



Control Number: 47153



Item Number: 16

Addendum StartPage: 0

2018 FEB 20 11:12:47

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

CS Water Corporation

11441

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 ¹⁹ [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: 2018 March 28

(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:

Increased cost associated with monthly operation of water system and upgrades compliant with TCEQ regulation. 'Known and Measurable costs' with supporting documentation presented to PUC for rate determination.

BILLING COMPARISON

Water

Existing	5,000 gallons:	\$	<u>50.25</u>	/mo	Proposed	5,000 gallons:	\$	<u>60.25</u>	/mo
Existing	10,000 gallons:	\$	<u>75.25</u>	/mo	Proposed	10,000 gallons:	\$	<u>85.25</u>	/mo
Existing	30,000 gallons:	\$	<u>175.25</u>	/mo	Proposed	30,000 gallons:	\$	<u>185.25</u>	/mo

Sewer

Existing	5,000 gallons:	\$	<u>0</u>	/mo	Proposed	5,000 gallons:		<u>0</u>	/mo
Existing	10,000 gallons:	\$	<u>0</u>	/mo	Proposed	10,000 gallons:	\$	<u>0</u>	/mo

"The Canyons", Bosque County

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

<u>PO BOX 141</u>	<u>Clifton</u>	<u>TX</u>	<u>76634</u>
Company Address	City	State	Zip

(254) 675-1018

Company Phone Number

22,200.
Annual Revenue Increase

2018 FEB 17
Date Notice Delivered

August 28, 2008
Date of Last Rate Change

20-25th
Date Meters Typically Read

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

16
PG 1
D-1

NOTICE OF PROPOSED RATE CHANGE –WATER

CURRENT RATES			PROPOSED RATES		
Monthly base rate including _____ 2000 gallons			Monthly base rate including _____ 2000 gallons		
Meter Size:			Meter Size:		
RESIDENTIAL			RESIDENTIAL		
5/8" or 3/4"	\$	36.00	5/8" or 3/4"	\$	46.00
1"	\$		1"	\$	
1 1/2"	\$		1 1/2"	\$	
2"	\$		2"	\$	
3"	\$		3"	\$	
Other: \$			Other: \$		
GALLONAGE CHARGE:			GALLONAGE CHARGE:		
TIER	VOLUME	CHARGE per 1000 gals.	TIER	VOLUME	CHARGE per 1000 gals.
Tier 1	0 to 2000 gals.	\$ 0.0 /1000 gals.	Tier 1	0 to 2000 gals.	\$ 0.0 /1000 gals.
Tier 2	2001 to 4999 gals.	\$ 4.75 /1000 gals.	Tier 2	2001 to 4999 gals.	\$ 4.75 /1000 gals.
Tier 3	5000 to 100,000 gals.	\$ 5.00 /1000 gals.	Tier 3	5000 to 100,000 gals.	\$ 5.00 /1000 gals.
Tier 4	to gals.	\$ /1000 gals.	Tier 4	to gals.	\$ /1000 gals.
Tier 5	to gals.	\$ /1000 gals.	Tier 5	to gals.	\$ /1000 gals.
MISCELLANEOUS FEES			MISCELLANEOUS FEES		
Tap Fee	\$	200.00 or actual over	Tap Fee	\$	1,800.00 or actual over
Reconnect fee: Non-payment	\$	25.00	Reconnect fee: Non-payment (Maximum - \$25.00)	\$	25.00
Customer's Request	\$	25.00	Customer's Request	\$	25.00
Transfer Fee	\$	50.00	Transfer Fee	\$	100.00
Late Charge	\$	5.00	Late charge: (Indicate either \$5.00 or 10%)	\$	5.00
Returned Check Charge	\$		Returned Check Charge	\$	
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.

Other Fees:	
Re-service Fee: \$400. to reestablish inactive account where service has been interrupted. No new tap required.	
Seasonal Reconnect Fee: CS Water Corporation shall charge a fee calculated based on Base Rate multiplied by the number of months during which service is suspended at the customer request, not to exceed nine (9) months during any twelve (12) consecutive months.	

P.U.C. DOCKET NO. _____

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**

AFFIDAVIT

STATE OF TEXAS

COUNTY OF BOSQUE

I, Susan Calhoun being duly sworn, file this **NOTICE OF PROPOSED RATE CHANGE** as Owner

(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

USPS
(method of delivery)

to each customer or other affected party on or about February 17, 20 18

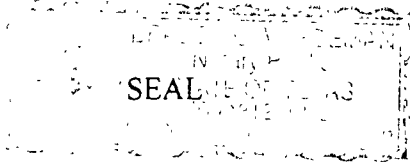
Susan Calhoun
Susan Calhoun

AFFIANT
(Utility's Authorized Representative)

Cedar Shores Water Corporation 11441
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 17th day of February, 20 18, to certify
which witness my hand and seal of office.



Bradley C. Vardeman
NOTARY PUBLIC IN AND FOR THE
STATE OF TEXAS

Bradley C. Vardeman
PRINT OR TYPE NAME OF NOTARY

MY COMMISSION EXPIRES 9/25/2021

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Susan Calhoun
Susan Calhoun

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(Utility's Authorized Representative)

Cedar Shores Water Corporation 11441
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SUBSCRIBED AND SWORN TO BEFORE ME,
this the 17th day of February, 20 18, to certify
which witness my hand and seal of office.

SEAL

Bradley C. Vardeman
NOTARY PUBLIC IN AND FOR THE
STATE OF TEXAS

Bradley C. Vardeman
PRINT OR TYPE NAME OF NOTARY

MY COMMISSION EXPIRES 9/25/2021

Addendum to Application for Water Rate Increase

DOCKET 47153

Cedar Shores Water Corporation 11441

RE: REQUEST FOR LOWER RATE OF RETURN

Cedar Shores Water Corporation (dba CS Water Corporation CCN 11441), serves the rural community known as 'The Canyons' located on Lake Whitney. About 40% of our customers are retired singles or couples, many living on fixed income, who tend to be more sensitive to any increase in their cost of living. When considering a rate increase, we take this into consideration. We are aware that many retired or fixed income customers will use the minimum of water to save money on their monthly water bill. Accordingly, we prefer a tiered rate whereby the first 2000 gallons are included in the base rate, which we believe promotes the reasonable use of water but is not punitive up to the first 2000 gallons used.

Our requested rate is less than the test year rate of return calculated with the assistance of PUC scheduled rate analyst Philip Givens. Hence, we recognize a lower rate of return than application calculations recommend. We are not requesting any change to the gallon rate above the included 2000 gallons.

Requested rate:

Base rate \$46 per month (currently \$36)

0-2000 gallons, included in base rate (same as current rate)

2001-5000 gallons, \$4.75 per 1,000 gallons (same as current rate)

5001-remainder gallons, \$5.00 per 1,000 gallons (same as current rate)

This rate increase will add exactly \$10 per month to each customer water bill, which will provide an additional \$22,200. annually for these and other required maintenance items and system upgrades.

The additional \$22,000. is in contrast to recommended increase of \$37,866 from Sch I-1. Line 33.

The Proposed Base Rate of \$46.00 is lower than calculated Base Rate of \$59.40 from Sch VI Rate Design.

13.	RECOVERED THROUGH BASE SERVICE CHARGE	Line 10	131,857.00
14.	RECOVERED THROUGH VOLUMETRIC RATE	Line 1 - Line 10	6,386.00
	TOTAL	Equals Line 1	138,243.00
	TO BE RECOVERED THROUGH BASE SERVICE CHARGE		
15.	TOTAL METER EQUIVALENTS	Sch I-3, Col H, line 9	185
16.	CHARGE PER 5.8" X 3/4" METER	Line 13 / Line 15/ 12	\$9.40
	TO BE RECOVERED THROUGH VOLUMETRIC RATE		
17.	TOTAL WATER SALES IN 1,000 GALS	Sch II-1(a), Col C, line 4	6289
18.	VOLUMETRIC RATE (CHARGE PER 1,000 GALS)	Line 14 / Line 17	.02
	PROPOSED RATE:		
19.	FOR ALL WATER DELIVERED PER 1,000 gallons	Line 18 or attach calc	1.02
	BASE SERVICE CHARGE (PER 5.8" X 3/4")		

Our rationale for requesting higher base rate is:

Along with our retired customers (approximately 40%), we have a high number of weekenders (approximately 30%), which together means lower monthly water use, and lower water sales. Although we sell less water than most systems, we have a large installed service area to maintain, our current 185 customers whom are scattered over nearly 600 acres. We feel that the \$46 base rate with 2000 gallons included, is fair to customers and provides a predictable income to maintain the system.

