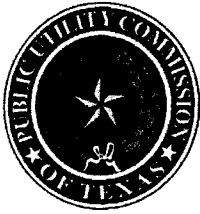


Control Number: 45905



Item Number: 1

Addendum StartPage: 0



PURSUANT TO PUC CHAPTER 24, SUBSTANTIVE RULES APPLICABLE TO WATER AND SEWER  
SERVICE PROVIDERS, SUBCHAPTER G: CERTIFICATES OF CONVENIENCE AND NECESSITY

## Public Utility Commission of Texas Application for Exempt Utility Registration

Docket Number: **45905**

(this number to be assigned by the Public Utility Commission after your application is filed)

7 copies of the application, including the original shall be filed with

Public Utility Commission of Texas  
Attention: Filing Clerk  
1701 N. Congress Avenue  
P.O. Box 13326  
Austin, Texas 78711-3326

RECEIVED  
2016 APR 29 AM 9:21  
PUBLIC UTILITY COMMISSION  
FILING CLERK

If submitting digital map data, two copies of the portable electronic storage medium (such as CD or DVD) are required.

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### General Information and Instructions

#### Exempt Utility Information Form

If your water system meets certain requirements, summarized below, you may be exempt from the requirements to possess a certificate of convenience and necessity (CCN). A CCN is a specific service area in which you are obligated to serve. If you are exempt, you may operate with very little regulatory oversight provided your customers are generally satisfied with your rates and level of service. You will be limited in the number of potential connections you serve. You will also not be protected from competition from other water service providers. However, you will not be required to serve everyone who asks you for service. There is no filing fee but we will need some basic information from you so that we may keep you informed of any changes to the requirements relating to your exemption. Because this exemption is granted by commission rule rather than State Law, it is subject to change. It is therefore very important that we have your current mailing address and phone number on file so we may inform you as changes develop. We

ask that you inform us of any address or phone number changes as they occur.

Please complete the information form and provide a map. Your exemption will remain in effect as long as you continue to meet all of the requirements listed below unless the current law or commission rules are changed.

### Minimum Requirements For Exemption

1. The water system has less than 15 potential service connections.
2. The water system is not owned by or affiliated with another provider of retail potable water service.
3. The water system is not within the certificated area of another retail water service provider.
4. The water system is not within the corporate boundaries of a district or municipality.
5. The water system cannot change rates more than twice per year and with each rate change you must provide each customer with a notice of the rate change. The notice must inform the customers of the effective date of the rate change, the old rates, the new rates and must include a statement that written protests can be sent to the commission's address at: Filing Clerk, Public Utility Commission of Texas, 1701 North Congress Avenue, P.O. Box 133236, Austin, Texas 78711-3326.
6. You provide customers with a copy of your tariff upon request. This includes CUSTOMER NOTICE and service rules as written on the attached model tariff and provide service in compliance with these customer service rules.

Provide a detailed map of the area to be served. Maps should include information to accurately delineate the service area. For existing CCN's attach the CCN map identifying the exact service area with each copy of the application.

**PLEASE COMPLETE, SIGN AND RETURN AN ORIGINAL AND SEVEN COPIES OF THE APPLICATION FORM, REQUESTED MAPS AND TARIFF.**

The completed information should be sent to:

Filing Clerk  
Public Utility Commission of Texas  
1701 North Congress Avenue  
P.O. Box 13326  
Austin, Texas 78711-3326

### Tariff

A tariff is simply a listing of the rates and service rules under which water service is provided. All service policies that you are required to follow to maintain your exempt status are included. You should also add any other policies necessary to clarify the conditions under which service is provided. A thorough set of service policies can prevent misunderstandings between you and your customers later.

Every tariff page should include the name of your system, the effective date of that page and the page number. Blanks can be filled in and additional rules hand written.

## Rate Page

This page should list of all of the rates and fees for services rendered. Rates can only be changed by providing notice to your customers in accordance with your tariff. Rates should be non-discriminatory between similarly situated customers. Customer deposits are typically no higher than two average monthly billings. The fee for reconnecting service to a customer who has been disconnected for nonpayment, in addition to the amount owed for service, should not exceed \$25.00 unless the cost of disconnection and reconnection actually exceeds \$25.00. The utility may elect to charge a one-time charge for payments received after the due date of either \$5.00 or 10% of the bill.

You must always keep a copy of at least the rate schedule which was effective prior to the most current rate schedule in case questions arise later. Extra blank copies are provided in your registration packet for you to use with future rate changes.

