270.80	\$322.80	\$790.40	\$811.84	\$915.11
4"	\$425.30	\$438.30	\$490.30	\$1,222.94	\$1,244.38	\$1,347.65
6"	N/A	N/A	N/A	\$2,424.44	\$2,445.88	\$2,549.15
8"	N/A	N/A	N/A	\$3,866.24	\$3,887.68	\$3,990.95
10"	N/A	N/A	N/A	\$5,548.34	\$5,569.78	\$5,673.05
12"	N/A	N/A	N/A	\$12,036.44	\$12,057.88	\$12,161.15

<b>EXISTING</b>	<b>PROPOSED</b>
<b>SPRING HILL / STONY HILL</b>	

**MINIMUM MONTHLY CHARGES:**

**Monthly Minimum Charge by Meter Size**

	<b>(Includes 2,000 Gallons)</b>
5/8" x 3/4"	\$25.00
1"	\$42.50
1 1/2"	\$82.50
2"	\$132.50
3"	\$250.00
4"	\$417.50
6"	N/A
8"	N/A
10"	N/A
12"	N/A

**Monthly Minimum Charge by Meter Size**

	<b>(Includes 0 Gallons)</b>
5/8" x 3/4"	\$48.06
1"	\$120.15
1 1/2"	\$240.30
2"	\$384.48
3"	\$768.96
4"	\$1,201.50
6"	\$2,403.00
8"	\$3,844.80
10"	\$5,526.90
12"	\$12,015.00

**CHARGES PER 1,000 GALLONS USED:**

<b>Gallorage Charge</b>	
1 to 2,000 Gallons	\$0.00
Per 1,000 Gallons Thereafter	\$2.60
<b>Regional Pass-Through Gallorage Charge</b>	\$0.0000

**CHARGES PER 1,000 GALLONS USED:**

<b>Gallorage Charge</b>	
1 to 20,000 Gallons	\$4.05
Per 1,000 Gallons Thereafter	\$5.80
<b>Regional Pass-Through Gallorage Charge</b>	\$0.2384

MISCELLANEOUS FEES (CURRENT)	
Tap Fee 5/8" x 3/4" Meter	\$500.00
Tap Fee (Unique Costs)	Actual Cost
Tap Fee (Larger Meter)	Actual Cost
Reconnection Fee – Non- payment of bill	\$25.00
Reconnection Fee - Customer's request that service be disconnected	\$40.00
Transfer Fee	\$30.00
Late Charge	\$5.00
Returned Check Charge	\$15.00
Customer Deposit Residential	\$50.00
Commercial & Non-Residential Deposit	1/6 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	
Customer Service Inspection Fee	\$50.00
Lock Removal or Damage Fee	
Damaged Meter and Appurtenances Fee	
Seasonal Reconnection Fee -	
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 <sup>1</sup>
Tap Fee (Unique Costs)	Actual Cost <sup>2</sup>
Tap Fee (Larger Meter)	Actual Cost <sup>3</sup>
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 <sup>4</sup>
Illegal Reconnection, Lock Removal, or Damage Fee	\$85.00 <sup>5</sup>
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.	

- <sup>1</sup> 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.
- <sup>2</sup> 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.
- <sup>3</sup> 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.
- <sup>4,5</sup> See page 31 for requirements and language changes to "Customer Service Inspection Fee", "Illegal Reconnection, Lock Removal, or Damage Fee", and "Damaged Meter and Appurtenances Fee".

**NORTH REGION WATER (T & A)**  
**BILL COMPARISON (CURRENT vs. PROPOSED RATES)**

Meter Size	T & A Water Existing			T & A Water Proposed		
	Total Charges			Total Charges		
	@ 5,000G per Month	@ 10,000G per Month	@ 30,000G per Month	@ 5,000G per Month	@ 10,000G per Month	@ 30,000G per Month
5/8" x 3/4"	\$53.00	\$68.00	\$158.00	\$69.50	\$90.94	\$194.21
1"	N/A	N/A	N/A	\$141.59	\$163.03	\$266.30
1 1/2"	N/A	N/A	N/A	\$261.74	\$283.18	\$386.45
2"	N/A	N/A	N/A	\$405.92	\$427.36	\$530.63
3"	N/A	N/A	N/A	\$790.40	\$811.84	\$915.11
4"	N/A	N/A	N/A	\$1,222.94	\$1,244.38	\$1,347.65
6"	N/A	N/A	N/A	\$2,424.44	\$2,445.88	\$2,549.15
8"	N/A	N/A	N/A	\$3,866.24	\$3,887.68	\$3,990.95
10"	N/A	N/A	N/A	\$5,548.34	\$5,569.78	\$5,673.05
12"	N/A	N/A	N/A	\$12,036.44	\$12,057.88	\$12,161.15

