



Control Number: 46674.



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PUBLIC UTILITY COMMISSION OF TEXAS

CLASS B RATE/TARIFF CHANGE APPLICATION

Required Schedules for rate/tariff changes

WATER UTILITY NAME: Suburban Utility Company, Inc.
CCN No. 10835

ADDRESS OF UTILITY: P.O. Box 455
Street, P.O. Box and/or suite number
Spring, TX 77383-0455
City and Zip Code

PHONE NUMBER: (512) 868-5600
area code

NAME OF PERSON TO CONTACT REGARDING THIS FILING:

NAME: Les Romo, Attorney

PHONE: (512) 868-5600

EMAIL ADDRESS: lesromo.lawoffice@gmail.com

PUC CLASS SIZE: B C (circle one)

INCREASE (DECREASE) 121,834 (From Sch. I-1, Line 33)
dollar amount

20.63 (From Sch. I-1, Line 34)
percent above (below) current revenue requirement

DESCRIBE OWNERSHIP OF COMPANY:

Corporation

DATE OF LAST GENERAL RATE CASE FILING: 08/01/13

DATE OF LAST NON-GENERAL RATE CHANGE*: 05/01/16

* (e.g. pass through rate change or temporary water rate provision)

2

CLASS B RATE/TARIFF CHANGE APPLICATION

Required Schedules for rate/tariff changes

*****Please read the "Class B Investor-Owned Utilities water and/or sewer Instructions for Rate/Tariff Change Application" completing these schedules.*****

These schedules are organized in a manner whereby the user can work through each section to:

- 1st Record historical test year data on Schedule I-1, Column D.
Enter your test year end on the table of contents.**
- 2nd Provide historical revenue information on Schedule 1-2.**
- 3rd Calculate operating expenses and make adjustments (Section II).**
- 4th Calculate return for rate making purposes (Section III).**
- 5th Calculate adjusted taxes other than income (Section IV).**
- 6th Calculate federal income taxes (Section V).**
- 8th Determine revenue requirements (Schedule I).**
- 9th Design proposed rates (Section VI).**

These schedules are intended to assist the utility in calculation of its new rates. The process consists of a number of relatively complex steps. Utilities are required to provide all the information necessary to support amounts included in the schedules and to cross-reference all information. If the applicant does not use a schedule, it should be noted as "N/A", and an explanation provided.

UTILITY NAME: Suburban Utility Company, Inc.
 GENERAL WATER RATE/TARIFF CHANGE APPLICATION
 SCHEDULES

**Complete all of the following schedules for your Class A or B utility
 (if the schedule does not apply, include it marked "N/A")**

TABLE OF CONTENTS (Page 1 of 2)

FOR TEST YEAR ENDED: 6/30/2016
 DATE SUBMITTED TO PUC: 12/29/2016

	<u>Attachment Schedule</u>	<u>Items Checked</u>
SECTION I <u>REVENUES AND REVENUE REQUIREMENT</u>		
Revenue Requirement Summary	I-1	<input checked="" type="checkbox"/>
Historical Revenue Summary	I-2	<input checked="" type="checkbox"/>
<u>Include the appropriate schedules:</u>		
Metered Active Connections by Meter Size	I-3	<input checked="" type="checkbox"/>
Unmetered Active (Flat Rate) Customers	I-4	<input type="checkbox"/>
SECTION II <u>OPERATIONS AND EXPENSES</u>		
Water Production (no unmetered rates)	II-1(a)	<input checked="" type="checkbox"/>
Water Production (with unmetered rates)	II-1(b)	<input type="checkbox"/>
Other Revenues & Expenses passed through	II-3	<input checked="" type="checkbox"/>
Purchased Power	II-4	<input checked="" type="checkbox"/>
Other Volume Related Expenses	II-5	<input checked="" type="checkbox"/>
Payroll Cost Allocation	II-6	<input checked="" type="checkbox"/>
Materials	II-7	<input checked="" type="checkbox"/>
Contract Work	II-8	<input checked="" type="checkbox"/>
Transportation Expenses	II-9	<input type="checkbox"/>
Other Plant Maintenance	II-10	<input type="checkbox"/>
Employee Pensions/Benefits	II-11	<input type="checkbox"/>
Bad Debts/uncollectables	II-12	<input type="checkbox"/>
Office Services and Rentals	II-13	<input type="checkbox"/>
Office Supplies and Expense	II-14	<input checked="" type="checkbox"/>
Professional Services	II-15	<input checked="" type="checkbox"/>
Insurance	II-16	<input type="checkbox"/>
Rate Case Expense	II-17	<input checked="" type="checkbox"/>
Regulatory Commission Expense	II-18	<input type="checkbox"/>
Miscellaneous Expense	II-19	<input checked="" type="checkbox"/>

UTILITY NAME: Suburban Utility Company, Inc.
 GENERAL WATER RATE/TARIFF CHANGE APPLICATION SCHEDULES
 TABLE OF CONTENTS (Page 2 of 2)

	<u>Attachment Schedule</u>	<u>Items Checked</u>
SECTION III. <u>RETURN AND RATE BASE</u>		
Requested Return	III-1	<input checked="" type="checkbox"/>
Rate Base	III-2	<input checked="" type="checkbox"/>
Utility Plant	III-3	<input checked="" type="checkbox"/>
Utility Plant reconciled to previous filing	III-3(a)	<input checked="" type="checkbox"/>
Developer Construction work in progress	III-4(a)	<input checked="" type="checkbox"/>
Materials and Supplies Inventory	III-4(b)	<input type="checkbox"/>
Working Cash	III-5	<input checked="" type="checkbox"/>
Notes Payable	III-6	<input type="checkbox"/>
Accumulated Depreciation	III-7	<input checked="" type="checkbox"/>
Advances for Construction	III-8(a)	<input type="checkbox"/>
Contributions in Aid of Construction	III-8(b)	<input type="checkbox"/>
Deferred Income Taxes	III-9(a)	<input type="checkbox"/>
Deferred Investment Tax Credits	III-9(b)	<input type="checkbox"/>
Deferred Assets	III-10(a)	<input type="checkbox"/>
SECTION IV. <u>TAXES OTHER THAN INCOME</u>		
Property, Payroll and Other Taxes	IV(a)	<input checked="" type="checkbox"/>
Revenue Related Taxes	IV(b)	<input type="checkbox"/>
SECTION V. <u>FEDERAL INCOME TAXES (FIT)</u>		
Income Taxes at Present Rates-effective rate	V	<input checked="" type="checkbox"/>
SECTION VI. <u>RATE DESIGN</u>		
Rate Design Worksheet	VI	<input checked="" type="checkbox"/>

INSTRUCTIONS REV REQUIREMENT

UTILITY NAME: Suburban Utility Company, Inc.

SCHEDULES - CLASS B RATE/TARIFF CHANGE

SECTION I - REVENUE REQUIREMENTS AND REVENUES

The purpose of Section I is to summarize the revenue requirement and provide revenues and meter information for the test year.

Instructions for Section I - Revenue Requirement and Revenues

Carefully complete the label for each workpaper. Your application docket number should be included on each page.

Schedule I-1 is a **SUMMARY**. Complete column D, historical test year information first using financial records, then work through the remainder of the sections and schedules other than the rate design, Schedule VI, to calculate the utility's changes to its historical test year in Column E. Column G provides the workpaper source for amounts in Columns E & F.

Schedule I-2 reports historical revenues collected and Schedules I-3 and 1-4 report connection information. Use historical financial data and data from recent annual reports (PUC Rpt.) to complete the schedules.

Please complete Schedule II-3 prior to I-2.

Insert and reference additional workpapers as necessary. For example, you may wish to add schedules that apply to unique situations in your utility.

The schedules are based on NARUC chart of accounts and include sub-accounts as necessary for detail needed to determine reasonable and necessary expenditures.

Applicant is requesting a Capital Improvements Surcharge as a part of this application. See Attachment D for details.

UTILITY NAME: <u>Suburban Utility Company, Inc.</u> SCHEDULES - CLASS B RATE/TARIFF CHANGE I-1 REVENUE REQUIREMENT SUMMARY PUC Docket No. <u>46674</u> Test Year End: <u>June 30, 2016</u>						
A	B	C	D	E	F=D+E	G
			Historical Test Year	K & M Changes	Adjusted Test Year	
Line No.	Acct. No.	Account Name				Reference/ Instructions
		Volume related expenses:				
1	610	Purchased water	39,013	8,213	47,226	Schedule II-3
2	615	Power Expense-production only	50,128	(12,833)	37,295	Schedule II-4
3	618	Other volume related expenses	9,568	(2,449)	7,119	Schedule II-5
4		Total volume related exp.	98,709	(7,069)	91,640	Add Lines 1-3
		Non-volume related expenses:				
5	601-1	Employee labor	0	0	0	Schedule II-6, Line 1
6	620	Materials	82,433	(41,979)	40,454	Schedule II-7
7	631-636	Contract work	323,820	(82,898)	240,922	Schedule II-8
8	650	Transportation expenses	0	0	0	Schedule II-9
9	664	Other plant maintenance	0	0	0	Schedule II-10
10		Total non-volume related exp.	406,253	(124,877)	281,376	Add Lines 5-9
		Admin. & general expenses:				
11	601-2	Office salaries	0	0	0	Schedule II-6, line 2
12	601-3	Mgmt. salaries	75,400	(19,302)	56,098	Schedule II-6, line 3
13	604	Employee pensions & benefits	0	0	0	Schedule II-11
14	615	Purchased power-Office only	0	0	0	Schedule II-4
15	670	Bad debt expense	0	0	0	Schedule II-12
16	676	Office services & rentals	0	0	0	Schedule II-13
17	677	Office supplies & expenses	82,510	(21,123)	61,387	Schedule II-14
18	678	Professional services	27,314	(6,992)	20,322	Schedule II-15
19	684	Insurance	0	0	0	Schedule II-16
20	666	Regulatory (rate case) expense	0	8,000	8,000	Schedule II-17
21	667	Regulatory expense (other)	0	0	0	Schedule II-18
22	675	Miscellaneous expenses	17,569	(9,495)	8,074	Schedule II-19
23		Total admin. & general expense	202,793	(48,912)	153,881	Add Lines 11-22
24		Total operating Expenses	707,755	(180,858)	526,897	Lines 4 + 10 + 23
25	403	Depreciation	19,489	0	19,489	Sch III-3, Col E, Line 50
26	408	Taxes Other than Income	19,073	0	19,073	Sch IV(b), Line 8
27	409/10	Income Tax Expense	0	4,987	4,987	Schedule V, Line 7
28		TOTAL EXPENSES	746,317	(175,871)	570,446	
29		TOTAL HISTORIC REVENUE	476,882			Sch I-2, Line 6
30		HISTORICAL TEST YEAR RETURN	(269,435)			Line 30 less Line 29
31		REQUESTED RETURN			28,270	Schedule III-1, Line 3
32		TOTAL REVENUE REQUIREMENT			598,716	Line 30 plus Line 34
33		REQUESTED ANNUAL REVENUE INCREASE		(to notice)	121,834	Line 32 less Line 29
34		PERCENTAGE INCREASE			20.6300	Line 36 divided by Line 33
35		LESS: OTHER REVENUES			8,202	Sch. II-3(b), Col. D, Line 8
36		Revenue for Rate Design		(to VI, line 1)	590,514	Line 33 minus Line 35

UTILITY NAME: <u>Suburban Utility Company, Inc.</u> SCHEDULES - CLASS B RATE/TARIFF CHANGE FOR TEST YEAR ENDED: <u>June 30, 2016</u> I-2 HISTORICAL REVENUE SUMMARY				
Line No.	NARUC A/C	Description	Historical Test Year	
1.	461	Metered connections base rate revenue	438,876	From financial records
2.	461	Metered connection gallonage rate revenue	145,323	From financial records
3.	460	Unmetered (Flat rate) revenue	0	From financial records
4.	Total Metered & Flat Rate Revenue		584,199	
5.	Plus: Total Other Revenues		47,815	From II-3, Column B, line 7
6.	Total Historic Test Year Revenues per income statement and Annual Report*		476,882	Line 4 plus line 5

(to I-1, Column D, line 29)

*Provide all calculations and explanations for any differences between the applicant's annual report and this schedule.

* If the utility provides other than residential retail service (wholesale, industrial, etc), provide a work paper with the detail of this account by NARUC sub account number.

Revenue totals excluded revenues from the Castlewood subdivision which is not included in this Application

UTILITY NAME: <u>Suburban Utility Company, Inc.</u> SCHEDULES - CLASS B RATE/TARIFF CHANGE I-3 METERED ACTIVE CONNECTIONS BY METER SIZE FOR TEST YEAR ENDED: June 30, 2016							
A	B	C	D	E	F	G	H
		Number of Connections					
Line No.	Meter Size	End of Prior Year	Test Year Additions	End of Test Year	Average	Meter Ratios	Meter Equivalencies End of TY
		PUC report Sch. 9		(C+D)	(C + E) /2		(E x G)
1.	5/8" x 3/4"	980	14	994	987	1.0	994
2.	3/4"					1.5	
3.	1"	2		2	2	2.5	5
4.	1 1/2"	4		4	4	5.0	20
5.	2"	4		4	4	8.0	32
6.							
7.							
8.							
9.	Total	990	14	1004	1007		1051
10	Average						

UTILITY NAME: Suburban Utility Company, Inc.
 SCHEDULES - CLASS B RATE/TARIFF CHANGE
I-4 UNMETERED (FLAT RATE) ACTIVE CONNECTIONS
 FOR TEST YEAR ENDED: June 30, 2016

A	B	C	D	E	F
		Number of Active Connections			
Line No.	Flat Rate Unit	End of Prior Year	Test Year Additions	End of Year	Average
		PUC report Sch. 9		(C + D)	$(C + E) / 2$
1.					
2.					
3.					
4.					
5.	Total				

INSTRUCTIONS - OPERATIONS AND MAINTENANCE

UTILITY NAME: Suburban Utility Company, Inc.
SCHEDULES - CLASS B RATE/TARIFF CHANGE
SECTION II - OPERATIONS AND MAINTENANCE

The purpose of Section II is to report expense information and allow for the known and measurable changes to operating expenses to determine the revenue requirement in Schedule I-1.

Instructions for Section II

Compile financial and source information to determine known and measurable changes to the test year expenses. Provide copies of source documents, such as increased utility bill notices, to verify the applicant's proposed known and measurable changes. Show calculations and explanations for all known and measurable changes on all schedules, where applicable. Attach extra workpapers if needed.

Working through Schedules II-4 through II-19, complete each and transfer test year amounts to column G of Schedule I-1. Depreciation expense, other taxes, FIT and return will be determined using later schedules. Wait until those schedules are complete, and then transfer the amounts to Schedule I-1.

Insert and reference additional workpapers as necessary. For example, the applicant may use additional schedules that address unique aspects of the utility.

UTILITY NAME: Suburban Utility Company, Inc.
SCHEDULES - CLASS B RATE/TARIFF CHANGE
II-1(a) AND II-1(b) - HISTORICAL OF WATER PRODUCTION
FOR TEST YEAR ENDED: June 30, 2016

SCHEDULE II-1(a): WATER PRODUCTION:
(COMPANIES WITH METERED RATE CUSTOMERS)

Line No.	Water Production (1,000 Gallons)	A	B	C= A+B	D
		Test Year	K & M Changes	Adjusted Test Year	Reference
1	Total water pumped	108997000		108997000	PUC Annual Report
2	Total water purchased	0		0	PUC Annual Report
3	Total water produced	108997000		108997000	Line 1 + line 2
4	Total water sold	67592000		67592000	PUC Annual Report
5	Total accounted for non-revenue water*	0		0	
6	Total unaccounted for water	41405000		41405000	Lines 3 less 4 less 5
7	Percentage	37.99		37.99	Line 6 divided by Line 3

* Describe the tracking technique for calculating line 5 and provide the records reflecting the calculation.

Pumped and billed gallons for the Castlewood subdivision which is not included in this Application have been removed from the totals in this Schedule

SCHEDULE II-1(b) WATER PRODUCTION
(COMPANIES WITH UNMETERED (FLAT) RATE CUSTOMERS)

Line No.	Description	A	B	C=A+B	D
		Test Year	K & M Change	Adjusted Test Year	Reference
1	Water Purchased (1,000 gallons)				PUC report Sch. D-1
2	Water Pumped (1,000 gallons)				PUC report Sch. D-1
3	Total production (1,000 gallons)				Lines 13 + 14

UTILITY NAME: <u>Suburban Utility Company, Inc.</u> SCHEDULES - CLASS B RATE/TARIFF CHANGE II-3 OTHER REVENUES & EXPENSES PASSED THROUGH FOR TEST YEAR ENDED: <u>June 30, 2016</u>
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II-3(a) Purchased Water or Other Pass Through Expenses

Line No.	A	B	C	D	D
	Purchased from:	Units purchased (in <u>1,000 gal.</u>) (e.g. 1,000 gal, AC - FT)	Price Per Unit	Total Calculated Cost (B x C)	Actual Cost paid per financial records
1.	NHCRWA	19,214	2.46	47,266	39,013
2.					
3.					
4.	Total *			47,226	39,013

* Must agree with Schedule II-1(a), Line 2, column A, or provide a reconciliation.
 Unit price was increased during test year to \$2.46 per 1000 gallons per Docket No. 45840. Pass through is only for the Cypress Bend Subdivision

II-3(b) Other revenues collected from customers

Line No.	A	B	C	D
	Item passed thru or type of other revenue	Test year historical revenues collected		Test year revenues netted against COS
1.	Tap Fees*	600		-0.*
2.	Late Fees	21477		21477
3.	Meter Test Fees	0		0
4.	Reconnect Fees	225		225
5.	Purchased Water Fees	0		0
6.	Groundwater Conservation District Fees	39013		0
7.	Other (attach detail**)	-13500		-13500
8.	Total Other Revenues	47815		8202

(to Sch. I-2, line 5)

(to Sch. I-1, line 35)

* Tap fees should be reported on Sch. III-8-CIAC, Line 1.

** If the utility provides other than residential retail service (wholesale, industrial, etc), provide a work paper with the detail of this account by NARUC sub account number.

Allocation of cost for Castlewood subdivision which is not included in this Application (See Attachment A)

UTILITY NAME: <u>Suburban Utility Company, Inc.</u> II-4 SCHEDULES - CLASS B RATE/TARIFF CHANGE PURCHASED POWER FOR TEST YEAR ENDED: <u>June 30, 2016</u>

This page is supplemental information. It is required to complete Schedule I-1.

References below refer to Schedule I-1.

Line No.	Account No.	Account Name
2.	615.1	Purchased Power (electric) -production

II-4(a) Volume related expenses (Electric used for production of water/sewer)

List the amount spent on purchased power (electricity) for the last two record periods and actual for the Test Year. Indicate the kinds of expenses included in this account by identifying all large* items. If the actual for the Test Year is higher than previous years, indicate the reason for the increase:

* A large item is more than 10% of the test year account balance and more than \$1,000.

	Year	Amount
	<u>2014</u>	\$ <u>36,089.00</u>
	<u>2015</u>	\$ <u>45,796.00</u>
Test Year	<u>2016</u>	\$ <u>50,128.00</u>
K & M Change		\$ <u>12,833.00</u> (to I-1, Column E, Line 2)
Adjusted Test year		\$ <u>37,295.00</u> (to I-1, Column F, Line 2)

Explanation and calculations of known and measurable change:

Allocation of cost for Castlewood subdivision which is not included in this Application

II-4(b) Office related expenses (Electric used for production of water/sewer)

Line No.	Account No.	Account Name
14	615.2	Purchased Power (electric) Expense for office

Volume related expenses

List the amount spent on purchased power (electricity) for the last two record periods and actual for the Test Year. Indicate the kinds of expenses included in this account by identifying all large items. If the actual for the Test Year is higher than previous years, indicate the reason for the increase:

	Year	Amount
	<u> </u>	\$ <u>None</u>
	<u> </u>	\$ <u> </u>
a. Test Year	<u> </u>	\$ <u> </u>
b. K & M Change		\$ <u> </u> (to I-1, Column E, Line 14)
c. Adjusted Test year (a. + b.)		\$ <u> </u> (to I-1, Column F, Line 14)

Explanation and calculations of known and measurable change:

UTILITY NAME: Suburban Utility Company, Inc.
 SCHEDULES - CLASS B RATE/TARIFF CHANGE
II-5 OTHER RELATED VOLUME EXPENSES
 FOR THE TEST YEAR ENDED: **June 30, 2016**

This page is supplemental information. It is required to complete Schedule I-1.