## Service Rules

The minimum service rules which the commission requires exempt utilities to follow to maintain an exemption from the requirements of possessing a CCN have already been included in the attached model tariff and may not be changed. You may include any additional rules you think are applicable as long as they are not in conflict with these minimum rules. It is your responsibility to ensure that your operations are at all times consistent with these minimum rules in order to maintain your exempt status.

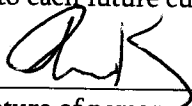
## Service Agreements

We highly recommend that you use a service agreement with your customers. A service agreement will ensure that there are no misunderstandings between you and your customers.

## EXEMPT UTILITY INFORMATION FORM

1. Water System Name or Subdivision Vencorex US, Inc.
2. Water System Address (City/ST/ZIP/Code) 6213 Highway 332 East Freeport, TX 77541
3. Water System Phone Number and Fax \_\_\_\_\_
4. Is the applicant the original owner of this system? ☐ Yes ☒ No  
If the answer is no, when was the system acquired? 6/1/2012  
Who was the immediate preceding owner? Perstorp Coatings, Inc.
5. If applicant does not own the system, please provide the following information:  
Who owns the utility's assets? \_\_\_\_\_  
Address and Telephone Number \_\_\_\_\_  
What type of agreement do you have to operate them? \_\_\_\_\_
6. Water Service Connections  
Are your connections ☒ Metered ☐ Unmetered  
Number of Active Connections 1  
Number of Potential Connections 2
7. Source of water for your system:  
Well(s) Number 194 with TWDB  
Purchased \_\_\_\_\_  
Surface Water \_\_\_\_\_  
(Purchased From Whom) \_\_\_\_\_
8. Provide a detailed map of the area to be served with each copy of the application submitted. Maps should include sufficient information to accurately delineate the service area. Attach a map identifying the exact service area with each copy of the application.
9. Number of population served: 60

CERTIFICATION: The information provided on this form is true to the best of my knowledge and belief. A copy of the required **CUSTOMER NOTICE** and **SERVICE RULES** will be provided to each current customer and will be provided to each future customer at the time they connect to the system.

  
Signature of person completing this form

4/27/16  
Date

# EXEMPT UTILITY INFORMATION FORM

Effective Date \_\_\_\_\_

Vencorex UC, Inc.

(979) 238-8660

(Water System Name)

(Phone Number)

6213 Hwy 332 East

Freeport

Tx

77541

(Utility Address)

(City)

( State)

(Zip Code)

## RATE SCHEDULE

Residential

\$ \_\_\_\_\_ Monthly Minimum Charge (INCLUDING \_\_\_\_\_ Gallons) \$ \_\_\_\_\_

per 1000 gallons

Commercial

\$ 183.33 (INCLUDING 35,000 Gallons) \$ 10.00

per 1000 gallons

TAP FEE

\$ \_\_\_\_\_

OTHER EXTENSION FEES

## REGULATORY ASSESSMENT

1.0%

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

## RECONNECTION FEE

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

- a Non payment of bill (not to exceed \$25 without justification) \$ \_\_\_\_\_
- b Customer's request \$ \_\_\_\_\_
- c Other Reasons (specify): \$ \_\_\_\_\_

## LATE CHARGE

\$ \_\_\_\_\_

For bill not received by due date. (Select either \$5.00 or 10%)

## RETURNED CHECK CHARGE

\$ \_\_\_\_\_

## CUSTOMER DEPOSIT

\$ \_\_\_\_\_

METER TEST FEE (Not to exceed \$25)

\$ \_\_\_\_\_

The attached Service Rules are part of this tariff.

Vencorex US, Inc.

(Utility Name)

**CUSTOMER NOTICE: THIS UTILITY SERVICE PROVIDER IS EXEMPT FROM MANY OF THE REQUIREMENTS FOR UTILITIES, BUT IT STILL MUST COMPLY WITH THESE SERVICE RULES. THE COMMISSION WILL NOT REVIEW RATE CHANGES UNLESS PROTESTED BY AT LEAST 50% OF THE CUSTOMERS WITHIN 90 DAYS AFTER THE EFFECTIVE DATE OF THE RATE CHANGE.**

## **REQUIRED SERVICE RULES AND REGULATIONS FOR EXEMPT UTILITIES**

### **Rate Changes**

Rates can be changed no more than once per year without the approval of the commission. Customers will be given a notice of rate change which states the effective date of the rate change, the old rates, the new rates, the commission's address and a statement that written protests can be submitted to the commission.