Increased revenue will be used for:

Our main storage tank, most water lines, and many components of the system are nearly 60 years old and require a certain amount of age related maintenance (leaks at galvanized pipe connections and meter tap connections, etc.), and continual upgrading such as:

- installing PVC lines to replace galvanized
- new, modern water meters
- replacing or rebuilding electric above ground pump motors
- replacing submersible pump (Approx. \$20,000)
- extending lines to new development area as required (\$40,000 over 2 years)
- adding pressure tank capacity (\$30,000)

Since our last rate increase in 2008, we have replaced two submersible pumps, and an electrical panel at a total cost of around \$50,000, mostly from personal loans to the water system.

Cedar Shores Water Corporation 11441
Docket
47153

TEST YEAR 2016

Current Meters	Current Base Rate	Current TIER Revenue	Current BASE Revenue	Current Revenue
185	\$ 36.00	\$ 15,780.00	\$ 79,920.00	\$ 95,700.00

Proposed Meters	Proposed Base Rate	Proposed TIER Revenue	Proposed BASE Revenue	Proposed Revenue
185	\$ 46.00	\$ 15,780.00	\$102,120.00	\$117,900.00

\$22,200. Increase revenue from base rate

Cedar Shores Water Corporation DOCKET 47153

2016 TEST YEAR GALLON USAGE

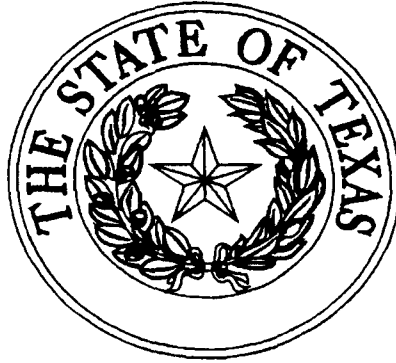
Test Year GALLONS

2016 TEST	DEC	NOV	OCT	SEP	AUG	JUL	JUN	MAY	APR	MAR	FEB	JAN	TOTALS
Over 50k	0	0	83,540	0	0	62,400	0	0	0	0	0	0	145,940
40,001-50k	0	0	0	43,000	0	0	0	0	0	0	0	0	43,000
30,001-40k	31,730	3,350	0	0	68,660	35,080	33,480	0	0	0	0	0	172,300
20,001-30k	0	212,470	23,410	47,840	194,400	97,680	22,960	0	0	0	0	0	598,760
10,001-20k	29,380	43,080	58,850	119,510	264,120	267,120	57,530	42,610	59,570	57,140	39,210	10,340	1,048,460
8001-10k	27,760	8,260	54,530	34,540	110,450	96,820	26,510	9,070	18,520	8,170	18,260	17,450	430,340
6001-8k	20,280	52,820	61,500	61,730	122,760	111,260	20,370	38,800	34,570	48,540	33,050	40,200	645,880
4001-6k	84,600	97,850	117,050	104,900	78,110	139,240	120,910	104,190	173,610	86,350	66,130	123,330	1,296,270
2001-4k	127,630	136,640	133,790	116,720	102,400	86,310	115,060	119,340	95,790	101,030	128,560	130,000	1,393,270
1-2000k	74,520	73,600	56,490	58,520	42,770	43,980	77,860	62,470	62,300	77,730	59,390	49,270	738,900

1-2000 included in base fee

active accounts 185 avg

Gallons charged per tier 2016



PUBLIC UTILITY COMMISSION OF TEXAS

CLASS B RATE/TARIFF CHANGE APPLICATION

Required Schedules for rate/tariff changes

WATER UTILITY NAME: Cedar Shores Water Corporation dba (CS Water Corporation CCN 11441)
CCN No. 11441

ADDRESS OF UTILITY: MAILING: [REDACTED] St.
Street, P.O. Box and/or suite number
[REDACTED]
City and Zip Code

PHONE NUMBER: [REDACTED]
area code

NAME OF PERSON TO CONTACT REGARDING THIS FILING:

NAME: [REDACTED] *See CONFIDENTIAL FILING*
PHONE: [REDACTED]
EMAIL ADDRESS: [REDACTED]

PUC CLASS SIZE: B C (circle one)

INCREASE (DECREASE) \$37,866.00 increase (From Sch. I-1, Line 33)
dollar amount

36% above (From Sch. I-1, Line 34)
percent above (below) current revenue requirement

DESCRIBE OWNERSHIP OF COMPANY

INDIVIDUAL INVESTOR OWNED UTILITY

DATE OF LAST GENERAL RATE CASE FILING 2008 AUG 28

DATE OF LAST NON-GENERAL RATE CHANGE* na

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

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: Cedar Shores Water Corporation 11441
GENERAL WATER RATE/TARIFF CHANGE APPLICATION

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: 12/31/2016
DATE SUBMITTED TO PUC: 12/22/2017

		Attachment Schedule	Items Checked
SECTION I	<u>REVENUES AND REVENUE REQUIREMENT</u>		
	Revenue Requirement Summary	I-1	<input type="checkbox"/>
	Historical Revenue Summary	I-2	<input type="checkbox"/>
	<u>Include the appropriate schedules:</u>		
	Metered Active Connections by Meter Size	I-3	<input 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 type="checkbox"/>
	Water Production (with unmetered rates)	II-1(b)	<input type="checkbox"/>
	Other Revenues & Expenses passed through	II-3	<input type="checkbox"/>
	Purchased Power	II-4	<input type="checkbox"/>
	Other Volume Related Expenses	II-5	<input type="checkbox"/>
	Payroll Cost Allocation	II-6	<input type="checkbox"/>
	Materials	II-7	<input type="checkbox"/>
	Contract Work	II-8	<input 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 type="checkbox"/>
	Professional Services	II-15	<input type="checkbox"/>
	Insurance	II-16	<input type="checkbox"/>
	Rate Case Expense	II-17	<input type="checkbox"/>
	Regulatory Commission Expense	II-18	<input type="checkbox"/>
	Miscellaneous Expense	II-19	<input type="checkbox"/>

UTILITY NAME: Cedar Shores Water Corporation 11441
 GENERAL WATER RATE/TARIFF CHANGE APPLICATION SCHEDULES
 TABLE OF CONTENTS (Page 2 of 2)

	Attachment Schedule	Items Checked
SECTION III <u>RETURN AND RATE BASE</u>		
Requested Return	III-1	<input type="checkbox"/>
Rate Base	III-2	<input type="checkbox"/>
Utility Plant	III-3	<input type="checkbox"/>
Utility Plant reconciled to previous filing	III-3(a)	<input type="checkbox"/>
Developer Construction work in progress	III-4(a)	<input type="checkbox"/>
Materials and Supplies Inventory	III-4(b)	<input type="checkbox"/>
Working Cash	III-5	<input type="checkbox"/>
Notes Payable	III-6	<input type="checkbox"/>
Accumulated Depreciation	III-7	<input 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 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 type="checkbox"/>
SECTION VI <u>RATE DESIGN</u>		
Rate Design Worksheet	VI	<input type="checkbox"/>

INSTRUCTIONS REV REQUIREMENT

UTILITY NAME: <u>Cedar Shores Water Corporation 11441</u>

SCHEDULES - CLASS B RATE/TARIFF CHANGE
--

SECTION I - REVENUE REQUIREMENTS AND REVENUES

DD

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 I-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.