<b>EXISTING</b>	<b>PROPOSED</b>
<b>T &amp; A WATER</b>	

**MINIMUM MONTHLY CHARGES:**

**Monthly Minimum Charge by Meter Size**

	<b>(Includes 2,000 Gallons)</b>
5/8" x 3/4"	\$44.00
1"	N/A
1 1/2"	N/A
2"	N/A
3"	N/A
4"	N/A
6"	N/A
8"	N/A
10"	N/A
12"	N/A

**Monthly Minimum Charge by Meter Size**

	<b>(Includes 0 Gallons)</b>
5/8" x 3/4"	\$48.06
1"	\$120.15
1 1/2"	\$240.30
2"	\$384.48
3"	\$768.96
4"	\$1,201.50
6"	\$2,403.00
8"	\$3,844.80
10"	\$5,526.90
12"	\$12,015.00

**CHARGES PER 1,000 GALLONS USED:**

<b>Gallage Charge</b>	
1 to 2,000 Gallons	\$0.00
2,001 to 10,000 Gallons	\$3.00
10,001 to 20,000 Gallons	\$4.00
Per 1,000 Gallons Thereafter	\$5.00
<b>Regional Pass-Through Gallage Charge</b>	<b>\$0.0000</b>

**CHARGES PER 1,000 GALLONS USED:**

<b>Gallage Charge</b>	
1 to 20,000 Gallons	\$4.05
Per 1,000 Gallons Thereafter	\$5.80
<b>Regional Pass-Through Gallage Charge</b>	<b>\$0.2384</b>

MISCELLANEOUS FEES (CURRENT)	
Tap Fee 5/8" x 3/4" Meter	\$500.00
Tap Fee (Unique Costs)	Actual Cost
Tap Fee (Larger Meter)	Actual Cost
Reconnection Fee – Non- payment of bill	\$25.00
Reconnection Fee - Customer's request that service be disconnected	\$0.00
Transfer Fee	\$0.00
Late Charge	10%
Returned Check Charge	\$25.00
Customer Deposit Residential	\$50.00
Commercial & Non-Residential Deposit	1/6 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	
Customer Service Inspection Fee	
Lock Removal or Damage Fee	
Damaged Meter and Appurtenances Fee	
Seasonal Reconnection Fee -	
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 <sup>1</sup>
Tap Fee (Unique Costs)	Actual Cost <sup>2</sup>
Tap Fee (Larger Meter)	Actual Cost <sup>3</sup>
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 <sup>4</sup>
Illegal Reconnection, Lock Removal, or Damage Fee	\$85.00 <sup>5</sup>
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.	

<sup>1</sup> 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.

<sup>2</sup> 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.

<sup>3</sup> 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.

<sup>4,5</sup> See page 31 for requirements and language changes to "Customer Service Inspection Fee", "Illegal Reconnection, Lock Removal, or Damage Fee", and "Damaged Meter and Appurtenances Fee".

**NORTH REGION WATER (V L S)**  
**BILL COMPARISON (CURRENT vs. PROPOSED RATES)**

Meter Size	V L S Water Existing			V L S Water Proposed		
	Total Charges			Total Charges		
	@ 5,000G per Month	@ 10,000G per Month	@ 30,000G per Month	@ 5,000G per Month	@ 10,000G per Month	@ 30,000G per Month
5/8" x 3/4"	\$30.00	\$55.00	\$155.00	\$69.50	\$90.94	\$194.21
1"	N/A	N/A	N/A	\$141.59	\$163.03	\$266.30
1 1/2"	N/A	N/A	N/A	\$261.74	\$283.18	\$386.45
2"	N/A	N/A	N/A	\$405.92	\$427.36	\$530.63
3"	N/A	N/A	N/A	\$790.40	\$811.84	\$915.11
4"	N/A	N/A	N/A	\$1,222.94	\$1,244.38	\$1,347.65
6"	N/A	N/A	N/A	\$2,424.44	\$2,445.88	\$2,549.15
8"	N/A	N/A	N/A	\$3,866.24	\$3,887.68	\$3,990.95
10"	N/A	N/A	N/A	\$5,548.34	\$5,569.78	\$5,673.05
12"	N/A	N/A	N/A	\$12,036.44	\$12,057.88	\$12,161.15