### **Application for and Provision of Water Service**

All new applicants will be given a copy of this Exempt Utility Tariff.

Where service has been disconnected for nonpayment of a bill, service will be reconnected within one working day after the customer has met the requirements for reconnection.

The customer will be responsible for furnishing and laying the necessary customer service line from the utility's point of connection on the customer's property to the place of consumption. Customers may be required to install a customer owned cut-off valve on the customer's side of the meter or connection.

### **Refusal of Service**

This exempt utility is **not required** to have a designated service area and is **not obligated** to serve every applicant for service but is required to provide service in a nondiscriminatory manner.

### **Customer Deposits**

Refund of deposit - If service is not connected, or after permanent disconnection of service to a customer, the utility will promptly refund, within 30 days, the customer's deposit or the balance, if any, in excess of the unpaid bills for service furnished.

Vencorex US, Inc.

(Utility Name)

### **Meter Requirements, Readings, and Testing**

One meter or connection may be required for each customer. The exempt utility will, upon the request of a customer, and, if the customer so desires, in his or her presence or in that of his or her authorized representative, make a test of the accuracy of the customer's meter. The test may be made using a container of known volume.

A meter test will cost \$ 0.00 Following the completion of any requested test, the utility will promptly advise the customer in writing of the results. If the meter is in error by more than 3% the meter should be replaced at the utility's expense. Meters will be read at (preferably monthly) intervals.

### **Billing**

Bills from the utility will be mailed at intervals specified in the service agreement. The due date of bills for utility service will be at least sixteen (16) days from the date of issuance. The postmark on the bill or, if there is no postmark on the bill, the recorded date of mailing by the utility will constitute proof of the date of issuance. Payment for utility service is delinquent if full payment, including late fees, is not received at the designated payment location by 5:00 p.m. on the due date. If the due date falls on a holiday or weekend, the due date for payment purposes will be the next work day after the due date.

### **Late Fee**

A late penalty may be charged (if listed on the tariff) on bills received after the due date. The utility must maintain a record of the date of mailing to charge the late penalty.

Each bill will provide the following information (at a minimum): The total amount due for water service, the due date of the bill and a telephone number (or numbers) for customers to call if they have questions.

### **Metered Service**

If service is metered the bill must also state the date and reading of the meter at the beginning and end of the period for which the bill is rendered, and the numbers of gallons consumed.

### **Service Disconnection and Disputed Bills**

If a customer or applicant for service files a complaint about all or a portion of the bill, the utility will promptly investigate the matter and advise the complainant of the results. Service may not be disconnected pending completion of the investigation. If the complainant is dissatisfied with the utility's response, the utility must advise the complainant that he/she has recourse through the Public Utility Commission of Texas complaint process. Pending resolution of a complaint, the commission may require continuation or restoration of service.

The utility will maintain a record of all complaints which shows the name and address of the complainant, the date and nature of the complaint and the adjustment or disposition thereof, for a period of two years after the final settlement of the complaint.



**Vencorex US, Inc.**

(Utility Name)

The exempt utility is encouraged, **but not required**, to offer a deferred payment plan to a customer who cannot pay an outstanding bill in full and is willing to pay the balance in reasonable installments. However, a customer's utility service may be disconnected if a bill has not been paid or a deferred payment agreement entered into within 26 days from the date of issuance of a bill and if proper notice of disconnection has been given.

Notice of disconnection must be a separate mailing or hand delivery.

Utility service may also be disconnected without notice if an imminent hazard to the utility system exists.

The utility is required to reconnect service after a customer who has been disconnected for nonpayment pays a delinquent bill and any other applicable fees in accordance with this tariff and any applicable service agreement. The utility may permanently disconnect service to an existing customer only if authorized to in writing by commission and after notice has been issued.

#### **Reconnection of Service**

Service will be reconnected within 24 hours, unless otherwise stated on the service agreement, after the past due bill, reconnection fee and any other outstanding charges are paid or correction of the conditions which caused service to be disconnected.

#### **Service Interruptions**

The utility will make all reasonable efforts to prevent interruptions of service. If interruptions occur, the utility will re-establish service within the shortest possible time.

#### **Quality of Service**

The utility will provide properly treated and disinfected water and facilities with sufficient pressure and capacity for reasonable consumer uses unless otherwise stated on the service agreement.