'UTILITY NAME: <u>Cedar Shores Water Corporation 11441</u> SCHEDULES - CLASS B RATE/TARIFF CHANGE I-1 REVENUE REQUIREMENT SUMMARY PUC Docket No. <u>47153</u> Test Year End: <u>DECEMBER 31, 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	0	0	0	Schedule II-3
2	615	Power Expense-production only	6,386	-	6,386	Schedule II-4
3	618	Other volume related expenses	-	-	-	Schedule II-5
4		Total volume related exp.	6,386	-	6,386	Add Lines 1-3
		Non-volume related expenses:				
5	601-1	Employee labor	-	-	-	Schedule II-6, Line 1
6	620	Materials	5,211	-	5,211	Schedule II-7
7	631-636	Contract work	29,901	-	29,901	Schedule II-8
8	650	Transportation expenses	3,110	-	3,110	Schedule II-9
9	664	Other plant maintenance	5,184	-	5,184	Schedule II-10
10		Total non-volume related exp.	43,406	-	43,406	Add Lines 5-9
		Admin. & general expenses:				
11	601-2	Office salaries	34,955	-	34,955	Schedule II-6, line 2
12	601-3	Mgmt. salaries	-	-	-	Schedule II-6, line 3
13	604	Employee pensions & benefits	18,099	-	18,099	Schedule II-11
14	615	Purchased power-Office only	-	-	-	Schedule II-4
15	670	Bad debt expense	1,057	-	1,057	Schedule II-12
16	676	Office services & rentals	-	-	-	Schedule II-13
17	677	Office supplies & expenses	3,341	-	3,341	Schedule II-14
18	678	Professional services	1,925	-	1,925	Schedule II-15
19	684	Insurance	-	-	-	Schedule II-16
20	666	Regulatory (rate case) expense	-	-	-	Schedule II-17
21	667	Regulatory expense (other)	1,653	400	2,053	Schedule II-18
22	675	Miscellaneous expenses	-	-	-	Schedule II-19
23		Total admin. & general expense	61,030	400	61,430	Add Lines 11-22
24		Total operating Expenses	110,822	400	111,222	Lines 4 + 10 + 23
25	403	Depreciation	8,383	-	8,383	Sch III-3, Col E, Line 50
26	408	Taxes Other than Income	6,932	-	6,932	Sch IV(b), Line 8
27	409/10	Income Tax Expense	3,079	-	3,079	Schedule V, Line 7
28		TOTAL EXPENSES	129,216	-	129,616	
29		TOTAL HISTORIC REVENUE	103,642		103,642	Sch I-2, Line 6
30		HISTORICAL TEST YEAR RETURN	(20,995)		(22,214)	Line 29 less Line 28
31		REQUESTED RETURN			12,942	Schedule III-1, Line 3
32		TOTAL REVENUE REQUIREMENT			141,508	Line 28 plus Line 31
33		REQUESTED ANNUAL REVENUE INCREASE		(to notice)	37,866	Line 32 less Line 29
34		PERCENTAGE INCREASE			36%	Line 33 divided by Line 29
35		LESS: OTHER REVENUES	3,265		3,265	Sch. II-3(b), Col. D, Line 8
36		Revenue for Rate Design		(to VI, line 1)	138,243	Line 32 minus Line 35

DOCKET 47153

UTILITY NAME: <u>Cedar Shores Water Corporation 11441</u> SCHEDULES - CLASS B RATE/TARIFF CHANGE FOR TEST YEAR ENDED: <u>DECEMBER 31, 2016</u> I-2 HISTORICAL REVENUE SUMMARY				
Line No.	NARUC A/C	Description	Historical Test Year	
1.	461	Metered connections base rate revenue	82,152	From financial records
2.	461	Metered connection gallonage rate revenue	18,225	From financial records
3.	460	Unmetered (Flat rate) revenue	0	From financial records
4.	Total Metered & Flat Rate Revenue		100,337	Add lines 1-3
5.	Plus: Total Other Revenues		3265	From II-3, Column B, line 7
6.	Total Historic Test Year Revenues per income statement and Annual Report*		103,642	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.

UTILITY NAME Cedar Shores Water Corporation 11441 SCHEDULES - CLASS B RATE/TARIFF CHANGE I-3 METERED ACTIVE CONNECTIONS BY METER SIZE FOR TEST YEAR ENDED: 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"	187	4	185	186	1.0	185
2.	3/4"	0	0	0	0	1.5	0
3.	1"	0	0	0	0	2.5	0
4.	1 1/2"	0	0	0	0	5.0	0
5.	2"	0	0	0	0	8.0	0
6.							
7.							
8.							
9.	Total	187	4	185	186		185
10	Average	187	4	185	186		185

UTILITY NAME: Cedar Shores Water Corporation 11441
 SCHEDULES - CLASS B RATE/TARIFF CHANGE
I-4 UNMETERED (FLAT RATE) ACTIVE CONNECTIONS
 FOR TEST YEAR ENDED: DEC 31 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.	NONE	0	0	0	0
2.					
3.					
4.					
5.	Total	0	0	0	0

Cedar Shores Water Corporation 11441
UTILITY NAME: _____
SCHEDULES - CLASS B RATE/TARIFF CHANGE
SECTION II - OPERATIONS AND MAINTENANCE

The purpose of Section II is to report expense information and allow for 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.

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UTILITY NAME: Cedar Shores Water Corporation 11441
 SCHEDULES - CLASS B RATE/TARIFF CHANGE
II-1(a) AND II-1(b) - HISTORICAL OF WATER PRODUCTION
 FOR TEST YEAR ENDED: DECEMBER 31, 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	7,686,200	0	7,686,200	PUC Annual Report
2	Total water purchased	0	0	0	PUC Annual Report
3	Total water produced	7,686,200	0	7686200	Line 1 + line 2
4	Total water sold	6,289,190	0	6289190	PUC Annual Report
5	Total accounted for non-revenue water*	0	0	0	
6	Total unaccounted for water	1,397,010	0	1397010	Lines 3 less 4 less 5
7	Percentage	18%	0	18%	Line 6 divided by Line 3

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

Known and measurable calculations and explanations:

**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)	N/A		N/A	PUC report Sch. D-1
2	Water Pumped (1,000 gallons)	N/A		N/A	PUC report Sch. D-1
3	Total production (1,000 gallons)	N/A		N/A	Lines 13 + 14

UTILITY NAME: <u>Cedar Shores Water Corporation 11441</u> SCHEDULES - CLASS B RATE/TARIFF CHANGE II-3 OTHER REVENUES & EXPENSES PASSED THROUGH FOR TEST YEAR ENDED: DECEMBER 31, 2016

II-3(a) Purchased Water or Other Pass Through Expenses

Line No.	A	B	C	D	D
	Purchased from:	Units purchased (in <u>1000 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.	NONE				
2.					
3.					
4.	Total *				

* Must agree with Schedule II-1(a), Line 2, column A, or provide a reconciliation.

II-3(b) Other revenues collected from customers

Line No.	A	B		D
	Item passed thru or type of other revenue	Test year historical revenues collected		Test year revenues netted against COS
1.	Tap Fees*	700		
2.	Late Fees	1715		0
3.	Meter Test Fees	0		0
4.	Reconnect Fees	850		0
5.	Purchased Water Fees	0		0
6.	Groundwater Conservation District Fees	0		0
7.	Other (attach detail**)	0		0
8.	Total Other Revenues	3265		3265

(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.