<b>EXISTING</b>	<b>PROPOSED</b>
<i>V L S WATER</i>	

**MINIMUM MONTHLY CHARGES:**

**Monthly Minimum Charge by Meter Size**

	<b>(Includes 3,000 Gallons)</b>
5/8" x 3/4"	\$20.00
1"	N/A
1 1/2"	N/A
2"	N/A
3"	N/A
4"	N/A
6"	N/A
8"	N/A
10"	N/A
12"	N/A

**Monthly Minimum Charge by Meter Size**

	<b>(Includes 0 Gallons)</b>
5/8" x 3/4"	\$48.06
1"	\$120.15
1 1/2"	\$240.30
2"	\$384.48
3"	\$768.96
4"	\$1,201.50
6"	\$2,403.00
8"	\$3,844.80
10"	\$5,526.90
12"	\$12,015.00

**CHARGES PER 1,000 GALLONS USED:**

<b>Gallonge Charge</b>	
1 to 3,000 Gallons	\$0.00
Per 1,000 Gallons Thereafter	\$5.00
<b>Regional Pass-Through Gallonge Charge</b>	\$0.0000

**CHARGES PER 1,000 GALLONS USED:**

<b>Gallonge Charge</b>	
1 to 20,000 Gallons	\$4.05
Per 1,000 Gallons Thereafter	\$5.80
<b>Regional Pass-Through Gallonge Charge</b>	\$0.2384

MISCELLANEOUS FEES (CURRENT)	
Tap Fee 5/8" x 3/4" Meter	None
Tap Fee (Unique Costs)	
Tap Fee (Larger Meter)	
Reconnection Fee – Non- payment of bill	None
Reconnection Fee - Customer's request that service be disconnected	None
Transfer Fee	None
Late Charge	None
Returned Check Charge	None
Customer Deposit Residential	None
Commercial & Non-Residential Deposit	
Meter Test Fee	None
Meter Relocation Fee (Customer's Request)	
Standard Meter Installation Fee	
Customer Service Inspection Fee	
Lock Removal or Damage Fee	
Damaged Meter and Appurtenances Fee	
Seasonal Reconnection Fee -	
Regulatory Assessment Fee – 1.0%	
Governmental Testing, Inspection and Costs Surcharge –	
Line Extension and Construction Charges –	

MISCELLANEOUS FEES (PROPOSED)	
Tap Fee 5/8" x 3/4" Meter	\$1100.00 <sup>1</sup>
Tap Fee (Unique Costs)	Actual Cost <sup>2</sup>
Tap Fee (Larger Meter)	Actual Cost <sup>3</sup>
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 <sup>4</sup>
Illegal Reconnection, Lock Removal, or Damage Fee	\$85.00 <sup>5</sup>
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.	

<sup>1</sup> 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.

<sup>2</sup> 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.

<sup>3</sup> 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.

<sup>4,5</sup> See page 31 for requirements and language changes to "Customer Service Inspection Fee", "Illegal Reconnection, Lock Removal, or Damage Fee", and "Damaged Meter and Appurtenances Fee".

**CURRENT - PURCHASED WATER AND/OR DISTRICT FEE PASS THROUGH CLAUSE**

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

$$AG = G + B/(1-L)$$

Where:

- AG = adjusted gallonage charge, rounded to the nearest one cent  
 G = approved gallonage charge (per 1,000 gallons);  
 B = change in purchased water/district gallonage charge (per 1,000 gallons);  
 L = system average line loss for preceding 12 months not to exceed 0.15.