<u>Line No.</u>	<u>Account No.</u>	<u>Account Name</u>
3.	618	Other volume related expenses

Other volume related expenses

List the amount spent on other volume related expenses for the last two record periods and actual for the Test Year. Indicate the kinds of expenses included in this account by identifying all large* items. If the actual for the Test Year is higher than previous years, indicate the reason for the increase:

*** A large item is more than 10% of the test year account balance and more than \$1,000.**

	Year	Amount	
	<u>2014</u>	\$ <u>13,611</u>	
	<u>2015</u>	\$ <u>7,921</u>	
a. Test Year	<u>2016</u>	\$ <u>9,568</u>	
b. K & M Change		\$ <u>2,449</u>	(to I-1, Column E, Line 3)
c. Adjusted Test year (a.+b.)		\$ <u>7,119</u>	(to I-1, Column F, Line 3)

Explanation and calculations of known and measurable change:

Allocation of cost for Castlewood subdivision which is not included in this Application

UTILITY NAME Suburban Utility Company, Inc.
 SCHEDULES - CLASS B RATE/TARIFF CHANGE
II-6 ALLOCATION OF PAYROLL EXPENSES
 FOR THE ADJUSTED TEST YEAR June 30, 2016

SOME SALARIES MUST BE CAPITALIZED IN THIS REPORT IF EMPLOYEES INSTALL PLANT IN SERVICE
II-6(a) PAYROLL COSTS:

Line No.	A Employee Name	B Test Year Payroll	C Capitalized Payroll	D Expensed Payroll	E 1st 7000 or new limit (FUTA max)	F 7,001 to 9000 or new limit (SUTA max)	G 9,001 to 118500 or new limit (or FICA max)	H over 118500 or new limit	Total Payroll
1.	None								
2.									
3.									
4.									
5.									
6.									
7.									
8.									
9.	Total								
10.	Percentage Capitalized	Line 9, column F divided by line 9, column E=							

II-6(b) ALLOCATION OF PAYROLL TO EXPENSE:

Line Total Payroll Expenses' should equal the total from 'Expensed Payroll' (Column C, Line 9) above

Line No.	Acct. No.	Account Name	Test Yr Expense
1.	601-1	Employee labor	
2.	601-2	Office salaries	
3.	601-3	Management salaries	56,098
4.		Total Payroll Expenses	56,098

to Schedule I-1, Line 5.
 to Schedule I-1, Line 11.
 to Schedule I-1, Line 12.
 (should equal II-6(a), Column C, Line 9.)

*Attach a brief summary of the utility's capitalization policy and explain any changes in capitalization rates of more the 5% per year.

** Attach an explanation and calculation for K&M salary changes from test year. Allocation of cost for Castlewood subdivision which is not included in this Application

See Attachment A

UTILITY NAME: Suburban Utility Company, Inc.
 SCHEDULES - CLASS B RATE/TARIFF CHANGE
II-7 MATERIALS
 FOR THE TEST YEAR ENDED: **June 30, 2016**

This page is supplemental information. It is required to complete Schedule I-1. References below refer to Schedule I-1.

Line No.	Account No.	Account Name
6.	620	Materials

II-7(a) Materials

List the amount spent on materials for the last two record periods and for the Test Year. Indicate the kinds of expenses included in this account by identifying all large* items in the list below. If the Test Year is higher than previous years, indicate the reason for the anticipated increase:

	Year	Amount
	<u>2014</u>	\$ <u>139,413.00</u>
	<u>2015</u>	\$ <u>106,688.00</u>
a. Test Year	<u>2016</u>	\$ <u>82,433.00</u>
b. K & M Change		\$ <u>41,979.00</u> (to I-1, Column E, Line 6)
c. Adjusted Test year (a. + b.)		\$ <u>40,454.00</u> (to I-1, Column F, Line 6)

*** A large item is more than 10% of the test year account balance and more than \$1,000.00**

Expensed materials may not be included in rate base in materials and supplies inventories.

Explanation and calculations of known and measurable change:

See Attachment A
 Allocation of cost for Castlewood subdivision which is not included in this Application
 Equipment over \$1,000 was capitalized and removed from materials cost

II-7(b) Large Items:

Description	Amount	Date in service

UTILITY NAME: Suburban Utility Company, Inc.
 SCHEDULES - CLASS B RATE/TARIFF CHANGE
II-8 CONTRACT WORK
 FOR THE TEST YEAR ENDED: June 30, 2016

This page is supplemental information. It is required to complete Schedule I-1.
 References below refer to Schedule I-1.

Line No.	Account No.	Account Name
7.	631, 635, 636	Contract work (non-capitalized engineering, testing, other)

II-7(a) Contract work

List the amount spent on contract work for the last two record periods and for the Test Year. Indicate the kinds of expenses included in this account by identifying all large* items. If the Test Year is higher than previous years, indicate the reason for the anticipated increase.

Year,	Amount
_____	\$ _____
<u>2014</u>	\$ <u>330,960.00</u>
<u>2015</u>	\$ <u>382,974.00</u>
a. Test Year <u>2016</u>	\$ <u>323,820.00</u>
b. K & M Change	\$ <u>82,898.00</u> (to I-1, Column E, Line 7)
c. Adjusted Test year (a. + b.)	\$ <u>240,922.00</u> (to I-1, Column F, Line 7)

* A large item is more than 10% of the test year account balance more than \$1,000.

Explanation and calculations of known and measurable change:

Allocation of cost for Castlewood subdivision which is not included in this Application

II-8(b) Large Items:

Description	Amount	Date in service

UTILITY NAME: <u>Suburban Utility Company, Inc.</u> SCHEDULES - CLASS B RATE/TARIFF CHANGE II-9 TRANSPORTATION FOR THE TEST YEAR ENDED: <u>June 30, 2016</u>
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This page is supplemental information. It is required to complete Schedule I-1. References below refer to Schedule I-1.

Line No.	Account No.	Account Name
8.	650	Transportation expense

II-9(a) Transportation expense

List the type of vehicles used by the utility and allocate the percent used for business purposes. For example, is there one vehicle used solely for the utility, or is it used for non-business activities too? Is there a vehicle involved that is part of the Company's Plant in Service and thus is already depreciated?

Vehicle expenses reported using a cost per unit (say 34 cents per mile) have the depreciation factor included. A vehicle which is part of the Plant in Service should show only actual operating and maintenance expenses (oil, gas, repairs, maintenance) excluding insurance. The purpose of this supplemental page is to ensure that vehicle expense will be recorded properly and that vehicle depreciation is not listed twice or totally omitted.

	Year	Amount
	_____	\$ _____
	_____	\$ _____
a. Test Year	<u>2016</u>	\$ <u>0.00</u>
b. K & M Change		\$ <u>0.00</u> (to I-1, Column E, Line 8)
c. Adjusted Test year (a. + b.)		\$ <u>0.00</u> (to I-1, Column F, Line 8)

Explanation and calculations of known and measurable change:

II-9(b) Large Items*:

Description	Amount	Date in service

*** A large item is more than 10% of the test year account balance and more than \$1,000.**

UTILITY NAME: Suburban Utility Company, Inc.
 SCHEDULES - CLASS B RATE/TARIFF CHANGE
II-10 OTHER PLANT MAINTENANCE
 FOR THE TEST YEAR ENDED: **June 30, 2016**

This page is supplemental information. It is required to complete Schedule I-1. References below refer to Schedule I-1.

Line No.	Account No.	Account Name
9.	664	Other plant maintenance

II-10(a) Other plant maintenance

List the amount spent on other plant maintenance for the last two record periods and estimated for the Test Year. Indicate the kinds of expenses included in this account by identifying all large* items. If the Test Year is higher than previous years, indicate the reason for the anticipated increase:

	Year		Amount
			\$ <u> </u>
			\$ <u> </u>
a. Test Year	<u>2016</u>		\$ <u> 0.00</u>
b. K & M Change			\$ <u> 0.00</u> (to I-1, Column E, Line 9)
c. Adjusted Test year (a. + b.)			\$ <u> 0.00</u> (to I-1, Column F, Line 9)

* A large item is more than 10% of the test year account balance more than \$1,000.

Explanation and calculations of known and measurable change:

II-10(b) Large Items:

Description	Amount	Date in service

UTILITY NAME: **Suburban Utility Company, Inc.**
 SCHEDULES - CLASS B RATE/TARIFF CHANGE
II-11 EMPLOYEE PENSIONS AND BENEFITS
 FOR THE TEST YEAR ENDED: **June 30, 2016**

This page is supplemental information. It is required to complete Schedule I-1.
 References below refer to Schedule I-1:

Line No.	Account No.	Account Name
13.	604	Employee pensions and benefits

Employee pensions and benefits

List the amount spent on Employee's pensions and benefits for the last two record periods and estimate for the Test Year. Indicate the kinds of expenses included in this account by identifying all items by category. For example, Pensions includes such items as ESOPs and IRAs. The "Other" column includes such items as dental, vision, life insurance, etc. Also include the number of employees covered and charged to account 674 and indicate the cost per employee. As applicable, provide information on any qualified pensions offered to employees and documentation, such as actuarial studies, discussing net pension costs as well as current funding status of the utility's projected benefit obligation. If the Test Year amount is higher than previous years, indicate the reason for the anticipated change:

List types of Pensions & Benefits:

<u>2016</u>	\$ 0.00	\$	\$	\$	\$
Year	Total Amount	Pensions	Health	Other	Amount Capitalized*

Cost per Employee: _____

<u>2016</u>	\$ 0.00	\$	\$	\$	\$
Year	Total Amount	Pensions	Health	Other	Amount Capitalized*

Number of Employees covered: 0.00

Cost per Employee: _____

List types of Pensions & Benefits:

<u>2016</u>	\$ 0.00	\$	\$	\$	\$
Year	Total Amount	Pensions	Health	Other	Amount Capitalized*

Number of Employees covered: 0.00

Cost per Employee: _____

*(use % on Sch 11-6(a), line 10)

UTILITY NAME: <u>Suburban Utility Company, inc.</u> SCHEDULES - CLASS B RATE/TARIFF CHANGE II-13 OFFICE SERVICES AND RENTALS FOR THE TEST YEAR ENDED: <u>June 30, 2016</u>
--

This page is supplemental information. It is required to complete Schedule I-1.

References below refer to Schedule I-1.

Line No.	Account No.	Account Name
16.	678	Office services & rentals

II-13(a) Office services and rentals

List the amount spent on office services and rentals for the last two record periods and estimate for the Test Year. Indicate the kinds of expenses included in this account by identifying all large* items. If the Test Year is higher than previous years, indicate the reason for the anticipated increase:

	Year	Amount
	_____	\$ _____
	_____	\$ _____
a. Test Year	<u>2016</u>	\$ <u>0.00</u>
b. K & M Change		\$ <u>0.00</u> (to I-1, Column E, Line 16)
c. Adjusted Test year (a. + b.)		\$ <u>0.00</u> (to I-1, Column F, Line 16)

Explanation and calculations of known and measurable change:

* A large item is more than 10% of the test year account balance and more than \$1,000.

II-13(b) Large Items:

Description	Amount	Date in service

UTILITY NAME Suburban Utility Company, Inc.
 SCHEDULES - CLASS B RATE/TARIFF CHANGE
II-14 OFFICE SUPPLIES
 FOR THE TEST YEAR ENDED: **June 30, 2016**

This page is supplemental information. It is required to complete Schedule I-1. References below refer to Schedule I-1.

Line No.	Account No.	Account Name
17.	681	Office supplies & expenses

II-14(a) Office supplies & expenses

List the amount spent on office supplies and expenses for the last two record periods and estimate for the Test Year. Indicate the kinds of expenses included in this account by identifying all large* items. If the Test Year is higher than previous years, indicate the reason for the anticipated increase:

	Year	Amount	
	<u>2014</u>	\$ <u>12,025.00</u>	
	<u>2015</u>	\$ <u>66,709.00</u>	
a. Test Year	<u>2016</u>	\$ <u>82,510.00</u>	
b. K & M Change		\$ <u>21,123.00</u>	(to I-1, Column E, Line 17)
c. Adjusted Test year (a. + b.)		\$ <u>61,387.00</u>	(to I-1, Column F, Line 17)

Explanation and calculations of known and measurable change:

Allocation of cost for Castlewood subdivision which is not included in this Application

*** A large item is more than 10% of the test year account balance and more than \$1,000.**

II-14(b) Large Items:

Description	Amount	Date in service

UTILITY NAME: Suburban Utility Company, Inc.
 SCHEDULES - CLASS B RATE/TARIFF CHANGE
II-15 PROFESSIONAL SERVICES
 FOR THE TEST YEAR ENDED: **June 30, 2016**

This page is supplemental information. It is required to complete Schedule I-1. References below refer to Schedule I-1.

Line No.	Account No.	Account Name
18.	682	Professional services

II-15(a) Professional services

List the amount spent on professional services for the last two record periods and estimate for the Test Year. Indicate the kinds of expenses included in this account by identifying all large items*. If the Test Year is higher than previous years, indicate the reason for the anticipated increase:

	Year	Amount	
	<u>2014</u>	\$ <u>49,234.00</u>	
	<u>2015</u>	\$ <u>110,439.00</u>	
a. Test Year	<u>2016</u>	\$ <u>27,314.00</u>	
b. K & M Change		\$ <u>6,992.00</u>	(to I-1, Column E, Line 18)
c. Adjusted Test year (a. + b.)		\$ <u>20,322.00</u>	(to I-1, Column F, Line 18)

Explanation and calculations of known and measurable change:

Allocation of cost for Castlewood subdivision which is not included in this Application

*** A large item is more than 10% of the test year account balance and more than \$1,000.**

II-15(b) Large Items:

Description	Amount	Date in service

UTILITY NAME: Suburban Utility Company, Inc.
 SCHEDULES - CLASS B RATE/TARIFF CHANGE
 II-16 INSURANCE
 FOR THE TEST YEAR ENDED: June 30, 2016

This page is supplemental information. It is required to complete Schedule I-1.
 References below refer to Schedule I-1.

<u>Line No.</u>	<u>Account No.</u>	<u>Account Name</u>
19.	684	Insurance

Insurance

List the amount spent on insurance for the last two record periods and estimate for the Test Year. Indicate the kinds of expenses included in this account by identifying all large items*. If the Test Year is higher than previous years, indicate the reason for the anticipated increase:

	<u>Year</u>	<u>Amount</u>	
	<u>2014</u>	\$ <u>0.00</u>	
	<u>2015</u>	\$ <u>0.00</u>	
a. Test Year	<u>2016</u>	\$ <u>0.00</u>	
b. K. & M Change		\$ <u>0.00</u>	(to I-1, Column E, Line 19)
c. Adjusted Test year (a. + b.)		\$ <u>0.00</u>	(to I-1, Column F, Line 19)

Types of insurance:

	\$ _____			
<u>Year</u>	<u>Total amount</u>	<u>Period Covered</u>	<u>Type</u>	<u>Company</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Explanation and calculations of known and measurable change:

UTILITY NAME Suburban Utility Company, Inc.
 SCHEDULES - CLASS B RATE/TARIFF CHANGE
II-17 REGULATORY EXPENSE
 FOR THE TEST YEAR ENDED: **June 30, 2016**

This page is supplemental information. It is required to complete Schedule I-1.
 References below refer to Schedule I-1.

Line No.	Account No.	Account Name
20.	666	Regulatory (Rate Case) Expense

II-17(a) Regulatory commission expense

List the amount spent on rate case expense for the last two years and for the Test Year. Typically, the commission separates rate case expense from the revenue requirement and allows recovery through a surcharge. The known and measurable adjustment would decrease this expense to zero in this case. In any event, if the applicant does not file every year, the expense must be amortized over the time between filings and only one year's worth should be charged to customers. Record Commission filing fees or fees to consultants, attorneys, etc. in formal and informal rate cases, complaints, or other dealings with the Commission, which are not reported under Professional Services. Indicate the kinds of expenses included in this account by identifying all large* items. If the Test Year is higher than previous years, indicate the reason for the anticipated increase:

	Year	Amount	
	<u>2014</u>	\$ <u>0.00</u>	
	<u>2015</u>	\$ <u>0.00</u>	
a. Test Year	<u>2016</u>	\$ <u>0.01</u>	
b. K & M Change		\$ <u>8,000.00</u>	(to I-1, Column E, Line 20 - see instructions above)
c. Adjusted Test year (a. + b.)		\$ <u>8,000.00</u>	(to I-1, Column F, Line 20 - see instructions above)

Explanation and calculations of known and measurable change:

Cost to prepare the Rate/Tariff Change Application

* A large item is more than 10% of the test year account balance and more than \$1,000 .

II-17(b) Large Items:

Description	Amount	Date in service

UTILITY NAME: Suburban Utility Company, Inc.
 SCHEDULES - CLASS B RATE/TARIFF CHANGE
II-18 REGULATORY EXPENSE
 FOR THE TEST YEAR ENDED: **June 30, 2016**

This page is supplemental information. It is required to complete Schedule I-1. References below refer to Schedule I-1.

Line No.	Account No.	Account Name
21.	667	Regulatory commission expense

II-18(a) Regulatory commission expense

List the amount spent on regulatory commission expense for the two record periods and for the Test Year. Include TCEQ inspection fees or permit fees, and other regulatory expense. Do not include the regulatory assessment; this is a pass through expense. Indicate the kinds of expenses included in this account by identifying all large* items. If the Test Year is higher than previous years; indicate the reason for the anticipated increase:

	Year	Amount	
	2014	\$ 0.00	
	2015	\$ 0.00	
a. Test Year	2016	\$ 0.00	
b. K & M Change		\$ 0.00	(to I-1, Column E, Line 21 - see instructions above)
c. Adjusted Test year (a. + b.)		\$ 0.00	(to I-1, Column F, Line 21 - see instructions above)

Explanation and calculations of known and measurable change:

* A large item is more than 10% of the test year account balance and more than \$1,000.

II-18 (b) Large Items:

Description	Amount	Date in service

UTILITY NAME: <u>Suburban Utility Company, Inc.</u> SCHEDULES - CLASS B RATE/TARIFF CHANGE II-19 MISCELLANEOUS EXPENSE FOR THE TEST YEAR ENDED: June 30, 2016
--

This page is supplemental information. It is required to complete Schedule I-1. References below refer to Schedule I-1.

Line No.	Account No.	Account Name
22.	675	Miscellaneous

II-19 (a) Miscellaneous expense

List the amount spent on general miscellaneous for the last two record periods and for the Test Year. Indicate the kinds of expenses included in this account by identifying all large* items. If the Test Year is higher than previous years, indicate the reason for the anticipated increase:

	Year	Amount
	<u>2014</u>	\$ <u>14,346.00</u>
	<u>2015</u>	\$ <u>43,124.00</u>
a. Test Year	<u>2016</u>	\$ <u>17,569.00</u>
b. K & M Change		\$ <u>9,495.00</u> (to I-1, Column E, Line 22 - see instructions above)
c. Adjusted Test year (a. + b.)		\$ <u>8,074.00</u> (to I-1, Column F, Line 22 - see instructions above)

Explanation and calculations of known and measurable change:

Allocation of cost for Castlewood subdivision which is not included in this Application
 Removed non O & M expense - Regulatory Assessment

*** A large item is more than 10% of the test year account balance.**

II-19 (b) Large Items:

Description	Amount	Date in service
See Attachment A		

SECTION III RATE BASE INSTRUCT

UTILITY NAME: Suburban Utility Company, Inc.

SCHEDULES - CLASS B RATE/TARIFF CHANGE

SECTION III RATE BASE INSTRUCTIONS

Section III provides working tables to allow the calculation of rate base and return on rate base.