UTILITY NAME: Cedar Shores Water Corporation
 II-4 SCHEDULES - CLASS B RATE/TARIFF CHANGE
PURCHASED POWER
 FOR TEST YEAR ENDED: DECEMBER 31, 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
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	
	2014	\$ 8,493.00	
	2015	\$ 6,928.00	
Test Year	2016	\$ 6,386.00	
K & M Change		\$ -	(to I-1, Column E, Line 2)
Adjusted Test year		\$ 6,386.00	(to I-1, Column F, Line 2)

Explanation and calculations of known and measurable change:

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	NONE
	2014	\$ -	
	2015	\$ -	
a. Test Year	2016	\$ -	
b. K & M Change		\$ -	(to I-1, Column E, Line14)
c. Adjusted Test year (a. + b.)		\$ -	(to I-1, Column F, Line 14)

Explanation and calculations of known and measurable change:

DOCKET 47153 Cedar Shores Water Corporation 11441
SCHEDULES - CLASS B RATE/TARIFF CHANGE
II-5 OTHER RELATED VOLUME EXPENSES
FOR THE TEST YEAR ENDED: DECEMBER 31, 2016

This page is supplemental information. It is required to complete Schedule I-1. Docket 47153

<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.**

	<u>Year</u>	<u>Amount</u>	
	<u>2014</u>	\$ <u>0.00</u>	
	<u>2016</u>	\$ <u>0.00</u>	
a. Test Year	<u>2016</u>	\$ <u>0.00</u>	
b. K & M Change		\$ <u>-</u>	(to I-1, Column E, Line 3)
c. Adjusted Test year (a.+b.)		\$ <u>-</u>	(to I-1, Column F, Line 3)

Explanation and calculations of known and measurable change:

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DOCKET 47153 UTILITY NAME <u>Cedar Shores Water Corporation 11441</u> TEST YEAR December 2016 II-6 ALLOCATION OF PAYROLL EXPENSES FOR THE ADJUSTED TEST YEAR 12/31/2016
--

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

Line No.	Employee Name	A Test Year Payroll	B Capitalized Payroll	C Expensed Payroll	D 1st 7000 or new limit (FUTA max)	E 7,001 to 9000 or new limit (SUTA max)	F 9,001 to 118500 or new limit (or FICA max)	G over 118500 or new limit	H Total Payroll	
1.	<u>SMC</u>	34,955	0	34,955	7000	9000	18,955		34,955	
2.										
3.										
4.										
5.										
6.										
7.										
8.										
9.	Total	34955	0	34 955					34,955	
10.	Percentage Capitalized	Line 9, column F divided by line 9, column E=						0		

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	0	to Schedule I-1, Line 5
2.	601-2	Office salaries	34,944	to Schedule I-1, Line 11
3.	601-3	Management salaries	0	to Schedule I-1, Line 12.
4.		Total Payroll Expenses	34944	(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

Cedar Shores Water Corporation 11441
 SCHEDULES - CLASS B RATE/TARIFF CHANGE
II-7 MATERIALS
 FOR THE TEST YEAR ENDED: DECEMBER 31, 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>
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>11,938.00</u>	
	<u>2015</u>	\$ <u>21,575.00</u>	
a. Test Year	<u>2016</u>	\$ <u>5,211.00</u>	
b. K & M Change		\$ <u> -</u>	(to I-1, Column E, Line 6)
c. Adjusted Test year (a. + b.)		\$ <u>5,211.00</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:

II-7(b) Large Items:

Description	Amount	Date in service

UTILITY NAME: <u> Cedar Shores Water Corporation 11441</u> SCHEDULES - CLASS B RATE/TARIFF CHANGE II-8 CONTRACT WORK FOR THE TEST YEAR ENDED: DECEMBER 31, 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>2013</u>	\$ <u>26,836.00</u>
	<u>2014</u>	\$ <u>32,033.00</u>
	<u>2015</u>	\$ <u>32,279.00</u>
a. Test Year	<u>2016</u>	\$ <u>29,901.00</u>
b. K & M Change		\$ <u>0.00</u> (to I-1, Column E, Line 7)
c. Adjusted Test year (a. + b.)		\$ <u>29,901.00</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:

Owner & spouse of company do not draw a salary from company but pay self-employment tax through IRS Sched C. We perform all field duties and all billing, accounts receivables, accounts payable, record keeping and preparing and filing all state required reports.

II-8(b) Large Items:

Description	Amount	Date in service
None		
David Posten	\$29,901	JAN-DEC 2016

Cedar Shores Water Corporation 11441
 SCHEDULES - CLASS B RATE/TARIFF CHANGE
 II-9 TRANSPORTATION
 FOR THE TEST YEAR ENDED: DECEMBER 31, 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
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
	<u>2014</u>	\$ <u>5,208.00</u>
	<u>2015</u>	\$ <u>5,119.00</u>
a. Test Year	<u>2016</u>	\$ <u>3,110.00</u>
b. K & M Change		\$ <u> -</u> (to I-1, Column E, Line 8)
c. Adjusted Test year (a. + b.)		\$ <u>3,110.00</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
None		
personal vehicle	\$ 3,110.00	Jan-Dec 2016

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

Cedar Shores Water Corporation 11441
 SCHEDULES - CLASS B RATE/TARIFF CHANGE
II-10 OTHER PLANT MAINTENANCE
 FOR THE TEST YEAR ENDED: DECEMBER 31, 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>2014</u>	\$ <u>9,501.00</u>
	<u>2015</u>	\$ <u>3,612.00</u>
a. Test Year	<u>2016</u>	\$ <u>5,184</u>
b. K & M Change		\$ <u> -</u> (to I-1, Column E, Line 9)
c. Adjusted Test year (a. + b.)		\$ <u>5,184.00</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
None		

UTILITY NAME: Cedar Shores Water Coporation 11441 SCHEDULES - CLASS B RATE/TARIFF CHANGE II-11 EMPLOYEE PENSIONS AND BENEFITS FOR THE TEST YEAR ENDED: DECEMBER 31, 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>	\$ <u>18,099.00</u>	\$ <u>-</u>	\$ <u>18,099.00</u>	\$ <u>-</u>	\$ <u>-</u>
Year	Total Amount	Pensions	Health	Other	Amount Capitalized*
Cost per Employee:	<u>18,099.00</u>	0	18,099	0	

<u>2015</u>	\$ <u>17,195.00</u>	\$ <u>-</u>	\$ <u>17,195.00</u>	\$ <u>-</u>	\$ <u>-</u>
Year	Total Amount	Pensions	Health	Other	Amount Capitalized*
Number of Employees covered:	<u>1.00</u>				
Cost per Employee:	<u>17,195.00</u>				

List types of Pensions & Benefits:

<u>2014</u>	\$ <u>13,773.00</u>	\$ <u>-</u>	\$ <u>13,773.00</u>	\$ <u>-</u>	\$ <u>-</u>
Year	Total Amount	Pensions	Health	Other	Amount Capitalized*
Number of Employees covered:	<u>1.00</u>				
Cost per Employee:	<u>13,773.00</u>				

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

UTILITY NAME Cedar Shore Water Corporation 11441
 SCHEDULES - CLASS B RATE/TARIFF CHANGE
II-12 BAD DEBTS
 FOR THE TEST YEAR ENDED: DECEMBER 31, 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>
15.	670	Bad Debts

II-12 Bad debts/Uncollectibles

List the recorded amount the company was unable to collect for the last two years, and estimate the uncollectible amount for the Test Year. If the the Test Year is higher than previous years, indicate the reason for the anticipated increase.

	Year	Amount
	<u>2014</u>	\$ <u>1,091.00</u>
	<u>2015</u>	\$ <u>2,444.00</u>
a. Test Year	<u>2016</u>	\$ <u>1,057.00</u>
b. K & M Change		\$ <u> -</u> (to I-1, Column E, Line 15)
c. Adjusted Test year (a. + b.)		\$ <u>1,057.00</u> (to I-1, Column F, Line 15)

Explanation and calculations of known and measurable change:

II-12(b) Large Items*:

Description	Amount	Date in service
None		

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

UTILITY NAME: Cedar Shores Water Corporation 11441
SCHEDULES - CLASS B RATE/TARIFF CHANGE
II-13 OFFICE SERVICES AND RENTALS
FOR THE TEST YEAR ENDED: DECEMBER 31, 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>
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	
	<u>2014</u>	\$ <u> -</u>	NA
	<u>2015</u>	\$ <u> -</u>	
a. Test Year	<u>2016</u>	\$ <u> -</u>	
b. K & M Change		\$ <u> -</u>	(to I-1, Column E, Line 16)
c. Adjusted Test year (a. + b.)		\$ <u> -</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
None		

Cedar Shores Water Corporation 11441
SCHEDULES - CLASS B RATE/TARIFF CHANGE
II-14 OFFICE SUPPLIES
FOR THE TEST YEAR ENDED: DECEMBER 31, 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>3,750.00</u>	
	<u>2015</u>	\$ <u>5,560.00</u>	
a. Test Year	<u>2016</u>	\$ <u>3,341.00</u>	
b. K & M Change		\$ <u>-</u>	(to I-1, Column E, Line 17)
c. Adjusted Test year (a. + b.)		\$ <u>3,341.00</u>	(to I-1, Column F, Line 17)