**PROPOSED – REGIONAL PASS-THROUGH GALLONAGE CHARGE ADJUSTMENT**

Increases or decreases in costs, fees, rates and charges imposed by governmental entities, water authorities or districts having jurisdiction over Aqua Texas or its operations or by non-affiliated third party water suppliers or water rights holders selling water or water rights to Aqua Texas shall be passed through on a Regional basis as a line item Regional Pass-Through Gallonage Charge or an adjustment to the existing Regional Pass-Through Gallonage Charge using the following formula:

$$NRPTGC = ORPTGC (+/-) CRPTGC$$

Where:

- NRPTGC = New Regional Pass-Through Gallonage Charge;  
 ORPTGC = Original Regional Pass-Through Gallonage Charge from last rate application or pass-through adjustment application;  
 CRPTGC = Change in Regional Pass-Through Gallonage Charge; and,  
 $CRPTGC = ((NVC+(VC*APV))/(RPV))/(1-WL)$   
 Sum of all changes (all increases or decreases) since last adjustment in costs, fees, rates and charges divided by the Regional Pumped and Purchased Volume divided by one minus water loss;  
 APV = Annual Pumped and/or Purchased Volume from the most recent rate application for the system or systems where the changes in costs, fees, rates and charges occurred; or the most recent 12 months if more than 3 years have passed since the most recent rate application was filed;  
 RPV = Annual Pumped and/or Purchased volume for Region from the most recent rate application; or the most recent 12 months if more than 3 years have passed since the most recent rate application was filed;  
 WL = Annual water loss average for Region in most recent rate application not to exceed 0.15; or water loss, not to exceed 0.15, for the most recent 12 months if more than 3 years have passed since the most recent application was filed;  
 NVC = Annual non-volumetric cost change = annual increases or decreases in costs, fees, rates and charges that are not based on water purchased, pumped and/or billed;  
 VC = Volumetric cost change = volumetric cost increases or decreases from costs, fees, rates and charges based on water purchased, pumped and/or billed.

To implement a new Regional Pass-Through Gallonage Charge, Aqua Texas shall take the following actions:



1. Prior to the beginning of the billing period in which the revision takes place, submit written notice to the TCEQ Executive Director with documentation supporting the line item Regional Pass-Through Gallonage Charge adjustment; and
2. Mail notice to affected customers separately at the beginning of the billing period or include written notice to affected customers with the billing sent out at the beginning of the billing period in which the new Regional Pass-Through Gallonage Charge becomes effective. The notice must contain: (a) the effective date of the change, (b) the then-present calculation of the line item Regional Pass-Through Gallonage Charge, (c) the new calculation of the line item Regional Pass-Through Gallonage Charge, and (d) the change in costs, fees, rates or charges to Aqua Texas prompting the adjustment to the line item Regional Pass-Through Gallonage Charge.

The notice will include the following language:

"This tariff change is being implemented in accordance with Aqua Texas' approved Regional Pass-Through Gallonage Charge Adjustment provision to recognize (increases)(decreases) in the (costs), (fees), (rates) and (charges) imposed by (governmental entities), (water authorities) or (districts) (having jurisdiction over Aqua Texas or its operations) or (by non-affiliated third-party) (water suppliers) or (water rights holders) (selling water) or (water rights) to Aqua Texas. The cost of these charges to customers will not exceed the (increased) (decreased) cost of the (costs), (fees), (rates) and (charges) to Aqua Texas."

The process of implementing the Regional Pass-Through Gallonage Charge Adjustment provision and the Executive Director's review of a proposed revision to Aqua Texas' line item Regional Pass-Through Gallonage Charge is an informal proceeding and not a contested case hearing. Only the Commission, the Executive Director, or Aqua Texas may request a hearing on the proposed revision. It shall not be considered a rate case under the Texas Water Code or TCEQ rules, and Texas Water Code § 13.187 shall not apply.

**CURRENT TEMPORARY WATER RATE –**

**TEMPORARY WATER RATE:**

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

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

Where:

TGC = temporary gallonage charge.

cgc = current gallonage charge.