Instructions for Section III

- 1 Complete Schedules III-3 through III-9 as they apply to your company.**
- 2 Transfer resulting year end balances (last line of each table) to Schedule III-2.**
- 3 Complete Schedule III-1**

UTILITY NAME: <u>Suburban Utility Company, Inc.</u>
SCHEDULES - CLASS B RATE/TARIFF CHANGE
III-1 REQUESTED RETURN
FOR THE TEST YEAR ENDED: <u>June 30, 2016</u>

RETURN ON RATE BASE:

Line No	Description	Amount
1	Test year end rate base (from III-2, Line 16)	282,703
2	Requested ROR (Col G, Line 7 below)	10.00%
3	Return on rate base (Line 1 x Line 2)	28,270

Rate of Return:

A Line No	B Description	C Amount	D Percentage	E Rate	F Reference	G Weighted Average Rate
			Amount from previous column divided by Line 6, Column C			G=(E x F)
4	Equity (Rate base less Line 5, Column D)	236795	100	10.0000%	Col E = Requested return on equity	10.0000%
5	Long Term Debt and Advances from associated companies from Schedule III-6	0	0	0.0000%	Col E = From Sch. III-6, Column H, Line 9	0
6	Total capitalization (Rate Base Sch III-2, Line 16)	236795				
7	Return on rate base Col G, Line 6 rounded to nearest 0.01%				Line 4 + Line 5	10.00%

To Line 2 above

* ROE = Return on Equity

UTILITY NAME: Suburban Utility Company, Inc.
 SCHEDULES - CLASS B RATE/TARIFF CHANGE
III-2 RATE BASE SUMMARY
 FOR THE TEST YEAR ENDED: June 30, 2016

Line No.	Description	Amount	Reference
1	Additions:		(From)
2.	Utility plant (Original Cost)	733,498	Schedule III-3, Line 50, Col D
3.	Construction work in progress	4,850	Schedule III-4, Line 5
4.	Materials and supplies	0	Schedule III-4, Line 8
5.	Working cash (capital)	43,908	Schedule III-5, Line 2
6.	Prepayments	0	Schedule III-4, line 8
7.	Other Additions	0	Add schedule
8.	TOTAL ADDITIONS (Add Lines 2 through 6)	782,256	
	Deductions:		
9.	Reserve for depreciation (Accumulated)	499,553	Schedule III-3, Col F, Line 50
10.	Advances for construction	0	Schedule III- 8(a), Col F, Line 6
11.	Developer Contributions in aid of construction	0	Schedule III- 8(b), Col G, Line 6
12.	Accumulated deferred income taxes	0	Schedule III- 9(a), Line 3
13.	Accumulated deferred investment tax credits	0	Schedule III- 9(b), Line 3
14.	Other Deductions	0	Add schedule
15.	TOTAL DEDUCTIONS (Add lines 9 through 14)	499,553	
16.	RATE BASE (Line 8, less Line 15)	282,703	

UTILITY NAME: **Suburban Utility Company, Inc.**
 SCHEDULES - CLASS B RATE/TARIFF CHANGE
III-3 UTILITY PLANT IN SERVICE (NET BOOK VALUE) CALCULATION

Schedule III-3
 (Provide a schedule for each PWS system)
 Add schedules as needed, provide a summary also

Line No	[A] Item	[B] Date of Installation	[C] Service Life (yrs) **	[D.1] Original Cost when installed \$	[D.2] Customer CIAC amount	[D] = [D.1] - [D.2] Adjusted Original Cost for Customer CIAC ¹	Time in Service			[E] = [D]/[C] Annual (\$)	[F] Accumulated (\$)(Reserve)	[G] = [D]-[F] Net Book Value (\$)
							Years in Service	Months	Days			
1	303 Land and land rights											
2	307 Wells		50									
	Well Pumps:											
3	311 5 hp or less		5									
4	311 Greater than 5 hp		10									
	Booster Pumps:											
5	311 5 hp or less		5									
6	311 Greater than 5 hp		10									
7	320 Chlorinators		10									
	Structures:											
8	304 Wood		15									
9	304 Masonry		30									
10	305 Storage Tanks		50									
11	311 Pressure Tanks		50									
12	331 Distribution System (mains and lines)		50									
13	334 Meters and Service (taps not covered by fees)		20									
14	340 Office Equipment		10									
15	341 Vehicles		5									
16	343 Shop Tools		15									
17	345 Heavy Equipment		10									
18	348 Fencing		20									
	Other: (Please list)											
19												
20												
50	Total											

See Attachment B

To Sch III-2, line 2

To Sch III-2, line 9

Add detailed worksheets if necessary to support this Schedule.

¹ Any amount paid for an item that was not incurred by the utility, such as by a customer, is deducted from the original cost. The adjusted original cost amount here, Column D-2, labeled "Adjusted Original Cost for Customer CIAC". Column D-2 will then be depreciated and the net book value will be calculated (Column G). For an item with the entire amount of its original cost paid for by customer(s), Columns D-2, E, F and G would be zero. See Schedule III-8 for developer CIAC.

UTILITY NAME: Suburban Utility Company, Inc.
SCHEDULES - CLASS B RATE/TARIFF CHANGE
III-3(a) UTILITY PLANT IN SERVICE-RECONCILIATION TO PRIOR CASE
FOR TEST YEAR ENDED: June 30, 2106

ORIGINAL COST DATA

A	B	C	D
Line No.	Description	Amount	Amount
1.	Beginning Gross Plant balance - (from previous rate case)	Must match previous rate case	\$
2.	Plant additions after previous rate case		
3.		\$	
4.			
5.	See Attachment B		
6.			
7.			
8.			
9.			
10.			
11.	Total additions (add lines 3 through 10, Col C)		\$
12.	Test year plant retirements after previous rate case:		
13.		\$	
14.			
15.			
16.			
17.			
18.			
19.			
20.			
21.	Total retirements (add line 13 through 20, Col C)		\$
22.	Ending balance (line 1 + line 11 - line 21)	Equals as III-3, Column D, line 50	\$

Please provide a full explanation of any adjustments to accounts from the prior period.

UTILITY NAME: Suburban Utility Company, Inc.
SCHEDULES - CLASS B RATE/TARIFF CHANGE
III-4 AVERAGE CONSTRUCTION WORK IN PROGRESS,
MATERIALS AND SUPPLIES INVENTORY & PREPAYMENTS
FOR THE TEST YEAR ENDED: June 30, 2016

*****DO NOT include construction work in progress in rate base, unless the utility meets the requirements of PUC Subst. Rule 24.31C(4).**

III-4 AVERAGE CONSTRUCTION WORK IN PROGRESS:..

A	B	C
Line No.	Description	Test Year Amount
1.	Beginning balance	4850
2.	Test year costs added	0
3.	Test year construction costs completed	4850
4.	Ending balance	4850
5.	Average balance - test year (line 1 plus line 4, divided by 2)	4850

Typically zero, to Schedule III-2, Line 3

		Materials & Supplies inventory	Prepaid Expenses
6.	Sum of 12 test year month end balances	0	0
7.	One month prior to the test year, month end balance	0	0
8.	13 Month Average balance (line 6 plus line 7, divided by 13)	0	0

To III-2, Line 4.

To III-2, Line 6.

*****DO NOT include construction work in progress in rate base, unless the utility meets the requirements of PUC Subst. Rule 24.31C(4).**

UTILITY NAME: Suburban Utility Company, Inc.
 SCHEDULES FOR CLASS B RATE/TARIFF CHANGE
III-5 WORKING CASH ALLOWANCE CALCULATIONS
 FOR THE TEST YEAR ENDED: June 30, 2016

1. No working cash allowance is permitted when a utility bills its customers in advance and provides service to flat rate customers only. Sewer connections count for the purposes of this schedule.
2. A utility which has all metered customers and bills monthly shall divide its annual Operating and Maintenance (O&M) expenses (excluding all taxes and depreciation) by 12 if it is a Class B utility, or by 8 if it is a Class C utility filing a Class B package to calculate working cash allowance. An example follows:

	Class B	Class C
1. Annual Expenses	\$70,000	\$70,000
2. Taxes and depreciation	(10,000)	(10,000)
3. Net Expenses (Line 1 - Line 2)	60,000	60,000
4. Working Cash (Line 3 / line 5)	\$5,000	\$7,500
5. Divisor	12	8

A Line No	B Description	Class B		Class C	
		Water	Sewer	Water	Sewer
1	Annual O & M Expenses	526,897	0	0	0
2	Working Cash (Line 3 / Line 5)	43,908	0	0	0
3	Divisor	12	12	8	8

From Sch I-1, line 25

To Sch III-2, line 5

UTILITY NAME: Suburban Utility Company, Inc.
 SCHEDULES - CLASS B RATE/TARIFF CHANGE
III-6 LONG TERM DEBT/ NOTES PAYABLE – WATER AND SEWER
 FOR THE YEAR ENDED: June 30, 2016

List the following information concerning debt and equity of the utility and attach copies of notes payable used. Round all percentages to two (2) decimal places.
 If debt from affiliated interests is allocated to the utility, provide workpapers demonstrating and justifying the allocation.

	(A) Long Term Debt Name of Bank/Lender	(B) Date of Issue	(C) Date of Maturity	(D) Original Amount of Loan	(E) Outstanding or Unpaid Balance- End of Test Year	(F) Interest Rate	(G)=Col. E, Line 20 x Col F, Line 20 Weighted Average
1	Part 1 - Debt						
2	None						
3							
4							
5							
6							
7							
8							
9	Total						

to Sch III-1,
Column G,
Line 5

List short term debt, if any:

UTILITY NAME: Suburban Utility Company, Inc.
 SCHEDULES - CLASS B RATE/TARIFF CHANGE
III-7 ACCUMULATED DEPRECIATION FROM PRIOR RATE CASE
 FOR THE TEST YEAR ENDED: June 30, 2016

ACCUMULATED DEPRECIATION:

Line No.	Description	Dollar Amount
1.	Ending-Prior Rate Case (Docket No. 42859)	223,297
2	Ending balance per Sch III-3, Column F, Line 50	499,553
	Describe accounting adjustments made between the prior rate case and the current rate case:	

Must match previous rate case.

UTILITY NAME: <u>Suburban Utility Company, Inc.</u> SCHEDULES - CLASS B RATE/TARIFF CHANGE III-9 DEFERRED INCOME TAXES AND DEFERRED INVESTMENT TAX CREDITS FOR THE TEST YEAR ENDED: <u>June 30, 2016</u>
--

To the extent that new line items have been included within the calculation of ADIT since the last rate filing, provide a complete description of the underlying issues that give rise to the new category of ADIT.

III-9(a) ACCUMULATED DEFERRED INCOME TAXES:

Line No.	Description	Test Year Amount
1.	Beginning balance	0
2.	Test year amount	0
3.	Ending balance	0

III-9(b) ACCUMULATED DEFERRED INVESTMENT TAX CREDITS:

Line No.	Description	Test Year Amount
1.	Beginning balance	0
2.	Test year amortization	0
3.	Ending balance	0

UTILITY NAME: Suburban Utility Company, Inc.
SCHEDULES - CLASS B RATE/TARIFF CHANGE
III-10 OTHER DEFERRED ASSETS
FOR THE TEST YEAR ENDED: June 30, 2016

III-10(a) : Other Deferred Assets

Line No.	Description	Test Year Amount
1.	None	
2.		
3.		

III-10(b) ACCUMULATED AMORTIZATION ON OTHER DEFERRED ASSETS

Line No.	Description	Test Year Amount	Total Accum Amort End of test year
1.	None		
2.			
3.			

SECTION IV OTHER TAX INSTRUCT

UTILITY NAME: Suburban Utility Company, Inc.

SCHEDULES - CLASS B RATE/TARIFF CHANGE

Section IV is used to report taxes other than income for proposed revenues.

Instructions for Section IV

Follow the instructions included with individual schedules under the heading reference.

UTILITY NAME: - Suburban Utility Company, Inc.
 SCHEDULES - CLASS B RATE/TARIFF CHANGE
IV(a) ESTIMATE OF TAXES OTHER THAN INCOME
 FOR THE TEST YEAR ENDED: **June 30, 2016**

PROPERTY TAXES:

A	B	C	D	E
Line No.	Description	Amount	Amount	Reference
1	Property taxes paid in in test year		19,073	per property tax bills
2	Utility plant added in test year	0		Schedule III-3(a), Line 11
3	Utility plant retirements in test year	0		Schedule III-3(a), Line 21
4	Net additions	0		Line 2 minus line 3
5	Net Property tax rate	0		Line 1 / beginning of test year gross plant balance from III-3 (a), Col. D, Line 1
6	Test year property tax on additions		0	Line 4 times Line 5
7	Adjusted Test year property tax expense		19,073	Line 1 + Line 6
8	Known and measurable change	0		Line 7 minus Line 1

PAYROLL TAXES (BASED ON ADJUSTED TEST YEAR NUMBERS):

A	B	C	D	E	F	G
Line No	Tax Type	Wage Level	Tax Rate	Taxable Wages	Reference	Tax
					SCHEDULE II-6	(D x E)
9	FICA	wages to _____	%		Column D+E+F Line 9	
10	Medicare	wages to _____	%		Column H Line 9	
11	Added Medicare (Affordable Care Act)	wages to _____	%			
12	Federal unemployment	wages to _____	%		Column D Line 9	
13	State unemployment	wages to _____	%		Column D+E Line 9	
14	Total (add Lines 11 through 14)					
15	Less Capitalized	Use % on Sch II-6(a), line 10	%			
16	Test year Payroll Tax Expense	Line 13 less 14				0
17	Known and measurable change				(Line 13 minus Line 14)	0

OTHER TAXES:

A	I	J	K	L
Line No.	Description	Test year	K & M change	Adjusted Test Year
18	Other taxes & licenses	19,073		19,073
19				
20				
21	Total Other Taxes (Line 18 + Line 19 + Line 20)			19,073
22	Total this page - taxes other than income (Line 7) + (Col G, Line 16) + (Col L, Line 21)			19,073
23	Sch IV(a), Total known and measurable change (Line 8 plus line 17, Column G plus line 21, Column K)			0

19,073

0

UTILITY NAME: <u>Suburban Utility Company, Inc.</u> SCHEDULES - CLASS B RATE/TARIFF CHANGE IV(b) REVENUE RELATED TAXES AND EXPENSES FOR THE TEST YEAR ENDED: <u>June 30, 2016</u>						
A		B	C	D	E	F=B+C+D+E
Line		Texas Margins Tax	City Franchise Taxes	Bad Debt Expense	Other Revenue Related	Totals
1	Test year expense					
2	Test year effective rate (test year tax expense/historic test year revenues-Sch I-1)					
3	Gross up factor (1.0 divided by (1.0 minus Line (example below))					
4	Change in revenue requirement (Sch I-1, line 33)					
5	Adjusted revenue requirement (Line 3 x Line 4)					
6	Adjusted expense (Line 3 times Line 4)					

SECTION V FEDERAL INCOME TAX

SCHEDULES - CLASS B RATE/TARIFF CHANGE

Section V calculated federal income tax at present rates.

Instructions for Section V

Complete SCHEDULE V per instructions found in the reference column.

UTILITY NAME: <u>Suburban Utility Company, Inc.</u> SCHEDULES - CLASS B RATE/TARIFF CHANGE V SCHEDULE OF EFFECTIVE FEDERAL TAX RATE FOR THE TEST YEAR ENDED: <u>June 30, 2016</u>

A	B	C	D
Line		Amount	Reference
1	Requested Return	28,270	Schedule III-1, Line 3 or II-1, line 34
2	Less: Synchronized Interest	0	Sch. III-1, Col. G, Line 5 x Sch. III-2, Line 16)
3	Requested taxable return	28,270	Line 1 minus Line 2
4	Income taxes at proposed rates	4,241	Line 17 below
5	Effective tax rate	0.15	Line 4 divided by Line 3
6	Total gross up factor	1.176	1.0 divided by (1.0 minus line 5)
7	Grossed up federal income tax	4,987	Line 4 times line 6

To Sch I-1, Line 27

FEDERAL INCOME TAX CALCULATION:

Line No.	Tax Rate	Taxable Income	Tax Rate	Tax
		(Portion of Taxable Income in Level)		(C x D)
12	1st 50,000 of taxable income	50,000	15%	4,241
13	Next 25,000 of taxable income	25,000	25%	
14	Next 25,000 of taxable income	25,000	34%	
15	Next 235,000 of taxable income	235,000	39%	
16	Over 335,000 of taxable income		34%	
17	Total before gross up		To Line 4	4,241

UTILITY NAME: Suburban Utility Company, Inc.
VI RATE DESIGN INSTRUCTIONS
SCHEDULES - CLASS B RATE/TARIFF CHANGE

Section VI is used for rate design.

Instructions for Section VI:

Sheet VI-1 designs rates based on the requested revenue requirement. Complete the schedule using the referenced lines from other schedules. The schedule is for a simple base (customer charge) rate and one gallonage rate per each 1,000 gallons. If a different rate structure is requested, all calculations supporting the proposed rates must be included. Rates and resulting revenues for each class of customer and each rate tier included in the proposed tariff must be specified. If a different fixed/variable expense split is proposed, attached explanations of why the split is appropriate, and include any calculations not included on Schedule VI.

UTILITY NAME: <u>Suburban Utility Company, Inc.</u> SCHEDULES - CLASS B RATE/TARIFF CHANGE Schedule VI-1 RATE DESIGN FOR THE TEST YEAR ENDED: June 30, 2016				
Line No.	A	B	C	
		Reference		
DETERMINATION OF FIXED COSTS				
1.	Gross revenues to be recovered:	Sch I-1, Line 36		
	Less variable costs:			
2.	Purchased water - Account 610	Sch I-1, Col. F, line 1		
3.	Purchased power - Account 615	Sch I-1, Col. F, line 2		
4.	Other volume related - Account 618	Sch I-1, Col. F, line 3		
5.	Other volume related or allocated (attach schedule)			
6.				
7.				
8.				
9.				
10.	FIXED COSTS			
11.	% OF FIXED COSTS RECOVERED IN VOLUMETRIC CHARGE			
12.	TO BE RECOVERED THROUGH BASE SERVICE CHARGE			
	RECAP:			
13.	RECOVERED THROUGH BASE SERVICE CHARGE	Line 10		
14.	RECOVERED THROUGH VOLUMETRIC RATE	Line 1 - Line 10		
	TOTAL	Equals Line 1		
	TO BE RECOVERED THROUGH BASE SERVICE CHARGE			
15.	TOTAL METER EQUIVALENTS	Sch I-3, Col H, line 9		
16.	CHARGE PER 5/8" X 3/4" METER	Line 13 / Line 15		
	TO BE RECOVERED THROUGH VOLUMETRIC RATE			
17.	TOTAL WATER SALES IN 1,000 GALS	Sch II-1(a), Col C, line 4		
18.	VOLUMETRIC RATE (CHARGE PER 1,000 GALS)	Line 14 / Line 17		
	PROPOSED RATES:			
19.	FOR ALL WATER DELIVERED PER 1,000 gallons	Line 18 or attach calc		
	BASE SERVICE CHARGE (PER 5/8" X 3/4")			
	Meter size	Line 16	Equivalency	Base Rate/size
20.	5/8 X 3/4"		X 1.0 =	
21.	3/4"		X 1.5 =	
22.	1"		X 2.5 =	
23.	1 1/2"		X 5.0 =	
24.	2"		X 8.0 =	
25.	3"		X 15.0 =	
26.	4"		X 25.0 =	

See Attachment C

If the utility is setting a tiered rate, calculations for all tiers must be provided with total collections for all tiers compared to the revenue requirement requested.