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-14(b) Large Items:

Description	Amount	Date in service
None		

UTILITY NAME: <u>Cedar Shores Water Corporation 11441</u> SCHEDULES - CLASS B RATE/TARIFF CHANGE II-15 PROFESSIONAL SERVICES FOR THE TEST YEAR ENDED: DECEMBER 31,2016

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>2,031.00</u>	
	<u>2015</u>	\$ <u>2,172.00</u>	
a. Test Year	<u>2016</u>	\$ <u>1,925.00</u>	
b. K & M Change		\$ <u>-</u>	(to I-1, Column E, Line 18)
c. Adjusted Test year (a. + b.)		\$ <u>1,925.00</u>	(to I-1, Column F, Line 18)

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-15(b) Large Items:

Description	Amount	Date in service
JRBT Accounting	\$ 1,925.00	JAN-DEC 2016

UTILITY NAME Cedar Shores Water Corporation 11441 _____ SCHEDULES - CLASS B RATE/TARIFF CHANGE II-16 INSURANCE FOR THE TEST YEAR ENDED: DECEMBER 31, 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
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:

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

Types of insurance:

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

Explanation and calculations of known and measurable change:

UTILITY NAME: Cedar Shores Water Corporation 11441
 SCHEDULES - CLASS B RATE/TARIFF CHANGE
II-17 REGULATORY EXPENSE
 FOR THE TEST YEAR ENDED: DECEMBER 31, 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>	NA
	<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 20 - see instructions above)
c. Adjusted Test year (a. + b.)		\$ <u>0.00</u>	(to I-1, Column F, Line 20 - 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-17(b) Large Items:

Description	Amount	Date in service
None		

UTILITY NAME: 2017 Cedar Shores Water Corporation 11441
 SCHEDULES - CLASS B RATE/TARIFF CHANGE
II-18 REGULATORY EXPENSE
 FOR THE TEST YEAR ENDED: DECEMBER 31, 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	\$ 914.00	
	2015	\$ 1,428.00	
a. Test Year	2016	\$ 1,253.00	
b. K & M Change		\$ 400.00	(to I-1, Column E, Line 21 - see instructions above)
c. Adjusted Test year (a. + b.)		\$ 1,653.00	(to I-1, Column F, Line 21 - see instructions above)

**Explanation and calculations of known and measurable change:
 \$400 Annual Fee TRWA added 2017 going forward**

*** 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>Cedar Shores Water Corporation 11441</u> SCHEDULES - CLASS B RATE/TARIFF CHANGE II-19 MISCELLANEOUS EXPENSE FOR THE TEST YEAR ENDED: <u>DECEMBER 31, 2016</u>
--

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>
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>1,118.00</u>
	<u>2015</u>	\$ <u>1,139.00</u>
a. Test Year	<u>2016</u>	\$ <u>-</u>
b. K & M Change		\$ _____ (to I-1, Column E, Line 22 - see instructions above)
c. Adjusted Test year (a. + b.)		\$ <u>-</u> (to I-1, Column F, Line 22 - see instructions above)

Explanation and calculations of known and measurable change:
 Owner needed to loan water system in 2017 to cover invoices
 Please see attached loan summary for 2017 Jan 4,000. loan, 2017 May 1,500. loan

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

II-19 (b) Large Items:

Description	Amount	Date in service

SECTION III RATE BASE INSTRUCT

UTILITY NAME: <u>Cedar Shores Water Corportaiion 11441</u> 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: Cedar Shores Water Corporation 11441
SCHEDULES - CLASS B RATE/TARIFF CHANGE
III-1 REQUESTED RETURN
FOR THE TEST YEAR ENDED: DECEMBER 31, 2016

RETURN ON RATE BASE:

Line No.		
1	Test year end rate base (from III-2, Line 16)	134,016
2	Requested ROR (Col G, Line 7 below)	9.73%
3	Return on rate base (Line 1 x Line 2)	12,942

Rate of Return:

A	B	C	D	E	F	G
Line No.	Description	Amount	Percentage	Rate	Reference	Weighted Average Rate
			Amount from previous column divided by Line 6, Column C			$G=(E \times D)$
4.	Equity (Rate base less Line 5, Column D)	88,809.00	0	7.64%	Col E = Requested return on equity	7.64%
5.	Long Term Debt and Advances from associated companies from Schedule III-6	45,207.00	3%	6%	Col E = From Sch. III-6, Column H, Line 9	2%
6.	Total capitalization (Rate Base Sch III-2, Line 16)	1,443,016.00				
7.	Return on rate base Col G, Line 6 rounded to nearest 0.01%)				Line 4 + Line 5	9.73%

BAA = 4.58 (02/17)

To Line 2 above

* ROE = Return on Equity

UTILITY NAME: Cedar Shores Water Corporation 11441
SCHEDULES - CLASS B RATE/TARIFF CHANGE
III-2 RATE BASE SUMMARY
Docket 47153 Test Year ending 2016 DEC 31

Line No.	Description	Amount	Reference (From)
1	Additions:		
2.	Utility plant (Original Cost)	252,963.00	Schedule III-3, Line 50, Col D
3.	Construction work in progress	0	Schedule III-4, Line 5
4.	Materials and supplies	0	Schedule III-4, Line 8
5.	Working cash (capital)	\$13,902.75	Schedule III-5, Line 2
6.	Prepayments		Schedule III-4, line 8
7.	Other Additions	0	Add schedule
8.	TOTAL ADDITIONS (Add Lines 2 through 6)	266,865.75	
	Deductions:		
9.	Reserve for depreciation (Accumulated)	133,850.00	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)	133,850.00	
16.	RATE BASE (Line 8, less Line 15)	134,016.00	

UTILITY NAME: Cedar Shores Water Corporation 11441										Schedule III-3		
DOCKET 47153 SCHEDULES - CLASS B RATE/TARIFF CHANGE										FEST YEAR END 2016 DEC		
III-3 UTILITY PLANT IN SERVICE (NET BOOK VALUE) CALCULATION										(Provide a schedule for each PWS system)		
0										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	Depreciation			[E] = [D]/[C] Annual (\$)	[F] Accumulated (\$ (Reserve))	[G] = [D]-[F] Net Book Value (\$)
							Time in Service					
							Years in Service	Months	Days			
1	303. Land and land rights	1989 DEC 1	1	19,980.00		19,980.00	0			-	-	19,980.00
2	307 Wells	1979 JAN 1	50	106,612.00		106,612.00	37			2,132.24	78,892.88	27,719.12
	Well Pumps:											
3	311 Greater than 5 hp	2009 OCT 16	10	31,018.00	-	31,018.00	7			3,101.00	21,707.00	9,311.00
4	311 Greater than 5 hp	2015 JUL 31	10	15,784.00	-	15,784.00	1			1,578.40	1,578.40	14,205.60
	Booster Pumps:											
5	311 Greater than 5 hp	1989 DEC 1	10	11,658.00		11,658.00	10			-	-	-
6	311 Greater than 5 hp	2014 MAR 6	10	882.00		882.00	2			88.20	176.40	705.60
7	320 Chlorinators	2015 JUL 31	10	359.00		359.00	1			35.90	35.90	323.10
	Structures:											
8	304 Wood		15			-				-	-	-
9	304 Masonry		30			-				-	-	-
10	305 Storage Tanks	1990 FEB 2	50	10,500.00		10,500.00	26			210.00	5,460.00	5,040.00
11	311 Pressure Tanks	1992 JUN 30	50	17,364.00		17,364.00	25			347.28	8,682.00	8,682.00
12	331 Distribution System (mains and lines)	1990 FEB 2	50	35,000.00		35,000.00	24			700.00	16,800.00	18,200.00
13	334 Meters and Service (taps not covered by fees)	2014 JAN	20	2,891.00		2,891.00	2			144.55	289.10	2,601.90
14	340 Office Equipment		10			-				-	-	-
15	341 Vehicles		5			-				-	-	-
16	343 Shop Tools		15			-				-	-	-
17	345 Heavy Equipment		10			-				-	-	-
18	348 Fencing	2011 Mar 23	20	915.00		915.00	5			45.75	228.75	686.25
	Other: (Please list)											
19			50									
20			50									
50	Total			252,963.00						8,383.32	133,850.43	107,454.57

To Sch III-2,
line 2

To Sch I-1,
line 25

To Sch III-2, line
9

Add detailed workpapers if necessary to support this Schedule.