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

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

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

**PROPOSED TEMPORARY WATER RATE**

**REGIONAL TEMPORARY WATER RATE:**

Unless otherwise superseded by TCEQ order or rule, if Aqua Texas is ordered by a court or governmental body of competent jurisdiction to reduce its pumpage, production, or water sales, Aqua Texas shall be authorized to increase its approved line item Charges per 1,000 Gallons Used (Gallonage Charge & Regional Pass-Through Gallonage Charge) by the amount of the Regional Temporary Water Rate Increase ("RTWR") calculated according to the formula:

$$RTWR = (((PRR)(CGC)(R))/(1-R))*((APV)/(RPV))$$

Where:

- RTWR = Regional Temporary Water Rate Increase per 1,000 gallons;
- R = water use reduction expressed as a decimal fraction (the pumping restriction);
- CGC = current total volume charge per 1,000 gallons Used (Gallonage Charge + Regional Pass-Through Gallonage Charge);
- PRR = percentage of revenues to be recovered expressed as a decimal fraction; for this tariff PRR shall equal 0.5;
- APV = Annual Pumped and/or Purchased volume from the most recent rate application for the system or systems where the temporary restrictions are imposed; or the most recent 12 months if more than 3 years have passed since the most recent rate application was filed; and
- RPV = Annual Pumped and Purchased volume for Region from the most recent rate application; or the most recent 12 months if more than 3 years have passed since the most recent rate application was filed.

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

OTHER MISCELLANEOUS FEE PROVISIONS THAT ARE BEING PROPOSED FOR CHANGE IN THIS APPLICATION:

Customer Service Inspection Fee – \$100.00

Service applicants may choose to have customer service inspections required by TCEQ Rule 290.46(j) performed by any State licensed inspector of their choice. Unless the service applicant chooses to arrange for and pay for the inspection independently, the utility may charge service applicants the customer service inspection fee at the time they apply for service. If a re-inspection is required to bring plumbing into compliance with applicable requirements or if an extra inspection appointment is required because a customer does not permit performance of an inspection at a previously agreed upon appointment time, the customer may choose to have any State licensed inspector of their choice perform the inspection. If the customer chooses to have the utility perform the inspection or re-inspection, the customer will be charged \$100.00 for each required inspection, re-inspection or agreed upon inspection appointment and will pay the utility the total amount owed at the time an inspection or re-inspection is performed. The utility may, at its option, include the additional charge or charges on the next month's utility bill rather than requiring payment at the time of the inspection or re-inspection. The utility may use utility employees or may have the inspection performed by a licensed third party contractor.

Illegal Reconnection, Lock Removal, or Damage Fee - \$85.00

In order to reimburse the utility without burdening other customers with higher rates for the additional cost of service trips to disconnect a customer/account holder who has been disconnected for nonpayment and to pay for the cost of broken or cut locks and service time, this fee shall be assessed to the account holder of any delinquent account that has been disconnected for nonpayment by valving off, locking or removing the meter when service to the premises is subsequently reconnected by non-utility personnel by cutting or removing the lock, reopening the valve, or removing or bypassing the meter without authorization by the utility. This fee may be charged each time an event occurs and service will not be reconnected until this fee is paid in addition to any other balances and reconnect fees. This fee shall not be charged if a fee for a damaged meter is charged or if the account holder or his/her representative informs the utility within 24 hours after discovering that service has been restored without authorization of the utility: (1) that service was reconnected without the account holder's permission; and (2) the account holder agrees to pay for all water used.

Damaged Meter and Appurtenances Fee Actual Cost

This fee shall be assessed to the account holder of any delinquent account that has been disconnected for nonpayment by valving off or locking the meter when the meter and/or meter appurtenances, such as an AMR unit or curb stop, are damaged in order to restore water service to the account holder's original place of service requiring the utility to repair or replace them. The account holder shall be charged the full cost of repairing and/or replacing all damaged parts as the utility deems necessary, including labor and vehicle costs. This will include replacement of valves or curb stops that have had their locking eyes broken off the flanges.

ALL OTHER CHANGES TO MISCELLANEOUS FEES OR FEE PROVISIONS ARE DISCUSSED ON PAGES 11, 13, 15, 17, 19, 21, 23, 25, AND 27. IF NOT IDENTIFIED ABOVE OR ON PAGES 13, 15, 17, 19, 21, 23, 25, AND 27, MISCELLANEOUS FEE PROVISIONS ARE NOT PROPOSED TO CHANGE FROM THOSE IN AQUA TEXAS' EXISTING NORTH REGION WATER TARIFF.