ATTACHMENT A

Suburban Utility Company
Profit & Loss Detail
 July 2015 through June 2016

Type	Date	Num	Name	Amount	Balance
Ordinary Income/Expense					
Income					
Sales & Services					
Tap Fees					
Check	04/18/2016	1886	Heriberto Cobos	-600.00	-600.00
Total Tap Fees				-600.00	-600.00
Water Sales					
Adjustments					
Check	07/09/2015	N/A	Returned Item(s)	-68.85	-68.85
Check	07/27/2015	N/A	Returned Item(s)	-111.46	-180.31
Check	09/04/2015	N/A	Deposit Correction	-140.00	-320.31
Check	09/18/2015	1849	Estate of B. B. Nowaski	-83.88	-404.19
Check	10/16/2015	N/A	Returned Item(s)	-42.75	-446.94
Check	10/22/2015	N/A	Returned Item(s)	-55.00	-501.94
Check	10/23/2015	N/A	Returned Item(s)	-31.92	-533.86
Check	10/28/2015	N/A	Returned Item(s)	-36.86	-570.72
Check	11/12/2015	N/A	Returned Item(s)	-35.14	-605.86
Check	11/18/2015	N/A	Returned Item(s)	-50.00	-655.86
Check	11/20/2015	N/A	Returned Item(s)	-22.67	-678.53
Check	12/04/2015	1863	Patrick & Crystal Finn...	-208.81	-887.34
Check	12/17/2015	N/A	Returned Item(s)	-218.00	-1,105.34
Check	12/18/2015	N/A	Returned Item(s)	-100.00	-1,205.34
Check	12/28/2015	N/A	Returned Item(s)	-300.00	-1,505.34
Check	01/15/2016	N/A	Returned Item(s)	-52.77	-1,558.11
Check	01/26/2016	N/A	Returned Item(s)	-28.23	-1,586.34
Check	02/04/2016	N/A	Returned Item(s)	-40.17	-1,626.51
Check	02/05/2016	1870	Alice Dolan	-148.18	-1,774.69
Check	02/26/2016	N/A	Returned Item(s)	-36.26	-1,810.95
Check	03/04/2016	N/A	Returned Item(s)	-29.00	-1,839.95
Check	03/16/2016	N/A	Returned Item(s)	-25.40	-1,865.35
Check	03/22/2016	1881	Gloria M. Lopez	28.33	-1,837.02
Check	04/29/2016	N/A	Returned Item(s)	-54.29	-1,891.31
Check	05/02/2016	N/A	Returned Item(s)	-31.36	-1,922.67
Check	05/16/2016	N/A	Deposit Correction	-30.00	-1,952.67
Check	05/24/2016	N/A	Returned Item(s)	-106.56	-2,059.23
Check	05/31/2016	N/A	Returned Item(s)	-30.00	-2,089.23
Check	06/20/2016	N/A	Deposit Correction	-50.00	-2,139.23
Total Adjustments				-2,139.23	-2,139.23
Deposits					
Deposit	07/01/2015		Deposit	2,835.44	2,835.44
Deposit	07/06/2015		Deposit	1,280.85	4,116.29
Deposit	07/06/2015		Deposit	2,819.76	6,936.05
Deposit	07/07/2015		Deposit	2,032.05	8,968.10
Deposit	07/10/2015		Deposit	2,156.23	11,124.33
Deposit	07/16/2015		Deposit	3,242.85	14,367.18
Deposit	07/22/2015		Deposit	1,133.36	15,500.54
Deposit	07/27/2015		Deposit	322.87	15,823.41
Deposit	07/27/2015		Deposit	-1,390.87	17,214.28
Deposit	07/27/2015		Deposit	2,884.86	20,099.14
Deposit	07/29/2015		Deposit	492.60	20,591.74
Deposit	07/29/2015		Deposit	690.96	21,282.70
Deposit	07/29/2015		Deposit	741.30	22,024.00
Deposit	07/29/2015		Deposit	1,396.68	23,420.68
Deposit	07/30/2015		Deposit	994.57	24,415.25
Deposit	07/31/2015		Deposit	481.51	24,896.76
Deposit	07/31/2015		Deposit	783.20	25,679.96
Deposit	08/07/2015		Deposit	3,435.57	29,115.53
Deposit	08/12/2015		Deposit	4,477.61	33,593.14
Deposit	08/18/2015		Deposit	3,579.89	37,173.03
Deposit	08/18/2015		Deposit	60,594.64	97,767.67
Deposit	08/24/2015		Deposit	2,540.59	100,308.26
Deposit	08/26/2015		Deposit	2,141.17	102,449.43
Deposit	08/28/2015		Deposit	2,519.44	104,968.87
Deposit	09/02/2015		Deposit	4,578.00	109,546.87
Deposit	09/02/2015		Deposit	5,350.19	114,897.06

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12/09/16

Accrual Basis

Suburban Utility Company
Profit & Loss Detail
 July 2015 through June 2016

Type	Date	Num	Name	Amount	Balance
Deposit	09/04/2015		Deposit	3,313.70	118,210.76
Deposit	09/09/2015		Deposit	4,876.32	123,087.08
Deposit	09/14/2015		Deposit	2,573.98	125,661.06
Deposit	09/16/2015		Deposit	1,456.12	127,117.18
Deposit	09/18/2015		Deposit	903.38	128,020.56
Deposit	09/18/2015		Deposit	1,099.33	129,119.89
Deposit	09/22/2015		Deposit	1,175.69	130,295.58
Deposit	09/22/2015		Deposit	3,519.63	133,815.21
Deposit	09/25/2015		Deposit	3,048.61	136,863.82
Deposit	09/29/2015		Deposit	4,906.13	141,769.95
Deposit	10/01/2015		Deposit	2,462.87	144,232.82
Deposit	10/07/2015		Deposit	4,252.20	148,485.02
Deposit	10/13/2015		Deposit	5,047.64	153,532.66
Deposit	10/13/2015		Deposit	5,591.29	159,123.95
Deposit	10/14/2015		Deposit	4,114.70	163,238.65
Deposit	10/20/2015		Deposit	3,109.03	166,347.68
Deposit	10/23/2015		Deposit	3,856.83	170,204.51
Deposit	10/23/2015		Deposit	4,621.41	174,825.92
Deposit	10/28/2015		Deposit	6,074.85	180,900.77
Deposit	10/30/2015		Deposit	1,070.00	181,970.77
Deposit	11/03/2015		Deposit	4,471.70	186,442.47
Deposit	11/03/2015		Deposit	8,353.39	194,795.86
Deposit	11/06/2015		Deposit	140.00	194,935.86
Deposit	11/06/2015		Deposit	6,673.60	201,609.46
Deposit	11/13/2015		Deposit	3,333.84	204,943.30
Deposit	11/13/2015		Deposit	5,125.75	210,069.05
Deposit	11/18/2015		Deposit	6,327.58	216,396.63
Deposit	11/20/2015		Deposit	3,602.20	219,998.83
Deposit	11/25/2015		Deposit	6,023.60	226,022.43
Deposit	11/27/2015		Deposit	2,391.27	228,413.70
Deposit	12/01/2015		Deposit	3,833.20	232,246.90
Deposit	12/04/2015		Deposit	2,583.85	234,830.75
Deposit	12/04/2015		Deposit	4,156.57	238,987.32
Deposit	12/04/2015		Deposit	5,084.14	244,071.46
Deposit	12/04/2015		Deposit	16,250.00	260,321.46
Deposit	12/09/2015		Deposit	5,748.09	266,069.55
Deposit	12/15/2015		Deposit	6,703.88	272,773.43
Deposit	12/15/2015		Deposit	7,817.40	280,590.83
Deposit	12/22/2015		Deposit	5,014.36	285,605.19
Deposit	12/22/2015		Deposit	7,060.04	292,665.23
Deposit	12/23/2015		Deposit	2,147.49	294,812.72
Deposit	12/24/2015		Deposit	3,257.82	298,070.54
Deposit	01/06/2016		Deposit	4,156.18	302,226.72
Deposit	01/06/2016		Deposit	4,483.19	306,709.91
Deposit	01/06/2016		Deposit	5,613.01	312,322.92
Deposit	01/07/2016		Deposit	6,179.64	318,502.56
Deposit	01/08/2016		Deposit	3,221.76	321,724.32
Deposit	01/08/2016		Deposit	4,319.21	326,043.53
Deposit	01/12/2016		Deposit	6,285.77	332,329.30
Deposit	01/19/2016		Deposit	5,512.32	337,841.62
Deposit	01/20/2016		Deposit	4,677.54	342,519.16
Deposit	01/22/2016		Deposit	3,563.27	346,082.43
Deposit	01/27/2016		Deposit	5,521.25	351,603.68
Deposit	02/01/2016		Deposit	7,483.61	359,087.29
Deposit	02/04/2016		Deposit	2,444.72	361,532.01
Deposit	02/04/2016		Deposit	6,720.74	368,252.75
Deposit	02/05/2016		Deposit	2,900.62	371,153.37
Deposit	02/10/2016		Deposit	4,022.02	375,175.39
Deposit	02/10/2016		Deposit	4,630.76	379,806.15
Deposit	02/12/2016		Deposit	3,379.84	383,185.99
Deposit	02/18/2016		Deposit	6,777.67	389,963.66
Deposit	02/19/2016		Deposit	3,055.90	393,019.56
Deposit	02/23/2016		Deposit	2,677.65	395,697.21
Deposit	02/23/2016		Deposit	3,060.23	398,757.44
Deposit	02/25/2016		Deposit	3,532.44	402,289.88
Deposit	02/26/2016		Deposit	2,274.69	404,564.57
Deposit	03/01/2016		Deposit	9,503.99	414,068.56
Deposit	03/04/2016		Deposit	6,441.69	420,510.25

Suburban Utility Company
Profit & Loss Detail
 July 2015 through June 2016

Type	Date	Num	Name	Amount	Balance
Deposit	03/04/2016		Deposit	1,943.00	422,453.25
Deposit	03/09/2016		Deposit	9,178.93	431,632.18
Deposit	03/11/2016		Deposit	5,453.19	437,085.37
Deposit	03/17/2016		Deposit	931.49	438,016.86
Deposit	03/17/2016		Deposit	1,204.57	439,221.43
Deposit	03/17/2016		Deposit	1,967.28	441,188.71
Deposit	03/17/2016		Deposit	4,153.01	445,341.72
Deposit	03/22/2016		Deposit	3,640.83	448,982.55
Deposit	03/22/2016		Deposit	4,725.63	453,708.18
Deposit	03/25/2016		Deposit	5,293.57	459,001.75
Deposit	03/29/2016		Deposit	6,516.15	465,517.90
Deposit	04/01/2016		Deposit	5,026.43	470,544.33
Deposit	04/05/2016		Deposit	8,794.19	479,338.52
Deposit	04/08/2016		Deposit	7,041.54	486,380.06
Deposit	04/13/2016		Deposit	3,075.81	489,455.87
Deposit	04/20/2016		Deposit	3,066.38	492,522.25
Deposit	04/20/2016		Deposit	5,484.33	498,006.58
Deposit	04/21/2016		Deposit	4,267.03	502,273.61
Deposit	04/27/2016		Deposit	2,740.00	505,013.61
Deposit	04/27/2016		Deposit	3,978.11	508,991.72
Deposit	04/27/2016		Deposit	4,129.02	513,120.74
Deposit	05/02/2016		Deposit	4,155.44	517,276.18
Deposit	05/02/2016		Deposit	7,854.28	525,130.46
Deposit	05/03/2016		Deposit	5,086.43	530,216.89
Deposit	05/05/2016		Deposit	8,949.04	539,165.93
Deposit	05/11/2016		Deposit	4,610.37	543,776.30
Deposit	05/11/2016		Deposit	6,835.94	550,612.24
Deposit	05/13/2016		Deposit	5,989.21	556,601.45
Deposit	05/19/2016		Deposit	7,958.52	564,559.97
Deposit	05/25/2016		Deposit	8,007.37	572,567.34
Deposit	05/31/2016		Deposit	4,031.01	576,598.35
Deposit	05/31/2016		Deposit	4,215.59	580,813.94
Deposit	06/03/2016		Deposit	7,077.88	587,891.82
Deposit	06/06/2016		Deposit	4,606.98	592,498.80
Deposit	06/13/2016		Deposit	5,514.49	598,013.29
Deposit	06/13/2016		Deposit	6,136.28	604,149.57
Deposit	06/15/2016		Deposit	6,813.31	610,962.88
Deposit	06/21/2016		Deposit	6,817.21	617,780.09
Deposit	06/24/2016		Deposit	5,465.97	623,246.06
Deposit	06/28/2016		Deposit	1,924.95	625,171.01
Deposit	06/28/2016		Deposit	6,870.02	632,041.03
Total Deposits				632,041.03	632,041.03
Total Water Sales				629,901.80	629,901.80
Total Sales & Services				629,301.80	629,301.80
Total Income				629,301.80	629,301.80
Expense					
Chemicals					
Bill	07/01/2015	150701-1	MBC WS	372.91	372.91
Bill	08/03/2015	150803-1	MBC WS	1,418.09	1,791.00
Bill	09/01/2015	150901-1	MBC WS	989.03	2,780.03
Bill	10/01/2015	151001-1	MBC WS	1,068.26	3,848.29
Bill	11/02/2015	151102-1	MBC WS	914.60	4,762.89
Bill	12/01/2015	151201-1	MBC WS	1,721.18	6,484.07
Bill	01/04/2016	160104-1	MBC WS	495.77	6,979.84
Bill	02/01/2016	160201-1	MBC WS	804.52	7,784.36
Bill	03/01/2016	160301-1	MBC WS	367.24	8,151.60
Bill	04/01/2016	160401-1	MBC WS	447.21	8,598.81
Bill	05/02/2016	160502-1	MBC WS	281.04	8,879.85
Bill	06/01/2016	160601-1	MBC WS	687.88	9,567.73
Total Chemicals				9,567.73	9,567.73
Contract Labor					
Operations Expense					

Suburban Utility Company
Profit & Loss Detail
 July 2015 through June 2016

Type	Date	Num	Name	Amount	Balance
Bill	07/01/2015	150701-1	MBC WS	26,640.00	26,640.00
Bill	08/03/2015	150803-1	MBC WS	26,760.00	53,400.00
Bill	09/01/2015	150901-1	MBC WS	26,940.00	80,340.00
Bill	10/01/2015	151001-1	MBC WS	27,020.00	107,360.00
Bill	11/02/2015	151102-1	MBC WS	27,000.00	134,360.00
Bill	12/01/2015	151201-1	MBC WS	27,080.00	161,440.00
Bill	01/04/2016	160104-1	MBC WS	27,080.00	188,520.00
Bill	02/01/2016	160201-1	MBC WS	27,120.00	215,640.00
Bill	03/01/2016	160301-1	MBC WS	27,140.00	242,780.00
Bill	04/01/2016	160401-1	MBC WS	27,060.00	269,840.00
Bill	05/02/2016	160502-1	MBC WS	26,980.00	296,820.00
Bill	06/01/2016	160601-1	MBC WS	27,000.00	323,820.00
Total Operations Expense				323,820.00	323,820.00
Total Contract Labor				323,820.00	323,820.00
Electric Utilities					
ConEdison Solutions					
Check	07/09/2015	BankTmsfr	MBC WS	3,213.09	3,213.09
Check	09/04/2015	BankTmsfr	MBC WS	3,235.13	6,448.22
Check	09/04/2015	BankTmsfr	MBC WS	3,313.44	9,761.66
Check	09/04/2015	BankTmsfr	MBC WS	3,487.62	13,249.28
Check	09/11/2015	BankTmsfr	MBC WS	3,057.28	16,306.56
Check	09/18/2015	BankTmsfr	MBC WS	6,102.27	22,408.83
Check	10/28/2015	BankTmsfr	MBC WS	4,224.15	26,632.98
Check	12/04/2015	BankTmsfr	MBC WS	3,187.54	29,820.52
Check	01/27/2016	BankTmsfr	MBC WS	6,536.83	36,357.35
Check	02/26/2016	BankTmsfr	MBC WS	2,784.92	39,142.27
Check	03/31/2016	BankTmsfr	MBC WS	3,094.65	42,236.92
Check	05/04/2016	BankTmsfr	MBC WS	3,178.01	45,414.93
Total ConEdison Solutions				45,414.93	45,414.93
Constellation 9					
Check	05/18/2016	BankTmsfr	MBC WS	2,431.26	2,431.26
Check	06/20/2016	BankTmsfr	MBC WS	2,282.25	4,713.51
Total Constellation 9				4,713.51	4,713.51
Total Electric Utilities				50,128.44	50,128.44
Groundwater Pumpage Fees					
City of Houston					
Check	07/03/2015	E-Pay	CITY OF HOUSTON	4,287.73	4,287.73
Check	07/07/2015	E-Pay	CITY OF HOUSTON	387.34	4,675.07
Check	08/07/2015	E-Pay	CITY OF HOUSTON	4,381.30	9,056.37
Check	09/10/2015	E-Pay	CITY OF HOUSTON	4,164.95	13,221.32
Check	10/13/2015	E-Pay	CITY OF HOUSTON	4,034.50	17,255.82
Check	11/10/2015	E-Pay	CITY OF HOUSTON	3,721.60	20,977.42
Check	12/09/2015	E-Pay	CITY OF HOUSTON	3,749.73	24,727.15
Check	01/11/2016	E-Pay	CITY OF HOUSTON	3,726.71	28,453.86
Check	02/08/2016	E-Pay	CITY OF HOUSTON	3,933.90	32,387.76
Check	03/11/2016	E-Pay	CITY OF HOUSTON	4,245.95	36,633.71
Check	04/06/2016	E-Pay	CITY OF HOUSTON	4,015.75	40,649.46
Check	05/12/2016	E-Pay	CITY OF HOUSTON	3,484.58	44,134.04
Check	06/06/2016	E-Pay	CITY OF HOUSTON	3,138.50	47,272.54
Check	06/30/2016	E-Pay	CITY OF HOUSTON	3,386.64	50,659.18
Total City of Houston				50,659.18	50,659.18
NHCRWA					
Bill	07/02/2015		NHCRWA	3,060.00	3,060.00
Bill	08/11/2015		NHCRWA	3,076.00	6,136.00
Bill	09/09/2015		NHCRWA	4,464.00	10,600.00
Bill	10/15/2015		NHCRWA	4,142.00	14,742.00
Bill	11/09/2015		NHCRWA	3,214.00	17,956.00
Bill	12/09/2015		NHCRWA	3,676.00	21,632.00
Bill	01/15/2016		NHCRWA	2,956.00	24,588.00
Bill	02/01/2016		NHCRWA	2,830.00	27,418.00

Suburban Utility Company
Profit & Loss Detail
 July 2015 through June 2016

Type	Date	Num	Name	Amount	Balance
Bill	03/03/2016		NHCRWA	2,634.00	30,052.00
Bill	04/07/2016		NHCRWA	2,592.00	32,644.00
Bill	05/10/2016		NHCRWA	2,858.00	35,502.00
Bill	06/02/2016		NHCRWA	3,511.20	39,013.20
Total NHCRWA				39,013.20	39,013.20
Total Groundwater Pumpage Fees				89,672.38	89,672.38
Interest Expense					
Customer Deposits					
Check	12/04/2015	1863	Patrick & Crystal Finn...	0.09	0.09
Check	03/22/2016	1881	Gloria M. Lopez	0.72	0.81
Total Customer Deposits				0.81	0.81
Total Interest Expense				0.81	0.81
Lab Fees					
Beaumont Place - Lab Fees					
Bill	10/02/2015		DSHS	1,639.05	1,639.05
Bill	10/02/2015		DSHS	871.45	2,510.50
Bill	10/02/2015		DSHS	975.30	3,485.80
Bill	02/02/2016		DSHS	279.35	3,765.15
Bill	02/02/2016		DSHS	279.35	4,044.50
Bill	02/02/2016		DSHS	322.59	4,367.09
Total Beaumont Place - Lab Fees				4,367.09	4,367.09
Reservoir Acres - Lab Fees					
Bill	10/02/2015		DSHS	871.45	871.45
Total Reservoir Acres - Lab Fees				871.45	871.45
Total Lab Fees				5,238.54	5,238.54
Manangement Compensation					
Mike Martin					
Check	07/03/2015	BnkTmsfr	MBC WS	725.00	725.00
Check	07/09/2015	BnkTmsfr	MBC WS	725.00	1,450.00
Check	07/16/2015	BnkTmsfr	MBC WS	725.00	2,175.00
Check	07/16/2015	BnkTmsfr	MBC WS	725.00	2,900.00
Check	07/16/2015	BnkTmsfr	MBC WS	725.00	3,625.00
Check	08/07/2015	BnkTmsfr	MBC WS	725.00	4,350.00
Check	08/14/2015	BnkTmsfr	MBC WS	725.00	5,075.00
Check	08/21/2015	BnkTmsfr	MBC WS	725.00	5,800.00
Check	08/28/2015	BnkTmsfr	MBC WS	725.00	6,525.00
Check	09/04/2015	BnkTmsfr	MBC WS	725.00	7,250.00
Check	09/11/2015	BnkTmsfr	MBC WS	725.00	7,975.00
Check	09/18/2015	BnkTmsfr	MBC WS	725.00	8,700.00
Check	09/25/2015	BnkTmsfr	MBC WS	725.00	9,425.00
Check	10/01/2015	BnkTmsfr	MBC WS	725.00	10,150.00
Check	11/20/2015	BnkTmsfr	MBC WS	725.00	10,875.00
Check	11/25/2015	BnkTmsfr	MBC WS	725.00	11,600.00
Check	12/03/2015	BnkTmsfr	MBC WS	725.00	12,325.00
Check	12/10/2015	BnkTmsfr	MBC WS	725.00	13,050.00
Check	12/18/2015	BnkTmsfr	MBC WS	725.00	13,775.00
Check	12/24/2015	BnkTmsfr	MBC WS	725.00	14,500.00
Check	12/28/2015	BnkTmsfr	MBC WS	725.00	15,225.00
Check	12/28/2015	BnkTmsfr	MBC WS	4,350.00	19,575.00
Check	01/08/2016	BnkTmsfr	MBC WS	725.00	20,300.00
Check	01/15/2016	BnkTmsfr	MBC WS	725.00	21,025.00
Check	01/22/2016	BnkTmsfr	MBC WS	725.00	21,750.00
Check	01/29/2016	BnkTmsfr	MBC WS	725.00	22,475.00
Check	02/05/2016	BnkTmsfr	MBC WS	725.00	23,200.00
Check	02/16/2016	BnkTmsfr	MBC WS	725.00	23,925.00
Check	02/19/2016	BnkTmsfr	MBC WS	725.00	24,650.00
Check	02/25/2016	BnkTmsfr	MBC WS	725.00	25,375.00
Check	03/04/2016	BnkTmsfr	MBC WS	725.00	26,100.00
Check	03/10/2016	BnkTmsfr	MBC WS	725.00	26,825.00