#### **Standard Extension Requirements**

All practices and policies related to the extension of service to new applicants or restoration of service must be reasonable and nondiscriminatory.

#### **Specific Utility Rules**

(May not conflict with commission required rules. Attach additional pages if needed.)

## WATER SERVICE APPLICATION/AGREEMENT

Date 4/27/2016

Exempt Utility Name Vencorex US, Inc.  
Business Address Street 6213 Highway 332E  
City, State, Zip Freeport, TX 77541  
(AC)Telephone (979) 233-7871

### APPLICATION FOR WATER SERVICE

Name of Applicant/Customer: Praxair, Inc.  
Service Location: Praxair Freeport PSA Plant, 5619 East State Highway 332  
Billing Address: 5619 East State Highway 332  
City, State, Zip: Freeport, TX 77541

#### Check Applicable Items:

☐ Residential ☐ Owner ☒ Commercial ☐ Tenant

The Exempt Utility agrees to sell and deliver water to the Applicant and the Applicant agrees to purchase and receive water from the Utility in accordance with the rules and regulations required by the Public Utility Commission of Texas which are included in its Exempt Utility Tariff and any other rules or requirements contained in this agreement.

Water will ☒ Will not ☐ be disinfected. Water will ☒ will not ☐ be measured by meters which are furnished, installed, owned and maintained by the Utility. The meter and/or connection is for the sole use of the Applicant/Customer to serve water to one dwelling, business or property. The Applicant/Customer shall not share, resell, or submeter water to any other dwelling, business, property, etc., without the specific written authorization of the Utility and in compliance with applicable laws and regulations.

The Utility has the right to locate a water service meter/connection and the pipe necessary to connect the meter to the utility's water main on the property of the Applicant at a point mutually agreeable to both the Utility and the Applicant. The Applicant/Customer will allow the Utility access at all reasonable times to its property and equipment located upon Applicant/Customer's premises for the limited purposes of reading the water meter, repairing or replacing existing facilities and the inspection of the Applicant/Customer's facilities to check for illegal connections or unsafe plumbing practices or cross-connections, in compliance with the requirements of the Texas Commission on Environmental Quality's "Rules and Regulations for Public Water Systems."

The Applicant will install, at his own expense, a service line from the water meter/connection to the Applicant's point of use which includes ☒ /does not include ☐ a cutoff valve on the Applicant's side of the water meter/connection. The Applicant/Customer will be responsible for maintenance and repair of the Applicant/Customer's service line. The Applicant/Customer shall hold the Utility harmless from any and all claims or demands for damage to real or personal property occurring from the point the Applicant/Customer ties on the water meter/connection to the final destination of the line installed by Applicant/Customer.

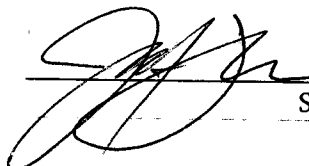
The Applicant agrees to grant to the utility an easement/right-of-way for the purpose of installing, maintaining and operating such pipe lines, meters, valves, and any other equipment which may be deemed necessary for the provision of Utility service to that Applicant/Customer. The utility will attempt to restore the Applicant/Customer's property to its original condition after installation or repairs. This easement may be in such form as is required by the utility. The Applicant/Customer agrees not to interfere with the utility's employees in the discharge of their duties. The Applicant/Customer will not permit anyone except the utility's employees to tamper with or interfere with any of the utility's equipment installed on the Applicant/Customer's premises.

#### Non-standard Service

Will the Applicant's use of water place unique, non-standard service demands upon the system or require any special facilities? ☒ No ☐ Yes. If yes, please describe:

#### OTHER AGREEMENTS OR REQUIREMENTS FOR SERVICE


The service applicant has been provided a copy of the utility's exempt utility tariff and agrees to pay the rates in the tariff and abide by the requirements in this service agreement. This utility is exempted from most of the requirements for water utilities as long as service is provided in accordance with the exempt utility tariff. The commission will not review rate changes by the utility unless it receives written protests from at least 50% of the customers within 90 days after the effective date of a rate change.

 \_\_\_\_\_  
Signature of Applicant or Customer 4/27/2016  
Date

\$ \_\_\_\_\_ Tap Fee Collected

\$ \_\_\_\_\_ Deposit Collected

Service will be connected at the service location on or about \_\_\_\_\_ 20 \_\_\_\_\_

 \_\_\_\_\_  
Utility Representative 4/27/16  
Date