**RATE CASE NOTICE ADDENDUM**

The final rates to any customer or class of customers approved in this rate change application may be greater or less than these noticed rates, but they will not recover a larger total revenue requirement. The utility may amend the rate change application where permitted by law. There may be monthly customer surcharges for rate case expenses, capital improvements, collection of lost revenues during the pendency of the case or other purpose(s) approved in the final order. The utility may propose and have approved pass-through clauses permitted by the Texas Water Code and/or TCEQ rules. The utility may propose or receive changes to its tariff that may affect terms and conditions under which any present or future customer receives service. The utility may seek or receive invested capital findings and a rate case bench mark for future rate cases. The utility may propose or receive changes to its extension policies. The utility may propose or receive changes to its Drought Management and Water Conservation Plan that may affect present or future customers. For these reasons, all affected current or future customers are encouraged to review the rate change application and tariff(s) and take such action as that customer deems appropriate.

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Aqua Texas, Inc.  
1106 Clayton Lane, Suite 400W  
Austin, Texas 78723

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Aqua Texas, Inc.  
1106 Clayton Lane, Suite 400W  
Austin, Texas 78723

T. 512-990-4400  
F. 512-990-4411  
www.aqua-texas.com

December 16, 2011

Dear Briarcreek Customer:

On or before December 23, 2011, Aqua Texas (Aqua) will file a request to increase water rates in our Southwest Texas region, which includes your service area. **This is Aqua's first request for a base rate increase in more than seven years, and it only affects your water rates, not your sewer rates.** Information about your current and proposed new rates accompanies this letter.

**Even with the proposed increase, an average Aqua customer would pay a little more than a penny per gallon for water.**

This rate request is necessary to enable Aqua to recover \$31.7 million — about \$2,300 per customer — that we have spent since 2004, most of which we invested to improve water quality, service and reliability for about 43,500 residents in Southwest Texas. We continued to meet increasingly stringent state and federal environmental standards by drilling new water supply wells, installing new water mains and stand-by power generators, increasing storage capacity, and making other infrastructure improvements. These capital improvement costs represent almost the entire reason for Aqua's proposed increase. The significant infrastructure investment made over the past seven years now enables your water system to meet all federal and state drinking water standards.

We understand that customers are concerned about bill increases of any amount, but Aqua must make timely and prudent investments in wells, treatment plants, and water mains to help ensure quality, dependable water service for our customers. Although we had to make these necessary capital improvements to bring the Southwest Texas systems' water infrastructure up to today's standards, we're committed to keeping water rates as low as possible. In fact, Aqua has reduced our operations and maintenance cost per customer in Southwest Texas since 2004.

Aqua remains committed to providing our customers with a high-quality, sustainable source of water in the years to come. If you have any questions about your service or bill, please call Aqua at 877.WTR.AQUA (877.987.2782).

Sincerely,

Robert L. Laughman  
President



Aqua Texas, Inc.  
1106 Clayton Lane, Suite 400W  
Austin, Texas 78723

T 512-990-4400  
F 512-990-4411  
www.aqua-texas.com

December 16, 2011

Dear Canyon Springs/Kings Cove Customer:

On or before December 23, 2011, Aqua Texas (Aqua) will file a request to increase water rates in our Southwest Texas region, which includes your service area. Information about your current and proposed new rates accompanies this letter. **Even with the proposed increase, an average Aqua customer would pay a little more than a penny per gallon for water.**

This rate request is necessary to enable Aqua to recover \$31.7 million — about \$2,300 per customer — that we have spent since 2004, most of which we invested to improve water quality, service and reliability for about 43,500 residents in Southwest Texas. Aqua typically spends more per customer after acquiring smaller systems such as yours to ensure that we continue to meet increasingly stringent state and federal environmental standards by drilling new water supply wells, installing new water mains and stand-by power generators, increasing storage capacity, and making other infrastructure improvements. These capital improvement costs represent almost the entire reason for Aqua's proposed increase.

Examples of Aqua's improvements to the system at Canyon Springs Resorts and Kings Cove Subdivision include completion of a model of the entire system to identify water lines for replacement, replaced the buildings that house chlorination treatment systems, repair of the pump building, the installation of radio-frequency meters that can be read without accessing customers' properties, the installation of a stand-by generator at the water plant and an interconnect between the Canyon Springs System and the Kings Cove System to enhance water deliverability. Aqua also funded a study to ensure that adequate groundwater remains available for Canyon Springs and Kings Cove customers.