Suburban Utility Company
Profit & Loss Detail
 July 2015 through June 2016

Type	Date	Num	Name	Amount	Balance
Check	03/22/2016	BnkTmsfr	MBC WS	725.00	27,550.00
Check	03/24/2016	BnkTmsfr	MBC WS	725.00	28,275.00
Check	04/01/2016	BnkTmsfr	MBC WS	725.00	29,000.00
Check	04/07/2016	BnkTmsfr	MBC WS	725.00	29,725.00
Check	04/22/2016	BnkTmsfr	MBC WS	725.00	30,450.00
Check	04/28/2016	BnkTmsfr	MBC WS	725.00	31,175.00
Check	05/03/2016	BnkTmsfr	MBC WS	725.00	31,900.00
Check	05/05/2016	BnkTmsfr	MBC WS	725.00	32,625.00
Check	05/12/2016	BnkTmsfr	MBC WS	725.00	33,350.00
Check	05/20/2016	BnkTmsfr	MBC WS	725.00	34,075.00
Check	05/26/2016	BnkTmsfr	MBC WS	725.00	34,800.00
Check	06/02/2016	BnkTmsfr	MBC WS	725.00	35,525.00
Check	06/14/2016	BnkTmsfr	MBC WS	725.00	36,250.00
Check	06/17/2016	BnkTmsfr	MBC WS	725.00	36,975.00
Check	06/29/2016	BnkTmsfr	MBC WS	725.00	37,700.00
Total Mike Martin				37,700.00	37,700.00
Mitch Martin					
Check	07/03/2015	BnkTmsfr	MBC WS	725.00	725.00
Check	07/09/2015	BnkTmsfr	MBC WS	725.00	1,450.00
Check	07/16/2015	BnkTmsfr	MBC WS	725.00	2,175.00
Check	07/16/2015	BnkTmsfr	MBC WS	725.00	2,900.00
Check	07/16/2015	BnkTmsfr	MBC WS	725.00	3,625.00
Check	08/07/2015	BnkTmsfr	MBC WS	725.00	4,350.00
Check	08/14/2015	BnkTmsfr	MBC WS	725.00	5,075.00
Check	08/21/2015	BnkTmsfr	MBC WS	725.00	5,800.00
Check	08/28/2015	BnkTmsfr	MBC WS	725.00	6,525.00
Check	09/04/2015	BnkTmsfr	MBC WS	725.00	7,250.00
Check	09/11/2015	BnkTmsfr	MBC WS	725.00	7,975.00
Check	09/18/2015	BnkTmsfr	MBC WS	725.00	8,700.00
Check	09/25/2015	BnkTmsfr	MBC WS	725.00	9,425.00
Check	10/01/2015	BnkTmsfr	MBC WS	725.00	10,150.00
Check	11/20/2015	BnkTmsfr	MBC WS	725.00	10,875.00
Check	11/25/2015	BnkTmsfr	MBC WS	725.00	11,600.00
Check	12/03/2015	BnkTmsfr	MBC WS	725.00	12,325.00
Check	12/10/2015	BnkTmsfr	MBC WS	725.00	13,050.00
Check	12/18/2015	BnkTmsfr	MBC WS	725.00	13,775.00
Check	12/24/2015	BnkTmsfr	MBC WS	725.00	14,500.00
Check	12/28/2015	BnkTmsfr	MBC WS	725.00	15,225.00
Check	12/28/2015	BnkTmsfr	MBC WS	4,350.00	19,575.00
Check	01/08/2016	BnkTmsfr	MBC WS	725.00	20,300.00
Check	01/15/2016	BnkTmsfr	MBC WS	725.00	21,025.00
Check	01/22/2016	BnkTmsfr	MBC WS	725.00	21,750.00
Check	01/29/2016	BnkTmsfr	MBC WS	725.00	22,475.00
Check	02/05/2016	BnkTmsfr	MBC WS	725.00	23,200.00
Check	02/16/2016	BnkTmsfr	MBC WS	725.00	23,925.00
Check	02/19/2016	BnkTmsfr	MBC WS	725.00	24,650.00
Check	02/25/2016	BnkTmsfr	MBC WS	725.00	25,375.00
Check	03/04/2016	BnkTmsfr	MBC WS	725.00	26,100.00
Check	03/10/2016	BnkTmsfr	MBC WS	725.00	26,825.00
Check	03/22/2016	BnkTmsfr	MBC WS	725.00	27,550.00
Check	03/24/2016	BnkTmsfr	MBC WS	725.00	28,275.00
Check	04/01/2016	BnkTmsfr	MBC WS	725.00	29,000.00
Check	04/07/2016	BnkTmsfr	MBC WS	725.00	29,725.00
Check	04/22/2016	BnkTmsfr	MBC WS	725.00	30,450.00
Check	04/28/2016	BnkTmsfr	MBC WS	725.00	31,175.00
Check	05/03/2016	BnkTmsfr	MBC WS	725.00	31,900.00
Check	05/05/2016	BnkTmsfr	MBC WS	725.00	32,625.00
Check	05/12/2016	BnkTmsfr	MBC WS	725.00	33,350.00
Check	05/20/2016	BnkTmsfr	MBC WS	725.00	34,075.00
Check	05/26/2016	BnkTmsfr	MBC WS	725.00	34,800.00
Check	06/02/2016	BnkTmsfr	MBC WS	725.00	35,525.00
Check	06/14/2016	BnkTmsfr	MBC WS	725.00	36,250.00
Check	06/17/2016	BnkTmsfr	MBC WS	725.00	36,975.00
Check	06/29/2016	BnkTmsfr	MBC WS	725.00	37,700.00
Total Mitch Martin				37,700.00	37,700.00

Suburban Utility Company
Profit & Loss Detail
July 2015 through June 2016

Type	Date	Num	Name	Amount	Balance
Total Manangement Compensation				75,400.00	75,400.00
Materials					
Bill	07/01/2015	150701-1	MBC WS	665.48	665.48
Bill	08/03/2015	150803-1	MBC WS	2,915.33	3,580.81
Bill	09/01/2015	150901-1	MBC WS	1,339.65	4,920.46
Bill	10/01/2015	151001-1	MBC WS	2,243.08	7,163.54
Bill	11/02/2015	151102-1	MBC WS	260.72	7,424.26
Bill	12/01/2015	151201-1	MBC WS	1,377.36	8,801.62
Bill	01/04/2016	160104-1	MBC WS	922.35	9,723.97
Bill	02/01/2016	160201-1	MBC WS	369.32	10,093.29
Bill	03/01/2016	160301-1	MBC WS	1,015.91	11,109.20
Bill	04/01/2016	160401-1	MBC WS	586.28	11,695.48
Bill	05/02/2016	160502-1	MBC WS	229.17	11,924.65
Bill	06/01/2016	160601-1	MBC WS	2,249.89	14,174.54
Total Materials				14,174.54	14,174.54
OFFICE EXPENSE					
Bank Fees					
Monthly Service Charges					
Check	07/01/2015	N/A	Bnk Srvc Chrg	94.20	94.20
Check	08/03/2015	N/A	Bnk Srvc Chrg	70.80	165.00
Check	09/01/2015	N/A	Bnk Srvc Chrg	49.40	214.40
Check	10/01/2015	N/A	Bnk Srvc Chrg	109.00	323.40
Check	11/02/2015	N/A	Bnk Srvc Chrg	132.00	455.40
Check	12/01/2015	N/A	Bnk Srvc Chrg	161.40	616.80
Check	01/04/2016	N/A	Bnk Srvc Chrg	179.00	795.80
Check	02/01/2016	N/A	Bnk Srvc Chrg	191.00	986.80
Check	03/01/2016	N/A	Bnk Srvc Chrg	197.00	1,183.80
Check	04/01/2016	N/A	Bnk Srvc Chrg	226.80	1,410.60
Check	05/02/2016	N/A	Bnk Srvc Chrg	163.00	1,573.60
Check	06/01/2016	N/A	Bnk Srvc Chrg	237.20	1,810.80
Total Monthly Service Charges				1,810.80	1,810.80
Returned Check Fees					
Check	07/09/2015	N/A	Ret Chk Fee	5.00	5.00
Check	07/27/2015	N/A	Ret Chk Fee	5.00	10.00
Check	10/16/2015	N/A	Ret Chk Fee	5.00	15.00
Check	10/22/2015	N/A	Ret Chk Fee	5.00	20.00
Check	10/23/2015	N/A	Ret Chk Fee	5.00	25.00
Check	10/28/2015	N/A	Ret Chk Fee	5.00	30.00
Check	11/12/2015	N/A	Ret Chk Fee	5.00	35.00
Check	11/18/2015	N/A	Ret Chk Fee	5.00	40.00
Check	11/20/2015	N/A	Ret Chk Fee	5.00	45.00
Check	12/17/2015	N/A	Ret Chk Fee	5.00	50.00
Check	12/18/2015	N/A	Ret Chk Fee	5.00	55.00
Check	12/28/2015	N/A	Ret Chk Fee	5.00	60.00
Check	01/15/2016	N/A	Ret Chk Fee	5.00	65.00
Check	01/27/2016	N/A	Ret Chk Fee	5.00	70.00
Check	01/27/2016	N/A	Ret Chk Fee	5.00	75.00
Check	01/27/2016	N/A	Ret Chk Fee	5.00	80.00
Check	01/27/2016	N/A	Ret Chk Fee	5.00	85.00
Check	02/04/2016	N/A	Ret Chk Fee	5.00	90.00
Check	02/26/2016	N/A	Ret Chk Fee	5.00	95.00
Check	03/04/2016	N/A	Ret Chk Fee	5.00	100.00
Check	03/16/2016	N/A	Ret Chk Fee	5.00	105.00
Check	04/29/2016	N/A	Ret Chk Fee	5.00	110.00
Check	05/02/2016	N/A	Ret Chk Fee	5.00	115.00
Check	05/24/2016	N/A	Ret Chk Fee	5.00	120.00
Check	05/31/2016	N/A	Ret Chk Fee	5.00	125.00
Check	06/20/2016	N/A	Ret Chk Fee	5.00	130.00
Total Returned Check Fees				130.00	130.00
Bank Fees - Other					
Check	06/01/2016	N/A	Bnk Srvc Chrg	1.00	1.00

Suburban Utility Company
Profit & Loss Detail
 July 2015 through June 2016

Type	Date	Num	Name	Amount	Balance
Total Bank Fees - Other				1.00	1.00
Total Bank Fees				1,941.80	1,941.80
Billing					
Bill	07/01/2015	150701-1	MBC WS	5,328.00	5,328.00
Bill	08/03/2015	150803-1	MBC WS	5,352.00	10,680.00
Bill	09/01/2015	150901-1	MBC WS	5,388.00	16,068.00
Bill	10/01/2015	151001-1	MBC WS	5,404.00	21,472.00
Bill	11/02/2015	151102-1	MBC WS	5,400.00	26,872.00
Bill	12/01/2015	151201-1	MBC WS	5,416.00	32,288.00
Bill	01/04/2016	160104-1	MBC WS	5,416.00	37,704.00
Bill	02/01/2016	160201-1	MBC WS	5,424.00	43,128.00
Bill	03/01/2016	160301-1	MBC WS	5,428.00	48,556.00
Bill	04/01/2016	160401-1	MBC WS	5,412.00	53,968.00
Bill	05/02/2016	160502-1	MBC WS	5,396.00	59,364.00
Bill	06/01/2016	160601-1	MBC WS	5,400.00	64,764.00
Total Billing				64,764.00	64,764.00
Disconnection Notices					
Bill	07/01/2015	150701-1	MBC WS	895.00	895.00
Bill	08/03/2015	150803-1	MBC WS	635.00	1,530.00
Bill	09/01/2015	150901-1	MBC WS	690.00	2,220.00
Bill	10/01/2015	151001-1	MBC WS	700.00	2,920.00
Bill	11/02/2015	151102-1	MBC WS	865.00	3,785.00
Bill	12/01/2015	151201-1	MBC WS	885.00	4,670.00
Bill	01/04/2016	160104-1	MBC WS	820.00	5,490.00
Bill	02/01/2016	160201-1	MBC WS	765.00	6,255.00
Bill	03/01/2016	160301-1	MBC WS	755.00	7,010.00
Bill	04/01/2016	160401-1	MBC WS	725.00	7,735.00
Bill	05/02/2016	160502-1	MBC WS	675.00	8,410.00
Bill	06/01/2016	160601-1	MBC WS	660.00	9,070.00
Total Disconnection Notices				9,070.00	9,070.00
Other					
Bill	07/01/2015	150701-1	MBC WS	6,660.00	6,660.00
Total Other				6,660.00	6,660.00
Postage and Delivery					
Bill	07/15/2015		Postmaster	74.00	74.00
Total Postage and Delivery				74.00	74.00
Total OFFICE EXPENSE				82,509.80	82,509.80
Professional Fees					
Legal Fees					
Dickinson Law Firm					
Bill	07/02/2015	Inv# 23574	The Dickinson Law Of...	1,541.92	1,541.92
Bill	11/30/2015	Inv# 23797	The Dickinson Law Of...	1,512.00	3,053.92
Bill	06/07/2016		The Dickinson Law Of...	324.02	3,377.94
Total Dickinson Law Firm				3,377.94	3,377.94
Law Office of Les Romo					
Bill	07/02/2015	Inv# 1845	Law Office of Les Romo	3,073.34	3,073.34
Bill	08/05/2015	Inv# 1852	Law Office of Les Romo	3,314.35	6,387.69
Bill	09/23/2015	Inv# 1860	Law Office of Les Romo	4,343.32	10,731.01
Bill	10/13/2015	Inv# 1866	Law Office of Les Romo	3,903.33	14,634.34
Bill	11/27/2015	Inv# 1877	Law Office of Les Romo	3,079.32	17,713.66
Bill	01/08/2016		Law Office of Les Romo	1,022.31	18,735.97
Total Law Office of Les Romo				18,735.97	18,735.97
Other					
Check	10/07/2015	1851	Patrick Keel	1,700.00	1,700.00

Suburban Utility Company
Profit & Loss Detail
 July 2015 through June 2016

Type	Date	Num	Name	Amount	Balance
Total Other				1,700.00	1,700.00
Total Legal Fees				23,813.91	23,813.91
Rate Consultant					
Bill	07/02/2015		B & D ENVIRONMEN...	500.00	500.00
Bill	10/15/2015		B & D ENVIRONMEN...	1,500.00	2,000.00
Bill	04/06/2016		B & D ENVIRONMEN...	500.00	2,500.00
Bill	04/18/2016		B & D ENVIRONMEN...	1,000.00	3,500.00
Total Rate Consultant				3,500.00	3,500.00
Total Professional Fees				27,313.91	27,313.91
Property Taxes					
Aldine ISD					
Check	01/27/2016	E-Pay	Aldine Independent S...	1,219.25	1,219.25
Total Aldine ISD				1,219.25	1,219.25
Cypress-Fairbanks ISD					
Check	01/27/2016	E-Pay	Cypress Fairbanks ISD	925.32	925.32
Check	01/27/2016	E-Pay	Cypress Fairbanks ISD	1.00	926.32
Total Cypress-Fairbanks ISD				926.32	926.32
Harris County					
Check	01/27/2016	E-Pay	HCPT	3,240.22	3,240.22
Total Harris County				3,240.22	3,240.22
Sheldon ISD					
BP3-075.008.033.0397					
Check	07/10/2015	1842	Sheldon Independent ...	1,000.00	1,000.00
Check	08/10/2015	1844	Sheldon Independent ...	1,000.00	2,000.00
Check	09/10/2015	1848	Sheldon Independent ...	1,000.00	3,000.00
Check	10/10/2015	1853	Sheldon Independent ...	1,000.00	4,000.00
Check	11/10/2015	1858	Sheldon Independent ...	1,000.00	5,000.00
Check	12/10/2015	1865	Sheldon Independent ...	1,000.00	6,000.00
Check	01/10/2016	1866	Sheldon Independent ...	1,000.00	7,000.00
Check	02/10/2016	1872	Sheldon Independent ...	1,000.00	8,000.00
Check	03/10/2016	1876	Sheldon Independent ...	1,000.00	9,000.00
Check	04/10/2016	1884	Sheldon Independent ...	1,000.00	10,000.00
Check	05/10/2016	1888	Sheldon Independent ...	1,000.00	11,000.00
Check	06/10/2016	1893	Sheldon Independent ...	1,000.00	12,000.00
Total BP3-075.008.033.0397				12,000.00	12,000.00
Sheldon ISD - Other					
Check	01/27/2016	E-Pay	SHELDON I.S.D. - Ta...	1,957.32	1,957.32
Check	01/27/2016	E-Pay	SHELDON I.S.D. - Ta...	757.13	2,714.45
Check	01/27/2016	E-Pay	SHELDON I.S.D. - Ta...	191.87	2,906.32
Total Sheldon ISD - Other				2,906.32	2,906.32
Total Sheldon ISD				14,906.32	14,906.32
Total Property Taxes				20,292.11	20,292.11
Regulatory Expense					
Fines and Penalties					
Check	02/10/2016	1871	Plains Capital Bank	10,000.00	10,000.00
Check	03/11/2016	3110656	Plains Capital Bank	3,958.33	13,958.33
Check	04/11/2016	1883	Plains Capital Bank	3,958.33	17,916.66
Check	05/11/2016	1889	Plains Capital Bank	3,958.33	21,874.99
Check	06/10/2016	1891	Plains Capital Bank	3,958.33	25,833.32
Total Fines and Penalties				25,833.32	25,833.32
TCEQ					
Water System Fees					
Check	12/24/2015	E-Pay	TCEQ	2,691.80	2,691.80