¹Any 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.

110

UTILITY NAME: Cedar Shores Water Corporation 11441
 SCHEDULES - CLASS B RATE/TARIFF CHANGE
III-3(a) UTILITY PLANT IN SERVICE-RECONCILIATION TO PRIOR CASE
 FOR TEST YEAR ENDED: **DECEMBER 31, 2016**

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	\$ 250,270.00
2.	Plant additions after previous rate case		
3	WELL PUMP Greater than 5hp (2015 Jul)	\$ 15,784.00	
4	FENCE and GATE (2011 Mar)	\$ 915.00	
5	BOSTER PUMP (2014 Mar)	\$ 882.00	
6.	CHLORINATOR (2015 JUL)	\$ 359.00	
7	NEW METERS (during 2014)	\$ 2,891.00	
8	PUMP Greater than 5hp (2009 OCT)	\$ 31,018.00	
9.	sub T	\$ 51,849.00	
10			
11	Total additions (add lines 3 through 10, Col C)		\$ 51,849.00
12	Test year plant retirements after previous rate case:		
13.	PUMP (1997 FEB)	\$ 11,658.00	
14.	CHLORINATOR (1997 NOV)	\$ 311.00	
15	subt	\$ 11,969.00	
16			
17			
18.			
19.			
20.			
21	Total retirements (add line 13 through 20. Col C)		\$ 11,969.00
22.	Ending balance (line 1 + line 11 - line 21)	Equals as III-3, Column D, line 50	\$ 290,150.00

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

UTILITY NAME: Cedar Shores Water Corporation 11441
 SCHEDULES - CLASS B RATE/TARIFF CHANGE
**III-4 AVERAGE CONSTRUCTION WORK IN PROGRESS,
 MATERIALS AND SUPPLIES INVENTORY & PREPAYMENTS**
 FOR THE TEST YEAR ENDED: DECEMBER 31, 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	N/A
2.	Test year costs added	
3.	Test year construction costs completed	
4.	Ending balance	
5.	Average balance - test year (line 1 plus line 4, divided by 2)	

Typically zero, to Schedule III-2, Line 3

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

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: Cedar Shores Water Corporation 11441
 SCHEDULES FOR CLASS B RATE/TARIFF CHANGE
III-5 WORKING CASH ALLOWANCE CALCULATIONS
 FOR THE TEST YEAR ENDED: DECEMBER 31, 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	Water		Sewer	
		Class B		Class C	
1	Annual O & M Expenses			111,222	
2	Working Cash (Line 3 / Line 5)			\$13,902.75	
3	Divisor	12	12	8	8

USE Sch I-1 LINE 24

From Sch I-1, line 25

To Sch III-2, line 5

UTILITY NAME: Cedar Shores Water Corportaion 11441
 SCHEDULES - CLASS B RATE/TARIFF CHANGE
III-6 LONG TERM DEBT/ NOTES PAYABLE – WATER AND SEWER
 FOR THE YEAR ENDED: DECEMBER 31, 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	JLC for NEW PUMP LOAN	2009 Jan	2019 DEC	\$ 25,000.00	25,000	7%	3.87%
2	SC for Chlorinator/ pump LOAN	2015 Aug	2025 JUL	\$ 5,000.00	5000	5%	0.55%
3	SC for NEW PUMP LOAN	2015 Jul	2025 JUN	\$ 15,207.00	15,207	5%	1.68%
4							
5							
6							
7							
8							
9							
10	Total	N/A	N/A	\$ 45,207.00	45,207		6.11%

To Sch. III-1, Column G, Line 5

List short term debt, if any: N/A

Please see attached written note agreements for each



JURGENSEN PUMP, LLC
 PO Box 710
 Valley Mills, TX 76689

Phone # 254-932-6251 Fax # 254-932-6770

David Posten
 P.O. Box 168
 Clifton, TX 76634
 CS Water Supply Corp-Canyons

Date	7/20/2015
Invoice #	2421

REGULATED BY THE TEXAS
 DEPARTMENT
 OF LICENSING & REGULATIONS
 PO BOX 12157
 AUSTIN, TX 78711
 LICENSE #54576

WARRANTY: New well equipment is covered by Manufacturer's Warranties and these warranties are the responsibility of the Manufacturers.
LABOR WARRANTY: Is 30-days on installation of new well equipment

Date of Job	PO #	Project	Terms
7/19/15			Due on receipt

Qty	Description	Rate	Amount
	Canyons - 30HP Well 230V 3PH Pump Set = 693 FT on 3" Pipe PWL = 600 FT		
1	Goulds 5CLC-15 Stage Submersible Pump - 125 GPM @ 650 FT TDH	4,850.00	4,850.00
1	6" 30HP 230V 3PH Franklin Motor, Standard Temp	4,170.00	4,170.00
1	3" DI Check Valve w/ break off plug	287.00	287.00
1	3" DI Check Valve w/o break off plug	235.00	235.00
700	1/4" Toro Airline	0.25	175.00
1	Miscellaneous: HTH, SS Bands & Buckles, Splice Material, etc	500.00	500.00
7	Labor P20 Rig (Overtime) to Pull Equipment on Saturday 7/18	300.00	2,100.00
7	Labor P20 Rig (Double Time) to Install / Start-Up Equipment on Sunday 7/19	400.00	2,800.00
30	Mileage P20 Rig	3.00	90.00
	Note: - Reuse 2/0 Flat Cable - Reuse (33) Joints of 3" Pipe		

10,217
 P20
 11

CALHOUN 68-894/1119 2210
 S 76710 DATE 7-27-15
 CS Water Supply Corp
 \$15,207.⁰⁰
 Fifteen thousand two hundred seven DOLLARS
 TEXAS FIRST STATE BANK Waco
 MEMO Loan to replace Scott Calhoun
 David and M. 107

	\$15,207.00
	\$0.00
Total	\$15,207.00

44A

Receipt: Mobile Check Deposit Processing

From: Bank of America <onlinebanking@ealerts.bankofamerica.com>
 To: [REDACTED]
 Subject: Receipt: Mobile Check Deposit Processing
 Date: Aug 4, 2015 10:37 AM

Exclusively for: CS WATER CORPORATION

Online Banking Alert:
 Your Mobile Check Deposit is Processing

Dear CS WATER CORPORATION :

The following Mobile Check Deposit is processing. This deposit will post to your account on the date shown below. Please keep the check for 14 days, in case we need to verify any of the information. Then, remember to dispose of the check properly.