We understand that customers are concerned about bill increases of any amount, but Aqua must make timely and prudent investments in wells, treatment plants, and water mains to help ensure quality, dependable water service for our customers. Although we had to make these necessary capital improvements to bring the Southwest Texas systems' water infrastructure up to today's standards, we're committed to keeping water rates as low as possible in the future. In fact, Aqua has reduced our operations and maintenance cost per customer in Southwest Texas since 2004.

Aqua looks forward to providing our customers with a high-quality, sustainable source of water in the years to come. If you have any questions about your service or bill, please call Aqua at 877.WTR.AQUA (877.987.2782).

Sincerely,

Robert L. Laughman  
President





Aqua Texas, Inc.  
1106 Clayton Lane, Suite 400W  
Austin, Texas 78723

T: 512-990-4400  
F: 512- 990-4411  
www.aqua-texas.com

December 16, 2011

Dear Cardinal Valley Customer:

On or before December 23, 2011, Aqua Texas (Aqua) will file a request to increase water rates in our Southwest Texas region, which includes your service area. Information about your current and proposed new rates accompanies this letter. **Even with the proposed increase, an average Aqua customer would pay a little more than a penny per gallon for water.**

This rate request is necessary to enable Aqua to recover \$31.7 million — about \$2,300 per customer — that we have spent since 2004, most of which we invested to improve water quality, service and reliability for about 43,500 residents in Southwest Texas. Aqua typically spends more per customer after acquiring smaller systems such as yours to ensure that we continue to meet increasingly stringent state and federal environmental standards by drilling new water supply wells, installing new water mains and stand-by power generators, increasing storage capacity, and making other infrastructure improvements. These capital improvement costs represent almost the entire reason for Aqua's proposed increase.

Examples of Aqua's improvements to the Cardinal Valley system include the installation of a new chlorine system and the replacement of manual meters with radio-frequency meters that can be read without accessing our customers' properties.

We understand that customers are concerned about bill increases of any amount, but Aqua must make timely and prudent investments in wells, treatment plants, and water mains to help ensure quality, dependable water service for our customers. Although we had to make these necessary capital improvements to bring the Southwest Texas systems' water infrastructure up to today's standards, we're committed to keeping water rates as low as possible in the future. In fact, Aqua has reduced our operations and maintenance cost per customer in Southwest Texas since 2004.

Aqua looks forward to providing our customers with a high-quality, sustainable source of water in the years to come. If you have any questions about your service or bill, please call Aqua at 877.WTR.AQUA (877.987.2782).

Sincerely,

Robert L. Laughman  
President



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1106 Clayton Lane, Suite 400W  
Austin, Texas 78723

T: 512-990-4400  
F: 512-990-4411  
www.aqua-texas.com

December 16, 2011

Dear Stone Mountain at Cavern Springs Customer:

On or before December 23, 2011, Aqua Texas (Aqua) will file a request to increase water rates in our Southwest Texas region, which includes your service area. Information about your current and proposed new rates accompanies this letter. **Even with the proposed increase, an average Aqua customer would pay a little more than a penny per gallon for water.**

This rate request is necessary to enable Aqua to recover \$31.7 million — about \$2,300 per customer — that we have spent since 2004, most of which we invested to improve water quality, service and reliability for about 43,500 residents in Southwest Texas. Aqua typically spends more per customer after acquiring smaller systems such as yours to ensure that we continue to meet increasingly stringent state and federal environmental standards by drilling new water supply wells, installing new water mains and stand-by power generators, increasing storage capacity, and making other infrastructure improvements. These capital improvement costs represent almost the entire reason for Aqua's proposed increase.

In the Stone Mountain at Cavern Springs system, Aqua replaced the fencing that surrounds the well, installed new well controls at the pump station and at the well site, and installed new radio-frequency meters that can be read without accessing customers' properties.

We understand that customers are concerned about bill increases of any amount, but Aqua must make timely and prudent investments in wells, treatment plants, and water mains to help ensure quality, dependable water service for our customers. Although we had to make these necessary capital improvements to bring the Southwest Texas systems' water infrastructure up to today's standards, we're committed to keeping water rates as low as possible in the future. In fact, Aqua has reduced our operations and maintenance cost per customer since 2004.

Aqua looks forward to providing our customers with a high-quality, sustainable source of water in the years to come. If you have any questions about your service or bill, please call Aqua at 877.WTR.AQUA (877.987.2782).

Sincerely,

Robert L. Laughman  
President