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 12/09/16
 Accrual Basis

Suburban Utility Company
Profit & Loss Detail
 July 2015 through June 2016

Type	Date	Num	Name	Amount	Balance
Check	02/01/2016	E-Pay	TCEQ	6,717.81	9,409.61
Total Water System Fees				9,409.61	9,409.61
Total TCEQ				9,409.61	9,409.61
Water Well Permit Fees					
HGCSD					
BP - Well No's 1993 & 1994					
Bill	07/07/2015		HGCSD-1993	100.00	100.00
Bill	11/13/2015		HGCSD-1993	1,160.00	1,260.00
Check	02/18/2016	1874	Harris-Galveston Sub...	650.00	1,910.00
Check	03/11/2016	1879	Harris-Galveston Sub...	200.00	2,110.00
Total BP - Well No's 1993 & 1994				2,110.00	2,110.00
CW - WELL NO. 2001					
Check	03/11/2016	1878	Harris-Galveston Sub...	200.00	200.00
Total CW - WELL NO. 2001				200.00	200.00
RA - Well No. 4285					
Bill	07/07/2015		HGCSD-4285	50.00	50.00
Bill	11/13/2015		HGCSD-4285	560.00	610.00
Total RA - Well No. 4285				610.00	610.00
Total HGCSD				2,920.00	2,920.00
Total Water Well Permit Fees				2,920.00	2,920.00
Total Regulatory Expense				38,162.93	38,162.93
Repairs & Maintenance					
Auto Dialer					
Check	07/01/2015	E-Pay	ATT	141.95	141.95
Check	08/05/2015	E-Pay	ATT	131.88	273.83
Check	09/01/2015	E-Pay	ATT	134.25	408.08
Check	10/15/2015	E-Pay	ATT	134.21	542.29
Check	11/04/2015	E-Pay	ATT	144.26	686.55
Check	12/18/2015	E-Pay	ATT	144.08	830.63
Check	01/08/2016	E-Pay	ATT	134.02	964.65
Check	01/20/2016	E-Pay	ATT	144.20	1,108.85
Check	02/26/2016	E-Pay	ATT	153.42	1,262.27
Check	04/04/2016	E-Pay	ATT	151.15	1,413.42
Check	05/02/2016	E-Pay	ATT	150.93	1,564.35
Check	06/02/2016	E-Pay	ATT	151.12	1,715.47
Total Auto Dialer				1,715.47	1,715.47
Grounds Maintenance					
Bill	07/01/2015	150701-1	MBC WS	724.50	724.50
Bill	08/03/2015	150803-1	MBC WS	839.50	1,564.00
Bill	09/01/2015	150901-1	MBC WS	920.00	2,484.00
Bill	10/01/2015	151001-1	MBC WS	770.50	3,254.50
Bill	11/02/2015	151102-1	MBC WS	862.50	4,117.00
Bill	12/01/2015	151201-1	MBC WS	690.00	4,807.00
Bill	01/04/2016	160104-1	MBC WS	517.50	5,324.50
Bill	02/01/2016	160201-1	MBC WS	575.00	5,899.50
Bill	03/01/2016	160301-1	MBC WS	287.50	6,187.00
Bill	04/01/2016	160401-1	MBC WS	759.00	6,946.00
Bill	05/02/2016	160502-1	MBC WS	402.50	7,348.50
Bill	06/01/2016	160601-1	MBC WS	1,334.00	8,682.50
Total Grounds Maintenance				8,682.50	8,682.50
Well Meter Accuracy Testing					
Bill	05/16/2016		Fluid Meter Sales & S...	205.68	205.68
Bill	05/16/2016		Fluid Meter Sales & S...	205.68	411.36
Total Well Meter Accuracy Testing				411.36	411.36

3:16 PM
 12/09/16
 Accrual Basis

Suburban Utility Company
Profit & Loss Detail
 July 2015 through June 2016

Type	Date	Num	Name	Amount	Balance
Repairs & Maintenance - Other					
Bill	07/01/2015	150701-1	MBC WS	4,205.98	4,205.98
Bill	08/03/2015	150803-1	MBC WS	4,959.57	9,165.55
Bill	09/01/2015	150901-1	MBC WS	3,982.91	13,148.46
Bill	09/27/2015	20150927-1	MBC WS	1,780.07	14,928.53
Bill	10/01/2015	151001-1	MBC WS	56.71	14,985.24
Bill	10/30/2015	20151030-1	MBC WS	15,350.49	30,335.73
Bill	11/02/2015	151102-1	MBC WS	2,174.74	32,510.47
Bill	12/01/2015	151201-1	MBC WS	3,442.35	35,952.82
Bill	01/04/2016	160104-1	MBC WS	1,224.95	37,177.77
Bill	02/01/2016	160201-1	MBC WS	1,402.74	38,580.51
Bill	02/05/2016	3413	T & K ELECTRIC	86.60	38,667.11
Bill	03/01/2016	160301-1	MBC WS	1,515.40	40,182.51
Bill	03/28/2016	20160328-1	MBC WS	2,260.17	42,442.68
Bill	04/01/2016	160401-1	MBC WS	1,312.29	43,754.97
Bill	04/04/2016	20160404-1	MBC WS	7,515.05	51,270.02
Bill	04/13/2016	20160413-1	MBC WS	883.45	52,153.47
Bill	05/02/2016	160502-1	MBC WS	2,241.06	54,394.53
Bill	05/05/2016	20160505-1	MBC WS	1,153.75	55,548.28
Bill	06/01/2016	160601-1	MBC WS	3,615.27	59,163.55
Total Repairs & Maintenance - Other				59,163.55	59,163.55
Total Repairs & Maintenance				69,972.88	69,972.88
Total Expense				806,254.07	806,254.07
Net Ordinary Income				-176,952.27	-176,952.27
Net Income				-176,952.27	-176,952.27

Suburban Utility Company, Inc.

Allocation from General Ledger (Profit & Loss Detail) - 07/01/15 to 06/30/16

Account	Employee Labor 601-1	Contract Work 636	Castle wood	Chemicals 618	Utilities 615.1	Materials 620	Office Expense 681	Profess. Services 682	Insurance 684	Misc. 675	Payroll Taxes 408	Other Taxes 408	Non O&M Expense	Capital Expense	Pumpage Fees	Totals
Chemicals				9568												9568
Operations Expense		323820														323820
Utilities					50128											50128
<u>Ground Water Fees</u>																
City of Houston			50659													50659
NHCRWA.															39013	39013
Interest - Customer Deposits										1						1
Lab Fees										5239						5239
Management Compensation	75400															75400
Materials						14175										14175
Office Expense							82510									82510
Professional Fees								27314								27314
Property Taxes													19073			19073
Regulatory Expense																
Fines and Penalties										2692						2692
Water System Fees										2920						2920
Water Well Permit Fees																
<u>Repairs & Maintenance</u>																
Auto Dialer			1715													1715
Grounds Maintenance						8683										8683
Well Meter Accuracy Testing						411										411
Repairs & Maintenance - Other			2934			33365								22865		59164
Totals:	75400	323820	56527	9568	50128	56634	82510	27314	0	10852	0	19073	32550	22865	39013	806254

Allocation of Cost Category Expenses (July 2015 - June 2016)

Calculation of O & M Cost Allocations for Castlewood :

Total Number of Suburban Connections (June 2016): = 1,350 Connections

Allocation Factor for Castlewood: 346 connections ÷ 1,350 total connections = .256 or 25.6%

Allocated Account	Test Year Totals	Castlewood (25.6%)	Suburban (74.4%)
Employee Labor 601-3	\$ 75,400	\$ 19,302	\$ 56,098
Contract Work 636	\$ 323,820	\$ 82,898	\$ 240,922
Chemicals 618	\$ 9,568	\$ 2,449	\$ 7,119
Utilities 615.1	\$ 50,128	\$ 12,833	\$ 37,295
Materials 620	\$ 54,373	\$ 13,919	\$ 40,454
Office Expense 681	\$ 82,510	\$ 21,123	\$ 61,387
Professional Services 682	\$ 27,314	\$ 6,992	\$ 20,322
Miscellaneous 684	\$ 10,852	\$ 2,778	\$ 8,074
Totals:	\$ 633,965	\$ 162,295	\$ 471,670

Calculation of Capital Cost Allocation

Total Number of M.B.C. Connections (July 2016): = 3,695 Connections

Allocation Factor for Suburban: (1,350 - 346) connections ÷ 3,695 total connections = .272 or 27.2%

Allocated Account	Invoiced Totals	Allocation Factor	Suburban's Allocated Cost
Capitalized Expenses			
Southwest Engineers	\$ 167,603	27.2%	\$ 45,588
Totals:	\$ 167,603		\$ 45,588

Expense Accounts Allocation Breakdown

Materials 620

Allocated Account	Total	Materials Account No. 620	Capitalized
Materials	\$ 14,175	\$ 14,175	\$ 0
Grounds Maintenance	\$ 8,683	\$ 8,683	\$ 0
Well Meter Accuracy Testing	\$ 411	\$ 411	\$ 0
Maintenance & Repair - Other	\$ 59,164	\$ 31,104	\$ 28,060
Totals:	\$ 82,433	\$ 54,373	\$ 28,060

Miscellaneous 675

Allocated Account	Total	Miscellaneous Account No. 675	Non O&M Expense
Interest - Customer Deposits	\$ 1	\$ 1	\$ 0
Lab Fees	\$ 5,239	\$ 5,239	\$ 0
Water System Fees	\$ 2,692	\$ 2,692	\$ 0
Water Well Permit Fees	\$ 9,637	\$ 2,920	\$ 6,717
Totals:	\$ 17,569	\$ 10,852	\$ 6,717

Other Revenues

Allocated Account	Total	Suburban	Castlewood
Late Fees	\$ 28,765	\$ 21,477	\$ 7,288
Reconnection Fees	\$ 350	\$ 225	\$ 125
Bill Adjustments	\$ (14,325)	\$ (13,500)	\$ (825)
Totals:	\$ 14,790	\$ 8,202	\$ 6,588

ATTACHMENT B

Suburban Utility Company

Test Period Ends:	30-Jun-16									
Item Description	Installation Date	Original Cost	Expected Service Life	Remaining Life	Annual Deprec. Expense	Total Accum. Deprec.	Net Book Value			
BEAUMONT PLACE - PLANT #1										
Land	10-Jul-62	\$2,000	50	22	\$204	\$5,705	\$4,510			
23,000 Gal. GST	31-Aug-88	\$10,215								
BEAUMONT PLACE - PLANT #2										
Land	10-Jul-62	\$2,000	10	1	\$409	\$3,881	\$2,000			
Well Pump - 15HP	11-Jan-07	\$4,085	50	22	\$258	\$7,213	\$5,701			
35,000 Gal. GST	31-Aug-88	\$12,914	50	10	\$66	\$2,620	\$680			
5,000 Gal. PST	9-Dec-76	\$3,300	30	24	\$103	\$619	\$2,461			
Booster Pump - 10 HP	28-Jun-10	\$3,080	30	24	\$73	\$404	\$1,791			
Booster Pump - 10 HP	29-Dec-10	\$2,195								
BEAUMONT PLACE, - DIST. SYSTEM										
Road Repair	21-Mar-11	\$2,025	50	45	\$41	\$215	\$1,810			
Road Repair	12-Jan-12	\$1,261	50	46	\$25	\$113	\$1,148			
Check Valve - 2" Dia.	9-Mar-08	\$744	50	42	\$15	\$124	\$620			
Distribution System - 2" C.I.	9-Dec-76	\$87,000	50	10	\$1,740	\$69,065	\$17,935			
Distribution System - 6" C.I.	9-Dec-76	\$84,500	50	10	\$1,690	\$67,080	\$17,420			
Distribution System - 8" C.I.	9-Dec-76	\$100,000	50	10	\$2,000	\$79,385	\$20,615			
Distribution System - 3" Dia. PVC	9-Dec-76	\$78,000	50	10	\$1,560	\$61,920	\$16,080			
Distribution System - 6" Dia. PVC	9-Dec-76	\$8,800	50	10	\$176	\$6,986	\$1,814			
Distribution System - 3" A-C	9-Dec-76	\$16,450	50	10	\$329	\$13,059	\$3,391			
Distribution System - 2" Galv.	9-Dec-76	\$3,575	50	10	\$72	\$2,838	\$737			
(Since Last Rate Case)										
Booster Pump - 10 HP	25-Sep-13	\$1,566	30	27	\$52	\$145	\$1,421			
Booster Pump - 10 HP	25-Sep-13	\$1,566	30	27	\$52	\$145	\$1,421			
Well Pump - 15HP	23-Apr-14	\$4,119	10	8	\$412	\$904	\$3,215			
Booster Pump - 10 HP	23-Jun-14	\$1,613	30	28	\$54	\$109	\$1,504			
Electrical Meter Pole	24-Apr-14	\$1,589	20	18	\$79	\$174	\$1,415			
Electrical Meter Pole Installed	4-Apr-14	\$644	20	18	\$32	\$72	\$572			
Line Extension.	31-Oct-15	\$15,350	50	49	\$307	\$205	\$15,145			
Structure - Electrical Controls	28-Mar-16	\$2,260	10	10	\$226	\$58	\$2,202			
900 Gal. PST	5-May-16	\$7,515	50	50	\$150	\$23	\$7,492			
SYSTEM TOTALS:		\$458,365			\$10,125	\$323,060	\$133,306			

Suburban Utility Company

Test Period Ends:	30-Jun-16						
Item Description	Installation Date	Original Cost	Expected Service Life	Remaining Life	Annual Deprec. Expense	Total Accum. Deprec.	Net Book Value
CYPRESS BEND - PLANT:							
Land	5-Feb-63	\$5,000					\$5,000
Electrical Meter Pole	15-Sep-06	\$2,790	20	10	\$140	\$1,370	\$1,420
Master Meter - 2" Dia.	12-Jul-06	\$633	20	10	\$32	\$317	\$316
Master Meter - 3" Dia.	14-Jul-05	\$1,236	20	9	\$62	\$680	\$556
5,000 Gal. PST	11-Jan-76	\$6,500	50	9	\$130	\$5,279	\$1,221
23,000 Gal. GST	25-Nov-97	\$12,575	50	31	\$251	\$4,693	\$7,882
CYPRESS BEND - DIST. SYSTEM							
Distribution System - 2" C.I.	11-Jan-76	\$32,400	50	9	\$648	\$26,313	\$6,087
Distribution System - 4" C.I.	11-Jan-76	\$22,770	50	9	\$455	\$18,492	\$4,278
Distribution System - 2" Galv.	11-Jan-76	\$22,825	50	9	\$457	\$18,537	\$4,288
Distribution System - 4" A-C	11-Jan-76	\$7,650	50	9	\$153	\$6,213	\$1,437
Distribution System - 6" A-C	11-Jan-76	\$4,400	50	9	\$88	\$3,573	\$827
SYSTEM TOTALS:		\$118,779			\$2,415	\$85,468	\$33,311

Suburban Utility Company

Test Period Ends:		30-Jun-16					
Item Description	Installation Date	Original Cost	Expected Service Life	Remaining Life	Annual Deprec. Expense	Total Accum. Deprec.	Net Book Value
RESERVOIR ACRES - PLANT							
Land	16-Mar-62	\$1,500					\$1,500
Master Meter - 3" Dia.	14-Jul-05	\$2,480	20		\$124	\$1,364	\$1,116
Well Repairs	18-May-12	\$1,623	30		\$54	\$224	\$1,399
Booster Pump - 10 HP	18-May-12	\$3,025	30		\$101	\$417	\$2,608
23,000 Gal. GST	17-Jun-99	\$13,128	50		\$263	\$4,489	\$8,639
RESERVOIR ACRES - DIST. SYSTEM							
Distribution System - 1" PVC	20-Dec-76	\$1,000	50		\$20	\$793	\$207
Distribution System - 2" PVC	20-Dec-76	\$28,560	50		\$571	\$22,655	\$5,905
Distribution System - 2" Galv.	20-Dec-76	\$39,000	50		\$780	\$30,936	\$8,064
Distribution System - 3" PVC	20-Dec-76	\$3,575	50		\$72	\$2,836	\$739
Distribution System - 4" PVC	20-Dec-76	\$2,700	50		\$54	\$2,142	\$558
Distribution System - 4" A-C	20-Dec-76	\$3,000	50		\$60	\$2,380	\$620
(Since Last Rate Case)							
Plant Repairs	28-Jan-14	\$8,119	50		\$162	\$394	\$7,725
Electrical Meter Pole Installed	17-Feb-14	\$1,657	20		\$83	\$197	\$1,460
Booster Pump - 7.5 HP	23-Jun-14	\$1,399	30		\$47	\$95	\$1,304
Enclosure & Electrical Panel	9-Dec-16	\$4,850	20		\$0	\$0	\$4,850
SYSTEM TOTALS:		\$115,616			\$2,390	\$68,920	\$46,695

Suburban Utility Company

Test Period Ends: 30-Jun-16		Installation Date	Original Cost	Expected Service Life	Remaining Life	Annual Deprec. Expense	Total Accum. Deprec.	Net Book Value
SYSTEM PLANT TOTALS								
BEAUMONT PLACE			\$458,365			\$10,125	\$323,060	\$133,306
CYPRESS BEND			\$118,779			\$2,415	\$85,468	\$33,311
RESERVOIR ACRES			\$115,616			\$2,390	\$68,920	\$46,695
GENERAL ITEMS								
Engineering Fees - TWDB Project		31-Aug-11	\$45,588	10	5	\$4,559	\$22,105	\$23,483
WATER UTILITY PLANT TOTALS:			\$738,348			\$19,489	\$499,553	\$236,795

ATTACHMENT C

Attachment C: Schedule VI-1 Water Rate Design

Suburban Utility Company, Inc.

Item	Cost	%	Fixed	%	Variable
Management Salaries	\$56,098	50	\$28,049	50	\$28,049
Contract Work	\$240,922	90	\$216,830	10	\$24,092
Other Volume related expenses	\$7,119	0	\$0	100	\$7,119
Power Expense	\$37,295	0	\$0	100	\$37,295
Materials	\$40,454	50	\$20,227	50	\$20,227
Office Supplies & expenses	\$61,387	50	\$30,694	50	\$30,694
Professional Services	\$20,322	100	\$20,322	0	\$0
Insurance	\$0	100	\$0	0	\$0
Rate Case Expense	\$8,000	100	\$8,000	0	\$0
Miscellaneous	\$8,074	50	\$4,037	50	\$4,037
Depreciation	\$19,489	100	\$19,489	0	\$0
Property / Other Taxes	\$19,073	100	\$19,073	0	\$0
Payroll Tax	\$0	50	\$0	50	\$0
<hr/>					
Sub-total (Less F.I.T. & Return)	\$518,233		\$366,720		\$151,513
% of Total (Fixed + Variable)			70.76%		29.24%
Federal Income Taxes (F.I.T.)	\$4,987	100	\$4,987	0	\$0
Return	\$28,270	100	\$28,270	0	\$0
Less other Revenues	-\$8,202		-\$8,202		
<hr/>					
TOTAL	\$543,288		\$391,775		\$151,513

Test Year Customer Equivalents = 1051
 Gallons Included in Minimum Bill = 0
 Total Test Year Gallons Billed = 67,592,000

Gallonge Charge

Variable Costs / (Total Test Year Gallons Billed / 1,000 gallons) = \$2.24 per 1,000 gal

Minimum Bill

Fixed Costs / 12 months / Test Year Customer Equivalents = \$31.06 per month

	Proposed Rate
Using Gallonge charge of \$	2.15 per 1,000 gallons
Yeilds a Minimum Bill of \$	31.55 per month

Minimum Bill = [Total Costs - (Gallonge charge * Gallons Billed / 1000)] / 12 months / Customer Equivalents

	Minimum Bill	Gallonage Rate
5/8" x 3/4" (standard)	\$ 31.55	\$ 2.15 per 1,000 gal
1" (multiply standard by 2.5)	\$ 78.88	
1 1/2" (multiply standard by 5.0)	\$ 157.75	
2" (multiply standard by 8.0)	\$ 252.40	
3" (multiply standard by 15.0)	\$ 473.25	
4" (multiply standard by 25.0)	\$ 788.75	
6" (multiply standard by 50.0)	\$ 1,577.50	

ATTACHMENT D

The Applicant is requesting a \$20.00 per month per connection surcharge to finance the payment on a bank loan for \$955,000 paid over a five year term for a total amount \$1,200,049.18. The bank is requiring an authorized customer surcharge from the PUC as a condition of approving this loan. The loan will make required capital improvements to the affected subdivision. These capital improvements are required for the Applicant to comply with the terms of District Court Order No. D-1-GN- 14-003376.

Surcharge Calculation:

\$20.00 surcharge X 60 months X 1004 connections = \$1,204,800

[Print](#) | [Close Window](#)

Subject: [FWD: Loan Request]

From:

Date: Thu, Sep 08, 2016 11:15 am

To:

Attach: image001.png

----- Original Message -----

Subject: Loan Request

From: Judy Olson

Date: Thu, September 08, 2016 9:12 am

To:

Dear Mike:

Spirit of Texas Bank is very interested in providing financing for your water system(s) repairs and improvements. Final approval of the loan request will be subject to our receipt of satisfactory financial information as requested from you and your brother, Mitchell. Approval will also be contingent on repayment of our loan from a **dedicated customer surcharge** deposited into an account pledged to the bank.