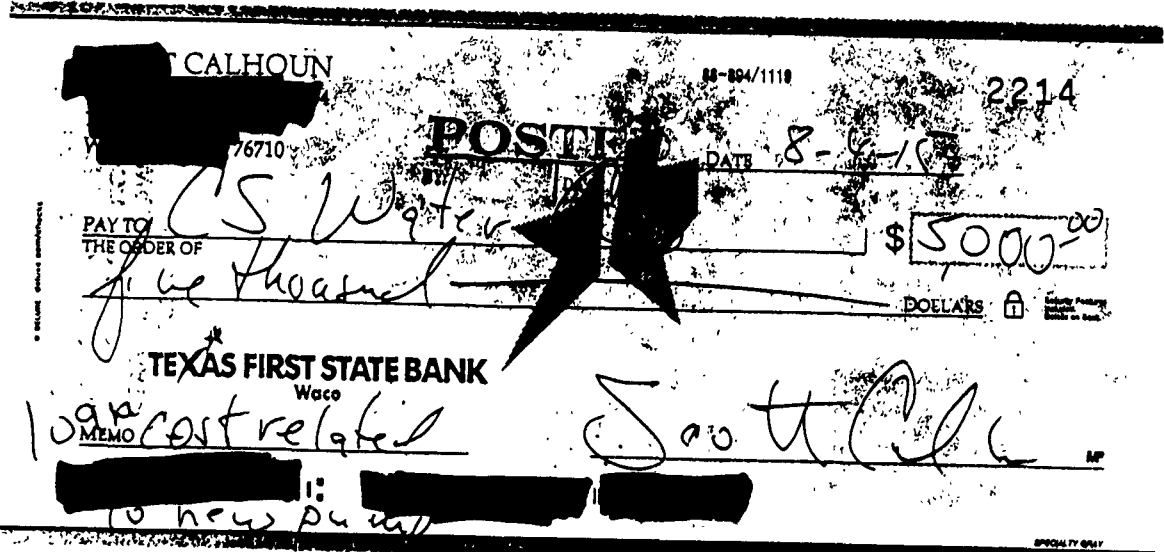
Account deposited into: CS Water - 6566

Amount of deposit: \$5,000.00

Date credit will post: 08/04/2015

Amount available now: \$0.00

Confirmation number: 3371056459



Remember: We never ask for private information such as an account

44B

WALLACE CONTROLS & ELECTRIC, INC

Invoice

P.O BOX 31
 MERIDIAN, TEXAS 76665
 (254) 435-2544

Date	Invoice #
7/25/2015	38657

Bill To
CS WATER CORP 102 N 30TH WACO, TX 76710

PD 8/10/15

P.O. No.	Terms	Project

Quantity	Description	Rate	Amount
1	Called by David Poston to check well motor at pump station. Tech. checked well and found motor to be bad. David to call well contractor to pull well.	184.00	184.00
	No materials Labor & Expenses STATE SALES TAX	8.25%	0.00
		Total	\$184.00

44C

0.00

-8,896.62

-8,896.62

Total

ALHOUN
ST.
76710

88-894/1119
26007898

433

Date 1-29-09

Pay to the order of C.S. Water Corp. \$25,000⁰⁰
Twenty five thousand

TEXAS FIRST STATE BANK
Waco

MEMO Loan

Scott Cali

Security Features
Check on Back

2009 NEW PUMP LOAN EXPENSES

	INV		
1/20/2009 MP ELECTRIC	14355	part	\$ 90.00
1/20/2009 MP ELECTRIC	14356	miles/travel after hours	\$ 228.00
1/27/2009 MP ELECTRIC	14389	replace fuses for new pump	\$ 474.56
1/28/2009 MP ELECTRIC	14390	replace pump controller	\$ 306.12
2/2/2009 MP ELECTRIC	14434	relay, electrodes, phase monit	\$ 887.03
		sub T	\$ 1,985.71
1/25/2009 BRUNE PUMP	4358	30 HP 120GPM PUMP	\$ 26,950.00
1/20/2009 K TURNER	6732	contract assistance	286.69
2/20/2009 LOAN STAR MAINT	104610	CHLORINATOR	423.26
			\$ 29,645.66
1/29/2009 JL Calhoun		TX 1st ck 433 TRANSFER	25,000

WATER PUMP CO.

Division of Biogen, Inc.

Lawyer Hill
Valley Mills, Texas 76689 #2 30HP

254-932-6480 * 254-932-6770 (Fax)

S
O
L
D
T
O
CS Water Corporation
195 CR 1524
Morgan, TX 76671
ATTN: David Turner

INVOICE NO.: 4358

INVOICE DATE: 2/1/2009

REGULATED BY THE TEXAS DEPARTMENT
OF LICENSING & REGULATIONS
PO BOX 12157
AUSTIN, TEXAS 78711

1-800-803-9202 * 512-463-7880
LICENSE #40161 LICENSE #54576

WARRANTY: New well equipment is covered by
Manufacturers' Warranties & these Warranties are the
sole responsibility of the Manufacturers.

LABOR WARRANTY: is 30-days on installation of new
well equipment.

CUSTOMER NO.	P.O. NUMBER	DATE OF JOB	F.O.B.POINT	TERMS
		1/25/09-1/27/09	Bosque-Exempt	Due Upon Receipt

QUANTITY	DESCRIPTION	AMOUNT
1	30HP 120GPM 15Stg Pump End	\$ 4,800.00
1	30HP 230V 3PH Franklin Electric Motor	\$ 3,899.00
730	Ft. 2/0 Cable-Flat	\$ 6,752.00
714	Ft. 3" Black Pipe w/API Couplings	\$ 6,654.48
2	3" FxF Check Valves w/Break-Off Plugs	\$ 651.00
35	1/2" Bands and Buckles	\$ 175.00
3	2/0 Splices	\$ 120.00
6	Miscellaneous Fittings	\$ 139.20
8	Rolls Cable/Pipe Wrap	\$ 66.90
-	Air Lines and Gauge	N/C
5	Hours Labor and Materials on 10" Well Plate--Welder	\$ 250.00
1	Rush Freight	\$ 635.00
3	Furnas Heaters for Starter	\$ 52.50
5.5	Hours Labor w/SEMCO Rig (Sunday)	\$ 1,375.00
12	Hours Labor w/SEMCO Rig	\$ 1,275.00
105	Mileage	\$ 105.00
Sub total:		\$ 26,950.08
Tax Exempt:		0.00% \$ -
Please pay this amount		\$ 26,950.08

* Please note the 30HP pump and motor installed as compared to the 20HP quoted. Thank you

THANK YOU FOR YOUR BUSINESS!

44 F

WORK ORDER INVOICE

MP Electric, Inc.

14434

P.O. Box 20184
Waco, Texas 76702-0184

(254) 848-4612 Business
(254) 848-2844 Fax

2/2 2009

Job Name: Cedar Shores WAB

Bill to CS WATER

195 CRIST

MORELAND, TX

Complete Not Complete Cust. P.O.# _____

Acct # _____

Unit	DESCRIPTION	Unit Price		EXTENSION				
1	240 V phase power monitor	148	20	148	20			
1	dimensionless ESP100 solid state O.L. relay	306	67	306	67			
2	TC 101	15	80	31	60			
3	blue forked stay rods		39		117			
20'	16.42 TCW		11		220			
3	250 mm mch legs	3	54	10	62			
	FREIGHT O.L. RELAY & MONITOR	74	74	74	74			
<p>replaced O.L. relay replaced bad electrolytes in storage tank added phase monitor but phases are out of phase & had to bypass until power co. fixes problem</p>								
THANK YOU				Subtotal Material				
				575 20				
				Tax				
				38 83				
Mechanics Name		Reg Hrs	OT Hrs	DT Hrs	Reg Rate	OT Rate	DT Rate	Subtotal
4/let		3	1/2		60.00	90.00		614 03
MILEAGE		80			.60			48 00
								Tax
								TOTAL
								867 03

1.5% Interest after 30 Days
Add 4% if Paid with Credit Card

PG 44

WORK ORDER INVOICE

MP Electric, Inc.

14389

P.O. Box 20184
Waco, Texas 76702-0184

(254) 848-4612 Business
(254) 848-2844 Fax

1/27 2009

Job Name: Cedar Shores WSC

Bill to CS WATER CORP

195 CR 1524

Complete Not Complete Cust. P.O.# _____

MORGAN, TX

Acct # _____

Unit	DESCRIPTION	Unit Price	EXTENSION				
5	250V 100A fuses	20.90	104.50				
replaced undersize fuses to w/ larger pump after they had replaced pump w/ larger pump							
THANK YOU							
Subtotal Material			104.50				
Tax			7.06				
Subtotal			111.56				
Mechanics Name	Reg Hrs	OT Hrs	DT Hrs	Reg Rate	OT Rate	DT Rate	Subtotal
Fleet		3 1/2			90.00		315.00
MILEAGE	80			.60			48.00
1.5% Interest after 30 Days Add 4% if Paid with Credit Card							
Tax							
TOTAL			474.56				

WORK ORDER INVOICE MP Electric, Inc.