I look forward to working with you.

Judy Olson

Judy Larson Olson
Market President
Spirit of Texas Bank
NMLS# 723315

281-465-3022 Direct
713-825-6244 Cell

1525 Lake Front Circle
The Woodlands, TX 77380

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Suburban Utility Capital Improvements Loan Data

Loan Amount
\$955,000.00

Interest Rate
9.38%

Term (Months)
60

No.	Monthly Payment	Interest	Principle	Balance
1	\$20,000.82	\$7,464.92	\$12,535.90	\$942,464.10
2	\$20,000.82	\$7,366.93	\$12,633.89	\$929,830.20
3	\$20,000.82	\$7,268.17	\$12,732.65	\$917,097.56
4	\$20,000.82	\$7,168.65	\$12,832.17	\$904,265.38
5	\$20,000.82	\$7,068.34	\$12,932.48	\$891,332.91
6	\$20,000.82	\$6,967.25	\$13,033.57	\$878,299.34
7	\$20,000.82	\$6,865.37	\$13,135.45	\$865,163.89
8	\$20,000.82	\$6,762.70	\$13,238.12	\$851,925.77
9	\$20,000.82	\$6,659.22	\$13,341.60	\$838,584.17
10	\$20,000.82	\$6,554.93	\$13,445.89	\$825,138.28
11	\$20,000.82	\$6,449.83	\$13,550.99	\$811,587.29
12	\$20,000.82	\$6,343.91	\$13,656.91	\$797,930.38
13	\$20,000.82	\$6,237.16	\$13,763.66	\$784,166.72
14	\$20,000.82	\$6,129.57	\$13,871.25	\$770,295.47
15	\$20,000.82	\$6,021.14	\$13,979.68	\$756,315.79
16	\$20,000.82	\$5,911.87	\$14,088.95	\$742,226.84
17	\$20,000.82	\$5,801.74	\$14,199.08	\$728,027.76
18	\$20,000.82	\$5,690.75	\$14,310.07	\$713,717.69
19	\$20,000.82	\$5,578.89	\$14,421.93	\$699,295.76
20	\$20,000.82	\$5,466.16	\$14,534.66	\$684,761.11
21	\$20,000.82	\$5,352.55	\$14,648.27	\$670,112.84
22	\$20,000.82	\$5,238.05	\$14,762.77	\$655,350.07
23	\$20,000.82	\$5,122.65	\$14,878.17	\$640,471.90
24	\$20,000.82	\$5,006.36	\$14,994.46	\$625,477.43
25	\$20,000.82	\$4,889.15	\$15,111.67	\$610,365.76
26	\$20,000.82	\$4,771.03	\$15,229.79	\$595,135.97
27	\$20,000.82	\$4,651.98	\$15,348.84	\$579,787.13
28	\$20,000.82	\$4,532.00	\$15,468.82	\$564,318.31
29	\$20,000.82	\$4,411.09	\$15,589.73	\$548,728.58
30	\$20,000.82	\$4,289.23	\$15,711.59	\$533,016.99
31	\$20,000.82	\$4,166.42	\$15,834.40	\$517,182.59
32	\$20,000.82	\$4,042.64	\$15,958.18	\$501,224.41
33	\$20,000.82	\$3,917.90	\$16,082.92	\$485,141.49
34	\$20,000.82	\$3,792.19	\$16,208.63	\$468,932.86
35	\$20,000.82	\$3,665.49	\$16,335.33	\$452,597.54
36	\$20,000.82	\$3,537.80	\$16,463.02	\$436,134.52
37	\$20,000.82	\$3,409.12	\$16,591.70	\$419,542.82
38	\$20,000.82	\$3,279.43	\$16,721.39	\$402,821.43
39	\$20,000.82	\$3,148.72	\$16,852.10	\$385,969.33
40	\$20,000.82	\$3,016.99	\$16,983.83	\$368,985.50
41	\$20,000.82	\$2,884.24	\$17,116.58	\$351,868.92
42	\$20,000.82	\$2,750.44	\$17,250.38	\$334,618.54
43	\$20,000.82	\$2,615.60	\$17,385.22	\$317,233.32
44	\$20,000.82	\$2,479.71	\$17,521.11	\$299,712.21
45	\$20,000.82	\$2,342.75	\$17,658.07	\$282,054.14
46	\$20,000.82	\$2,204.72	\$17,796.10	\$264,258.04
47	\$20,000.82	\$2,065.62	\$17,935.20	\$246,322.84
48	\$20,000.82	\$1,925.42	\$18,075.40	\$228,247.44
49	\$20,000.82	\$1,784.13	\$18,216.69	\$210,030.76
50	\$20,000.82	\$1,641.74	\$18,359.08	\$191,671.68
51	\$20,000.82	\$1,498.23	\$18,502.59	\$173,169.09
52	\$20,000.82	\$1,353.61	\$18,647.21	\$154,521.88
53	\$20,000.82	\$1,207.85	\$18,792.97	\$135,728.91
54	\$20,000.82	\$1,060.95	\$18,939.87	\$116,789.03
55	\$20,000.82	\$912.90	\$19,087.92	\$97,701.11
56	\$20,000.82	\$763.70	\$19,237.12	\$78,463.99
57	\$20,000.82	\$613.33	\$19,387.49	\$59,076.50
58	\$20,000.82	\$461.78	\$19,539.04	\$39,537.46
59	\$20,000.82	\$309.05	\$19,691.77	\$19,845.69
60	\$20,000.82	\$155.13	\$19,845.69	\$0.00
Loan Totals:		\$245,049.18	\$955,000.00	\$1,200,049.18

Suburban Utility Company Surcharge Request Data

Beaumont Place - Danvers Plant (PWS ID No. 1010098)										
Number of Connections		Well Production Capacities (Gallon Per Minute)			Ground Storage Capacities (Gallons)			Pressure Tank Capacities (Gallons)		
Actual	85% Rule	Required	Existing	Surplus	Required	Existing	Short	Required	Existing	Short
142	168	101	113	(12)	33,600	23,200	10,400	3,360	0	3,360

Beaumont Place - Flagstaff Plant (PWS ID No. 1010098)										
Number of Connections		Well Production Capacities (Gallon Per Minute)			Ground Storage Capacities (Gallons)			Pressure Tank Capacities (Gallons)		
Actual	85% Rule	Required	Existing	Short	Required	Existing	Short	Required	Existing	Short
404	476	286	100	-186	95,200	0	95,200	9,520	0	9,520

Cypress Bend - (PWS ID No. 1010119)										
Number of Connections		Well Production Capacities (Gallon Per Minute)			Ground Storage Capacities (Gallons)			Pressure Tank Capacities (Gallons)		
Actual	85% Rule	Required	Existing	Short	Required	Existing	Short	Required	Existing	Short
241	284	171	85	86	56,800	23,000	33,800	5,680	5,000	680

Reservoir Acres - (PWS ID No. 1010197)										
Number of Connections		Well Production Capacities (Gallon Per Minute)			Ground Storage Capacities (Gallons)			Pressure Tank Capacities (Gallons)		
Actual	85% Rule	Required	Existing	Surplus	Required	Existing	Short	Required	Existing	Short
219	258	155	160	(5)	51,600	23,000	28,600	5,160	0	5,160

Estimated Cost For Improvements			
Danvers Plant	1. 33,600 Gallon Ground Storage Tank.	Estimated Cost:	\$82,200.00
	2. 3,360 Gallon Pressure Tank.	Estimated Cost:	\$44,300.00
Sub-Total for Beaumont Place - Danvers Plant:			\$126,500.00
Flagstaff Plant	3. 186 Gallon Per Minute Water Well.	Estimated Cost:	\$109,916.25
	4. 95,200 Gallon Ground Storage Tank.	Estimated Cost:	\$189,750.00
	5. 9,520 Gallon Pressure Tank.	Estimated Cost:	\$102,335.00
Sub-Total for Beaumont Place - Flagstaff Plant:			\$402,001.25
Cypress Bend	6. 86 Gallon Per Minute Water Well.	Estimated Cost:	\$112,816.25
	7. 56,800 Gallon Ground Storage Tank.	Estimated Cost:	\$132,100.00
Sub-Total for Cypress Bend:			\$244,916.25
Reservoir Acres	8. 51,600 Gallon Ground Storage Tank.	Estimated Cost:	\$118,375.00
	9. 5,160 Gallon Pressure Tank.	Estimated Cost:	\$62,800.00
Sub-Total for Reservoir Acres:			\$181,175.00
Total for All Improvements:			\$954,592.50

Note - While the pressure tank at Cypress Bend is slightly under capacity, the TCEQ/State of Texas did not include it as an item in the Permanent Injunction and is therefore not part of the surcharge request.

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National Ground Water Member
(936) 756-8668

Member BBB
(936) 856-1945 FAX

www.ballardwaterwell.com

Name: Michael Martin
Organization: M.B.C. Water Systems, Inc.
Address: Hwy 90 & Bltwy 8

PROPOSAL / CONTRACT

December 22, 2016
PRICING GOOD 30 DAYS

BP Danvers - Hwy 90 & Bltwy 8

LAT: LONG: ELEVATION:

Phone: (713) 248-1465
Email: mike@mbcws.com

INSTALL 33,600 GALLON GALVANIZED GROUND STORAGE TANK - 1 YEAR WARRANTY

Qty	UNIT	ITEM		PRICE
33600	gal.	Galvanized Storage Tank and Gravel Bed - Installed	Add \$2.00 /gallon	\$ 67,200.00
1		Exterior Ladder w/ Safety Cage and Lockable Entry	Add \$ 2,500.00	\$ 2,500.00
1		Liquid Level Indicator	Add \$ 1,500.00	\$ 1,500.00
1		Install Plumbing, and Electrical to New Tank	Add \$ 5,000.00	\$ 5,000.00
?		Tear Down/Removal of Existing GST	Add \$ 0.50 /gallon	
1		Flush and Chlorinate Tank	Add \$ 1,500.00	Customer.
1		Obtain Bac-T Sample	Add \$ 225.00	Customer
1		Engineering, County Permit Fee and Business Plan	Add \$ 9,500.00	\$ 9,500.00
3500	gal.	Gallon Horizontal Pressure Tank	Add \$ 10.50 /gallon	\$ 36,750.00
1		6' X 15' X 6" Concrete Slab	Add \$ 45.00 ^ft	\$ 4,050.00
Payment Terms:		SUBTOTAL		\$ 126,500.00
· 50% Down upon Acceptance		TAX @ 8.25% EXEMPTION MUST BE ON FILE		Exempt
· Balance Due Upon System Completion		TOTAL		\$ 126,500.00

Regulated By: TDLR
P. O. Box 12157, Austin, TX 78711
512-463-7880

Production: gpm
Water Level: ft.
Pump Depth: ft.

BALLARD WATER WELL WILL NOT BE RESPONSIBLE FOR: Damage to landscape (grass, trees, shrubs, etc.), Property (home, driveways, culverts, fences, gates, locks, garage, etc.), Pets or Livestock (cows, horses, dogs, etc.), Digging or drilling into underground utilities (sewer, electric, cable, telephone, gas lines, etc.), Removing or Disturbing water, mud, dirt at drill site area. CUSTOMER SHALL PROVIDE A WORK AREA: free of obstructing trees, refuse, buildings, fences, underground and above ground utilities. Easy access to well site. BALLARD WATER WELL DOES NOT GUARANTEE WELL FLOW PRODUCTION, WATER QUALITY (CALCIUM, IRON, MANGANESE, H2S, SILT, ETC.). WATER WELLS ARE HIGHLY CHLORINATED FOR DISINFECTION. FLUSH SYSTEM THOROUGHLY (1-24Hours). CUSTOMER MUST PROTECT WELL FROM FREEZE (FREEZE VOIDS WARRANTY!!!!!!). CUSTOMER GUARANTEES ALL PAYMENTS WILL BE COLLECTABLE AND PAID IN FULL UPON COMPLETION. WARRANTY EXCLUDES: Freeze, Electrical Surge, Tampering, Accidental Damage, or Lightning Damage. INSUFFICIENT FUNDS CHARGE \$50.00 Finance Charges: All past due accounts are subject to a finance charge of 1.5% per month

DATE _____

Authorized Signature _____

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National Ground Water Member
(936) 756-8668

Member BBB
(936) 856-1945 FAX

www.ballardwaterwell.com

PROPOSAL / CONTRACT

December 22, 2016

Name: **Michael Martin**
Organization: **M.B.C. Water Systems, Inc.**
Address: **Hwy 90 & Bltwy 8**

BP Flagstaff

PRICING GOOD 30 DAYS

LAT: LONG: ELEVATION:

Phone: (713) 248-1465
Email: mike@mbcws.com

APPROX. 600' X 6" PRESSURE CEMENTED PUBLIC WATER WELL SYSTEM (1 YEAR WARRANTY)

Qty	UNIT	ITEM	PRICE
600	ft.	7" Test Hole Drilling (300ft Minimum Drilling)	Add \$ 10.00 /ft \$ 6,000.00
600	ft.	10" Bore Hole Drilling (300ft Minimum Drilling)	Add \$ 45.00 /ft \$ 27,000.00
540	ft.	6 5/8" SCH40 Black Steel T&C Casing	Add \$ 35.00 /ft \$ 18,900.00
540	ft.	Full Annular Cementing of Casing Required by TCEQ	Add \$ 10.00 /ft casing \$ 5,400.00
10	ft.	4" Liner, Packer Assembly, Bottom Hole Assembly	Add \$ 27.50 /ft \$ 275.00
60	ft.	4" Pipe Based Stainless Steel Screens	Add \$ 225.00 /ft \$ 13,500.00
20	hp	Stainless Steel Submersible Pump & 230Volt 3Phase Submersible Motor	Add \$ 13,975.00 \$ 13,975.00
315	ft.	3" Sch40 T&C Galvanized Discharge Piping, 10AWG Submersible Pump Cable, 1/8" Air Line	Add \$ 19.75 /ft \$ 6,221.25
3	in.	Well Head Package: Vent, Check Valve, Water Flow Meter, Air Release, Sample Cock	Add \$ 7,500.00 \$ 7,500.00
92500	gal.	Bolted Steel Storage Tank and Gravel Bed - Installed	Add \$ 2.00 /gallon \$ 185,000.00
9520	gal.	Gallon Horizontal Pressure Tank	Add \$ 10.50 /gallon \$ 99,960.00
30	gallon	Electronic Chlorine Injection System	Add \$ 1,995.00 \$ 1,995.00
1		7' X 7' X 6" Concrete Tapered Sealing Block	Add \$ 2,500.00 \$ 2,500.00
0		40' X 40' X 8' Intruder Resistant Fence	Add \$ 100.00 /ft Optional
0	ft.	4" PVC Plumbing	Add \$ 50.00 /ft \$ -
?		Tear Down/Removal of Existing GST	Add \$ 0.50 /gallon Optional
1		Engineering, County Permit Fee and Business Plan	\$ 9,500.00
1		36 Hour Pump Test, 3 Consecutive Bac-T Tests, Chemical Analysis w/ Radionuclide Testing	\$ 4,275.00
Payment Terms:			SUBTOTAL
· 25% Down Payment Due Upon Acceptance			\$ 402,001.25
· 50% Due Once Pump is Set			TAX @ 8.25% EXEMPTION MUST BE ON FILE
· Balance Due Upon Well System Completion			Exempt
· Absence of electricity does not constitute withholding payment			TOTAL
			\$ 402,001.25
			25% Down Payment
			50% 2nd Draw
			Final Payment

Regulated By: TDLR
P. O. Box 12157, Austin, TX 78711
512-463-7880

Production: gpm
Water Level: ft.
Pump Depth: ft.

BALLARD WATER WELL WILL NOT BE RESPONSIBLE FOR: Damage to landscape (grass, trees, shrubs, etc.), Property (home, driveways, culverts, fences, gates, locks, garage, etc.), Pets or Livestock (cows, horses, dogs, etc.), Digging or drilling into underground utilities (sewer, electric, cable, telephone, gas lines, etc.), Removing or Disturbing water, mud, dirt at drill site area. CUSTOMER SHALL PROVIDE A WORK AREA: free of obstructing trees, refuse, buildings, fences, underground and above ground utilities. Easy access to well site. BALLARD WATER WELL DOES NOT GUARANTEE WELL FLOW PRODUCTION, WATER QUALITY (CALCIUM, IRON, MANGANESE, H2S, SILT, ETC.). WATER WELLS ARE HIGHLY CHLORINATED FOR DISINFECTION. FLUSH SYSTEM THOROUGHLY (1-24Hours). CUSTOMER MUST PROTECT WELL FROM FREEZE (FREEZE VOIDS WARRANTY!!!!). CUSTOMER GUARANTEES ALL PAYMENTS WILL BE COLLECTABLE AND PAID IN FULL UPON COMPLETION. WARRANTY EXCLUDES: Freeze, Electrical Surge, Tampering, Accidental Damage, or Lightning Damage. INSUFFICIENT FUNDS CHARGE \$50.00 Finance Charges: All past due accounts are subject to a finance charge of 1.5% per month

DATE _____

Authorized Signature _____

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National Ground Water Member
(936) 756-8668

Member BBB
(936) 856-1945 FAX

www.ballardwaterwell.com

PROPOSAL / CONTRACT

December 27, 2016

Name: Michael Martin
Organization: M.B.C. Water Systems, Inc.
Address: Hwy 90 & Bltwy 8

CB - Hwy 290 & Barker Cypress

PRICING GOOD 30 DAYS

LAT: LONG: ELEVATION:

Phone: (713) 248-1465
Email: mike@mbcws.com

APPROX. 600' X 6" PRESSURE CEMENTED PUBLIC WATER WELL SYSTEM (1 YEAR WARRANTY)

Qty	UNIT	ITEM	PRICE
600	ft.	7 " Test Hole Drilling (300ft Minimum Drilling)	Add \$ 10.00 /ft \$ 6,000.00
600	ft.	10 " Bore Hole Drilling (300ft Minimum Drilling)	Add \$ 45.00 /ft \$ 27,000.00
540	ft.	6 5/8 " SCH40 Black Steel T&C Casing	Add \$ 35.00 /ft \$ 18,900.00
540	ft.	Full Annular Cementing of Casing Required by TCEQ	Add \$ 10.00 /ft casing \$ 5,400.00
10	ft.	4 " Liner, Packer Assembly, Bottom Hole Assembly	Add \$ 27.50 /ft \$ 275.00
60	ft.	4 " Pipe Based Stainless Steel Screens	Add \$ 225.00 /ft \$ 13,500.00
10	hp	Stainless Steel Submersible Pump & 230Volt 3Phase Submersible Motor	Add \$ 9,750.00 \$ 9,750.00
315	ft.	3 " Sch40 T&C Galvanized Discharge Piping, 8AWG Submersible Pump Cable, 1/8" Air Line	Add \$ 19.75 /ft \$ 6,221.25
3	in.	Well Head Package: Vent, Check Valve, Water Flow Meter, Air Release, Sample Cock	Add \$ 7,500.00 \$ 7,500.00
0	gal.	Bolted Steel Storage Tank and Gravel Bed - Installed	Add \$ 2.00 /gallon \$ -
0	gal.	Gallon Horizontal Pressure Tank	Add \$ 10.50 /gallon \$ -
30	gallon	Electronic Chlorine Injection System	Add \$ 1,995.00 \$ 1,995.00
1		7' X 7' X 6" Concrete Tapered Sealing Block	Add \$ 2,500.00 \$ 2,500.00
0		40' X 40' X 8' Intruder Resistant Fence	Add \$ 100.00 /ft Optional
0	ft.	4 " PVC Plumbing	Add \$ 50.00 /ft \$ -
?		Tear Down/Removal of Existing GST	Add \$ 0.50 /gallon Optional
1		Engineering, County Permit Fee and Business Plan	\$ 9,500.00
1		36 Hour Pump Test, 3 Consecutive Bac-T Tests, Chemical Analysis w/ Radionuclide Testing	\$ 4,275.00
Payment Terms:			SUBTOTAL
· 25% Down Payment Due Upon Acceptance			\$ 112,816.25
· 50% Due Once Pump is Set			TAX @ 8.25% EXEMPTION MUST BE ON FILE
· Balance Due Upon Well System Completion			Exempt
· Absence of electricity does not constitute withholding payment			TOTAL
			\$ 112,816.25
			25% Down Payment
			50% 2nd Draw
			Final Payment

Regulated By: TDLR
P. O. Box 12157, Austin, TX 78711
512-463-7880

Production: gpm
Water Level: ft.
Pump Depth: ft.

BALLARD WATER WELL WILL NOT BE RESPONSIBLE FOR: Damage to landscape (grass, trees, shrubs, etc.), Property (home, driveways, culverts, fences, gates, locks, garage, etc.), Pets or Livestock (cows, horses, dogs, etc.), Digging or drilling into underground utilities (sewer, electric, cable, telephone, gas lines, etc.), Removing or Disturbing water, mud, dirt at drill site area. CUSTOMER SHALL PROVIDE A WORK AREA: free of obstructing trees, refuse, buildings, fences, underground and above ground utilities. Easy access to well site. BALLARD WATER WELL DOES NOT GUARANTEE WELL FLOW PRODUCTION, WATER QUALITY (CALCIUM, IRON, MANGANESE, H2S, SILT, ETC.). WATER WELLS ARE HIGHLY CHLORINATED FOR DISINFECTION. FLUSH SYSTEM THOROUGHLY (1-24Hours). CUSTOMER MUST PROTECT WELL FROM FREEZE (FREEZE VOIDS WARRANTY!!!!!!). CUSTOMER GUARANTEES ALL PAYMENTS WILL BE COLLECTABLE AND PAID IN FULL UPON COMPLETION. WARRANTY EXCLUDES: Freeze, Electrical Surge, Tampering, Accidental Damage, or Lightning Damage. INSUFFICIENT FUNDS CHARGE \$50.00 Finance Charges: All past due accounts are subject to a finance charge of 1.5% per month

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(936) 756-8668

Member BBB
(936) 856-1945 FAX

www.ballardwaterwell.com

Name: Michael Martin
Organization: M.B.C. Water Systems, Inc.
Address: Hwy 90 & Bltwy 8

PROPOSAL / CONTRACT

December 22, 2016
PRICING GOOD 30 DAYS

CB - Hwy 290 & Barker Cypress

LAT: LONG: ELEVATION:

Phone: (713) 248-1465
Email: mike@mbcws.com

INSTALL 56,800 GALLON GALVANIZED GROUND STORAGE TANK - 1 YEAR WARRANTY

Qty	UNIT	ITEM		PRICE
56800	gal.	Galvanized Storage Tank and Gravel Bed - Installed	Add \$2.00 /gallon	\$ 113,600.00
1		Exterior Ladder w/ Safety Cage and Lockable Entry	Add \$ 2,500.00	\$ 2,500.00
1		Liquid Level Indicator	Add \$ 1,500.00	\$ 1,500.00
1		Install Plumbing, and Electrical to New Tank	Add \$ 5,000.00	\$ 5,000.00
?		Tear Down/Removal of Existing GST	Add \$ 0.50 /gallon	
1		Flush and Chlorinate Tank	Add \$ 1,500.00	Customer
1		Obtain Bac-T Sample	Add \$ 225.00	Customer
1		Engineering, County Permit Fee and Business Plan	Add \$ 9,500.00	\$9,500.00
Payment Terms:		SUBTOTAL		\$ 132,100.00
· 50% Down upon Acceptance		TAX @ 8.25% EXEMPTION MUST BE ON FILE		Exempt
· Balance Due Upon System Completion		TOTAL		\$ 132,100.00

Regulated By: TDLR
P. O. Box 12157, Austin, TX 78711
512-463-7880

Production: gpm
Water Level: ft.
Pump Depth: ft.

BALLARD WATER WELL WILL NOT BE RESPONSIBLE FOR: Damage to landscape (grass, trees, shrubs, etc.), Property (home, driveways, culverts, fences, gates, locks, garage, etc.), Pets or Livestock (cows, horses, dogs, etc.), Digging or drilling into underground utilities (sewer, electric, cable, telephone, gas lines, etc.), Removing or Disturbing water, mud, dirt at drill site area. CUSTOMER SHALL PROVIDE A WORK AREA: free of obstructing trees, refuse, buildings, fences, underground and above ground utilities. Easy access to well site. BALLARD WATER WELL DOES NOT GUARANTEE WELL FLOW PRODUCTION, WATER QUALITY (CALCIUM, IRON, MANGANESE, H2S, SILT, ETC.). WATER WELLS ARE HIGHLY CHLORINATED FOR DISINFECTION. FLUSH SYSTEM THOROUGHLY (1-24Hours). CUSTOMER MUST PROTECT WELL FROM FREEZE (FREEZE VOIDS WARRANTY!!!!). CUSTOMER GUARANTEES ALL PAYMENTS WILL BE COLLECTABLE AND PAID IN FULL UPON COMPLETION. WARRANTY EXCLUDES: Freeze, Electrical Surge, Tampering, Accidental Damage, or Lightning Damage. INSUFFICIENT FUNDS CHARGE \$50.00 Finance Charges: All past due accounts are subject to a finance charge of 1.5% per month

DATE _____

Authorized Signature _____

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www.ballardwaterwell.com

Name: Michael Martin
Organization: M.B.C. Water Systems, Inc.
Address: Hwy 90 & Beltwy 8

PROPOSAL / CONTRACT

December 27, 2016
PRICING GOOD 30 DAYS

RA - Hwy 90 & Beltway 8

LAT: LONG: ELEVATION:

Phone: (713) 248-1465
Email: mike@mbcws.com

INSTALL 51,600 GALLON GALVANIZED GROUND STORAGE TANK - 1 YEAR WARRANTY

Qty	UNIT	ITEM		PRICE
51600	gal.	Galvanized Storage Tank and Gravel Bed - Installed	Add \$2.00 /gallon	\$ 103,200.00
1		Exterior Ladder w/ Safety Cage and Lockable Entry	Add \$ 2,500.00	\$ 2,500.00
1		Liquid Level Indicator	Add \$ 1,500.00	\$ 1,500.00
1		Install Plumbing, and Electrical to New Tank	Add \$ 5,000.00	\$ 5,000.00
2		Tear Down/Removal of Existing GST	Add \$ 0.50 /gallon	
1		Flush and Chlorinate Tank	Add \$ 1,500.00	Customer
1		Obtain Bac-T Sample	Add \$ 225.00	Customer
1		Engineering, County Permit Fee and Business Plan	Add \$ 9,500.00	\$ 9,500.00
5150	gal.	Gallon Horizontal Pressure Tank	Add \$ 10.50 /gallon	\$ 54,075.00
1		6'X20' Slab	Add \$ 5,400.00	\$ 5,400.00
Payment Terms:		SUBTOTAL		\$ 181,175.00
· 50% Down upon Acceptance		TAX @ 8.25% EXEMPTION MUST BE ON FILE		Exempt
· Balance Due Upon System Completion		TOTAL		\$ 181,175.00

Regulated By: TDLR
P. O. Box 12157, Austin, TX 78711
512-463-7880

Production: gpm
Water Level: ft.
Pump Depth: ft.

BALLARD WATER WELL WILL NOT BE RESPONSIBLE FOR: Damage to landscape (grass, trees, shrubs, etc.), Property (home, driveways, culverts, fences, gates, locks, garage, etc.), Pets or Livestock (cows, horses, dogs, etc.), Digging or drilling into underground utilities (sewer, electric, cable, telephone, gas lines, etc.), Removing or Disturbing water, mud, dirt at drill site area. CUSTOMER SHALL PROVIDE A WORK AREA: free of obstructing trees, refuse, buildings, fences, underground and above ground utilities. Easy access to well site. BALLARD WATER WELL DOES NOT GUARANTEE WELL FLOW PRODUCTION, WATER QUALITY (CALCIUM, IRON, MANGANESE, H2S, SILT, ETC.). WATER WELLS ARE HIGHLY CHLORINATED FOR DISINFECTION. FLUSH SYSTEM THOROUGHLY (1-24Hours). CUSTOMER MUST PROTECT WELL FROM FREEZE (FREEZE VOIDS WARRANTY!!!!). CUSTOMER GUARANTEES ALL PAYMENTS WILL BE COLLECTABLE AND PAID IN FULL UPON COMPLETION. WARRANTY EXCLUDES: Freeze, Electrical Surge, Tampering, Accidental Damage, or Lightning Damage. INSUFFICIENT FUNDS CHARGE \$50.00 Finance Charges: All past due accounts are subject to a finance charge of 1.5% per month

DATE _____

Authorized Signature _____

CUSTOMER NOTICES

AFFIDAVIT

STATE OF TEXAS

COUNTY OF MONTGOMERY

I, MITCHELL M. MARTIN, JR. being duly sworn, file this **NOTICE OF PROPOSED RATE CHANGE** as PRESIDENT

(indicate relationship to Utility, that is, owner, member of partnership, title as officer of corporation, or other authorized representative of Utility); that, in such capacity, I am qualified and authorized to file and verify such NOTICE; and that all statements made and matters set forth herein are true and correct.

I further represent that a copy of the attached NOTICE was provided by FIRST CLASS MAIL (method of delivery)

to each customer or other affected party on or about DECEMBER 28, 2016

Mitchell M. Martin, Jr.
AFFIANT
(Utility's Authorized Representative)

SUBURBAN UTILITY COMPANY, INC.
NAME OF UTILITY

If the Affiant to this form is any person other than the sole owner, partner, officer of the Utility, or its attorney, a properly verified Power of Attorney must be enclosed.

SUBSCRIBED AND SWORN TO BEFORE ME,
this the 28th day of December, 2016, to certify
which witness my hand and seal of office.

SEAL



Janet M. Wisnowski
NOTARY PUBLIC IN AND FOR THE
STATE OF TEXAS

JANET M. WISNOWSKI
PRINT OR TYPE NAME OF NOTARY

MY COMMISSION EXPIRES 12/03/2018

**NOTICE OF PROPOSED RATE CHANGE
PURSUANT TO TEX. WATER CODE § 13.1871**

Suburban Utility Company, Inc.	10835
--------------------------------	-------

Company Name

CCN Number(s)

has filed a rate change application with the Public Utility Commission of Texas (Commission or PUC). The application may be reviewed online at interchange.puc.texas.gov. You may also inspect a copy of the rate change application at your utility's office at the address below or at the Commission's office (1701 N. Congress Ave, Austin, TX 78701). The proposed rates will apply to service received after the effective date provided below, unless modified or suspended by the Commission. If the Commission receives a sufficient number of protests, separately or in a combined protest letter, from at least ¹⁰¹ [number of] ratepayers (10 percent of the utility's customers over whose rates the Commission has original jurisdiction) or from any affected municipality before the 91st day after the proposed effective date, the matter will be set for hearing. **See Protest Form on the next page for instructions on how to protest.**

EFFECTIVE DATE OF PROPOSED INCREASE:

2/3/2017

(must be at least 35 days after notice is provided to customers and 35 days after application is filed)

(Proposed rates requested by the utility are not final. The Commission may modify the rates and order a 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.)

Reason(s) for proposed Rate Change:

A surcharge to make required improvements to comply with TCEQ standards. Allow generation of enough revenue to cover expenses reasonable and necessary to provide service to the ratepayers and allow an opportunity to earn a return on invested capital of the utility.

BILLING COMPARISON

Water

Existing	5,000 gallons:	\$	33.75	/mo	Proposed	5,000 gallons:	\$	62.30	/mo
Existing	10,000 gallons:	\$	44.50	/mo	Proposed	10,000 gallons:	\$	73.05	/mo
Existing	30,000 gallons:	\$	90.00	/mo	Proposed	30,000 gallons:	\$	118.55	/mo

Beaumont Place (PWS #1010098) and Reservoir Acres (PWS #1010197) Subdivisions

Subdivision(s) or System(s) Affected by Rate Change

P. O. Box 455	Spring	TX	77383
Company Address	City	State	Zip

(281) 444-7747

Company Phone Number

121,834.00

Annual Revenue Increase

12/29/2016

Date Notice Delivered

11/1/2013

Date of Last Rate Change

Various dates per subdivision

Date Meters Typically Read

* Prior to providing notice, the utility shall file a request for the assignment of a docket number for the application.

P.U.C. DOCKET NO. 46674

RATEPAYER PROTEST

If you wish to PROTEST the proposed rate change, you must submit this form and 10 copies to:

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

Unless protests are received from at least 10% of ratepayers or from any affected municipality, or the Commission Staff requests a hearing, no hearing will be held and the rates will be effective as proposed.

CUSTOMER INFORMATION (to be completed by customers submitting protests)

First Name: _____ Last Name: _____

Phone Number: _____ Fax Number: _____

Address, City, State: _____

Location where service is received: _____

(if different from the mailing address)

Please fill out the following:

I wish to PROTEST the following proposed rate action/s:

Water Rate Change Sewer Rate Change Both Water and Sewer Rate Change

Other (please specify below)

Signature of Protestor:

Date: _____

**Si desea informacion en Espanol, puede llamar al
1-888-782-8477**

**Hearing- and speech-impaired individuals with text telephones may contact the PUC's Customer Assistance
Hotline at
512-936-7136**

NOTICE OF PROPOSED RATE CHANGE -WATER

CURRENT RATES			PROPOSED RATES		
Monthly base rate including _____ of gallons			Monthly base rate including _____ of gallons		
Meter Size:			Meter Size:		
RESIDENTIAL			RESIDENTIAL		
5/8" or 3/4"	\$	23.00	5/8" or 3/4"	\$	31.55
1"	\$	57.50	1"	\$	78.88
1 1/2"	\$	115.00	1 1/2"	\$	157.75
2"	\$	184.00	2"	\$	252.40
3"	\$	345.00	3"	\$	473.25
Other:	\$		Other:	\$	788.75
			6"	\$	1,577.50
GALLONAGE CHARGE:			GALLONAGE CHARGE:		
TIER	VOLUME	CHARGE per 1000 gals.	TIER	VOLUME	CHARGE per 1000 gals.
Tier 1	0 to 20,000 gals.	\$ 2.15 /1000 gals.	Tier 1	0 to 20,000 gals.	\$ 2.15 /1000 gals.
Tier 2	20,001 to 35,000 gals.	\$ 2.40 /1000 gals.	Tier 2	20,001 to 35,000 gals.	\$ 2.40 /1000 gals.
Tier 3	35,001 to 50,000 gals.	\$ 2.65 /1000 gals.	Tier 3	35,001 to 50,000 gals.	\$ 2.65 /1000 gals.
Tier 4	50,001 to Above gals.	\$ 3.00 /1000 gals.	Tier 4	50001 to Above gals.	\$ 3.00 /1000 gals.
Tier 5	to gals.	\$ /1000 gals.	Capital Improvements Surcharge \$ 20.00 per month per connection for 60 months		
MISCELLANEOUS FEES			MISCELLANEOUS FEES		
Tap Fee	\$	600.00	Tap Fee	\$	600.00
Reconnect fee: Non-payment	\$	25.00	Reconnect fee: Non-payment (Maximum - \$25.00)	\$	25.00
Customer's Request	\$	50.00	Customer's Request	\$	50.00
Transfer Fee	\$	25.00	Transfer Fee	\$	35.00
Late Charge	\$.50	Late charge: (Indicate either \$5.00 or 10%)	\$	10%
Returned Check Charge	\$	25.00	Returned Check Charge	\$	30.00
Deposit	\$	50.00	Deposit (Maximum \$50.00)	\$	50.00
Meter test fee	\$	25.00	Meter test fee (Maximum - \$25.00)	\$	25.00

Regulatory Assessment of 1% is added to base rate and gallonage charges. Additional fees and meter sizes may be shown on a separate page.

If applicable, list any bill payment assistance programs to low income Ratepayers.

None

**NOTICE OF PROPOSED RATE CHANGE
PURSUANT TO TEX. WATER CODE § 13.1871**

Suburban Utility Company, Inc.	10835
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Company Name

CCN Number(s)

has filed a rate change application with the Public Utility Commission of Texas (Commission or PUC). The application may be reviewed online at interchange.puc.texas.gov. You may also inspect a copy of the rate change application at your utility's office at the address below or at the Commission's office (1701 N. Congress Ave, Austin, TX 78701). The proposed rates will apply to service received after the effective date provided below, unless modified or suspended by the Commission. If the Commission receives a sufficient number of protests, separately or in a combined protest letter, from at least ¹⁰¹ [number of] ratepayers (10 percent of the utility's customers over whose rates the Commission has original jurisdiction) or from any affected municipality before the 91st day after the proposed effective date, the matter will be set for hearing. **See Protest Form on the next page for instructions on how to protest.**

EFFECTIVE DATE OF PROPOSED INCREASE: 2/3/2017

(must be at least 35 days after notice is provided to customers and 35 days after application is filed)
(Proposed rates requested by the utility are not final. The Commission may modify the rates and order a 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.)

Reason(s) for proposed Rate Change:

A surcharge to make required improvements to comply with TCEQ standards. Allow generation of enough revenue to cover expenses reasonable and necessary to provide service to the ratepayers and allow an opportunity to earn a return on invested capital of the utility.

BILLING COMPARISON

Water

Existing	5,000 gallons:	\$ 46.05 /mo	Proposed	5,000 gallons:	\$ 74.60 /mo
Existing	10,000 gallons:	\$ 69.10 /mo	Proposed	10,000 gallons:	\$ 97.65 /mo
Existing	30,000 gallons:	\$ 163.80 /mo	Proposed	30,000 gallons:	\$ 192.35 /mo

Cypress Bend Subdivision (PWS #1010119)

Subdivision(s) or System(s) Affected by Rate Change

P. O. Box 455	Spring	TX	77383
Company Address	City	State	Zip

(281) 444-7747
Company Phone Number

121,834.00	12/29/2016
Annual Revenue Increase	Date Notice Delivered

11/1/2013	Various dates per subdivision
Date of Last Rate Change	Date Meters Typically Read

* Prior to providing notice, the utility shall file a request for the assignment of a docket number for the application.

P.U.C. DOCKET NO. 46674

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Public Utility Commission of Texas
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Austin, Texas 78711-3326**

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CUSTOMER INFORMATION (to be completed by customers submitting protests)

First Name: _____ Last Name: _____

Phone Number: _____ Fax Number: _____

Address, City, State: _____

Location where service is received: _____

(if different from the mailing address)

Please fill out the following:

I wish to PROTEST the following proposed rate action/s:

Water Rate Change Sewer Rate Change Both Water and Sewer Rate Change

Other (please specify below).

Signature of Protester:

Date:

Si desea informacion en Espanol, puede llamar al
1-888-782-8477

Hearing- and speech-impaired individuals with text telephones may contact the PUC's Customer Assistance
Hotline at
512-936-7136

NOTICE OF PROPOSED RATE CHANGE – WATER

CURRENT RATES			PROPOSED RATES		
Monthly base rate including _____ of gallons			Monthly base rate including _____ of gallons		
Meter Size:			Meter Size:		
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Other:	\$		Other:	\$	788.75
			6"	\$	1,577.50
GALLONAGE CHARGE: *			GALLONAGE CHARGE: *		
TIER	VOLUME	CHARGE per 1000 gals.	TIER	VOLUME	CHARGE per 1000 gals.
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Tier 2	20,001 to 35,000 gals.	\$ 2.40 /1000 gals.	Tier 2	20,001 to 35,000 gals.	\$ 2.40 /1000 gals.
Tier 3	35,001 to 50,000 gals.	\$ 2.65 /1000 gals.	Tier 3	35,001 to 50,000 gals.	\$ 2.65 /1000 gals.
Tier 4	50,001 to Above gals.	\$ 3.00 /1000 gals.	Tier 4	50001 to Above gals.	\$ 3.00 /1000 gals.
Tier 5	to gals.	\$ /1000 gals.	Capital Improvements Surcharge \$ 20.00 per month per connection for 60 months		
MISCELLANEOUS FEES			MISCELLANEOUS FEES		
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Meter test fee	\$	25.00	Meter test fee (Maximum - \$25.00)	\$	25.00

Regulatory Assessment of 1% is added to base rate and gallonage charges. Additional fees and meter sizes may be shown on a separate page.

If applicable, list any bill payment assistance programs to low income Ratepayers.

None

* Pass Through For Cypress Bend Subdivision:

\$2.46 (Docket No. 45840) per 1000 gallons additional fee will be added as a Pass Through charge by North Harris County Regional Water Authority (NHCRWA) for customers in Cypress Bend Subdivision only.