14390

P.O. Box 20184
Waco, Texas 76702-0184

(254) 848-4612 Business
(254) 848-2844 Fax

1/28 2009

Job Name: Cedar Shores WSC

Bill to CS WATER CORP

195 CR 1524
MORGAN, TX

Complete Not Complete Cust. P.O.# _____

Acct # _____

Unit	DESCRIPTION	Unit Price		EXTENSION			
1	TTC 120	87	23	87	23		
replaced bad well pump controller							
THANK YOU				Subtotal Material			
				87 23			
				Tax			
				5 89			
				93 12			
Mechanics Name	Reg Hrs	OT Hrs	DT Hrs	Reg Rate	OT Rate	DT Rate	Subtotal
Hart	2	1/2		60.00	90.00		165 00
MILEAGE	80			.60			48 00
							Tax
							TOTAL
							306 12

1.5% Interest after 30 Days
Add 4% if Paid with Credit Card

PG 44 I

Cedar Shores Water Corporation 11441

2009 JAN 25k NEW PUMP LOAN

Purpose NEW WELL PUMP
 Note Source CALHOUN JL Personal Loan
 Acct ending in TX 1st CALHOUN [REDACTED]
 Funding JLC TX 1st Check 433

Date of Loan JAN 1 2009
 Amt 25k
 Int 7
 Term 10
 Pymt annual

	Beginning Balance	Interest	Principal	Ending Balance
1	\$25,000.00	\$1,807.25	\$1,789.96	\$23,210.04
2	\$23,210.04	\$1,677.86	\$1,919.35	\$21,290.69
3	\$21,290.69	\$1,539.11	\$2,058.11	\$19,232.58
4	\$19,232.58	\$1,390.32	\$2,206.89	\$17,025.70
5	\$17,025.70	\$1,230.79	\$2,366.42	\$14,659.27
6	\$14,659.27	\$1,059.72	\$2,537.49	\$12,121.78
7	\$12,121.78	\$876.28	\$2,720.93	\$9,400.86
8	\$9,400.86	\$679.59	\$2,917.62	\$6,483.24
9	\$6,483.24	\$468.67	\$3,128.54	\$3,354.70
10	\$3,354.70	\$242.51	\$3,354.70	\$0.00
		\$10,972.10	\$25,000.01	

44.5 1

CEDAR SHORES WATER CORPORATION 11441

2015 AUG \$5k LOAN Chlorinator and Pump related

Purpose New Chlorinator and New Pump Related

Note Source CALHOUN Scott Personal Loan

Acct ending in TX 1st Bank ending in 6678

Funding CALHOUN Scott Personal Loan

Date of Loan 2015 JUL 4

Amt \$5,000.00

Int 5%

Term 10

Pymt annual

	Beginning Balance	Interest	Principal	Ending Balance
1	\$5,000.00		\$255.81	\$4,604.63
2	\$4,604.63		\$235.58	\$4,189.03
3	\$4,189.03		\$214.32	\$3,752.16
4	\$3,752.16		\$191.97	\$3,292.95
5	\$3,292.95		\$168.47	\$2,810.24
6	\$2,810.24		\$143.78	\$2,302.84
7	\$2,302.84		\$117.82	\$1,769.48
8	\$1,769.48		\$90.53	\$1,208.82
9	\$1,208.82		\$61.85	\$619.49
10	\$619.49		\$31.69	\$0.00
			\$1,511.82	\$4,999.99

CEDAR SHORES WATER CORPORATION 11441

2015 JULY \$15, 207 LOAN NEW PUMP

Purpose NEW PUMP

Note Source CALHOUN Scott Personal Loan

Acct ending in TX 1st Bank ending in 6678

Funding CALHOUN Scott ckeck 2210

Date of Loan 2015 JUL 27

Amt \$15,207.00

Int 5%

Term 10

Pymt annual

	Beginning Balance	Interest	Principal	Ending Balance
1	\$15,207.00		\$778.02	\$14,004.52
2	\$14,004.52		\$716.50	\$12,740.51
3	\$12,740.51		\$651.83	\$11,411.83
4	\$11,411.83		\$583.85	\$10,015.18
5	\$10,015.18		\$512.40	\$8,547.07
6	\$8,547.07		\$437.28	\$7,003.85
7	\$7,003.85		\$358.33	\$5,381.68
8	\$5,381.68		\$275.34	\$3,676.52
9	\$3,676.52		\$188.10	\$1,884.11
10	\$1,884.11		\$96.39	\$0.00
			\$4,598.04	\$15,207.00

UTILITY NAME: Cedar Shores Water Corpotation 11441
SCHEDULES - CLASS B RATE/TARIFF CHANGE
III-7 ACCUMULATED DEPRECIATION FROM PRIOR RATE CASE
FOR THE TEST YEAR ENDED: DECEMBER 31, 2016

ACCUMULATED DEPRECIATION:

Line No.	Description	Dollar Amount
1.	Ending-Prior Rate Case (Docket No.36102-R_____)	112,405
2	Ending balance per Sch III-3, Column F, Line 50	133,850.43
	Describe accounting adjustments made between the prior rate case and the current rate case:	
	Please see NEW additions since 2008 rate case per III 3a Reconciliation	
	WELL PUMP Greater than 5hp (2015 Jul)	
	FENCE and GATE (2011 Mar)	
	BOSTER PUMP (2014 Mar)	
	CHLORINATOR (2015 JUL)	
	NEW METERS (during 2014)	
	PUMP Greater than 5hp (2009 OCT)	

UTILITY NAME: **Cedar Shores Water Corporation 11441**
 SCHEDULES - CLASS B RATE/TARIFF CHANGE
III-8 ADVANCES FOR CONSTRUCTION AND CONTRIBUTIONS IN AID OF CONSTRUCTION
 FOR THE TEST YEAR ENDED: **DECEMBER 31, 2016**

III-8(a) ADVANCES FOR CONSTRUCTION:

Line No.	A Item	B Date of Installation	C Total Cost	D Amount of Advance	E Repayments made to developer	F (F)=(D)-(E) Rate base Value (to Sch III-2)	G Amount to be refunded in the future*
1.	NONE						
2.							
3.							
4.							
5.							
6.	Total						

*If any advances or CIAC from developers or customers are refundable, please provide the potential date of refunding, if known.

III-8(b) DEVELOPER CONTRIBUTIONS IN AID OF CONSTRUCTION*:

Line No.	A Item	B Date of Installation or Contribution	C Total Cost	D Amount of Developer Contribution	E Annual amortization	F Accumulated Amortization	G (G)=(D) - (F) Rate Base Value (to Sch III-2)
1.	NONE						
2.							
3.							
4.							
5.							
6.	Total		N/A				N/A

*Customer CIAC is entered directly on III-3

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UTILITY NAME: <u>Cedar Shores Water Corporation 11441</u> SCHEDULES - CLASS B RATE/TARIFF CHANGE III-9 DEFERRED INCOME TAXES AND DEFERRED INVESTMENT TAX CREDITS FOR THE TEST YEAR ENDED: <u>DECEMBER 31, 2016</u>

'Docket 47153

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	N/A
2.	Test year amount	N/A
3.	Ending balance	N/A

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

Line No.	Description	Test Year Amount
1.	Beginning balance	N/A
2.	Test year amortization	N/A
3.	Ending balance	N/A

UTILITY NAME: Cedar Shores Water Corporation 11441
SCHEDULES - CLASS B RATE/TARIFF CHANGE
III-10 OTHER DEFERRED ASSETS
FOR THE TEST YEAR ENDED: DECEMBER 31, 2016

Docket 47153

III-10(a) : Other Deferred Assets

Line No.	Description	Test Year Amount
1.	N/A	N/A
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.	N/A		N/A
2.			
3.			

SECTION IV OTHER TAX INSTRUCT

UTILITY NAME: Cedar Shores Water Corporation 11441

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: Cedar Shores Water Corporation 11441
SCHEDULE-CLASS B RATE/TARIFF CHANGE
IV(a) ESTIMATE OF TAXES OTHER THAN INCOME
FOR THE TEST YEAR ENDED: DECEMBER 31, 2016

PROPERTY TAXES: SCHEDULE-CLASS B RATE/TARIFF CHANGE

A	B	C	D	E
Line No.	Description	Amount	Amount	Reference
1	Property taxes paid in in test year		3,172	per property tax bills
2	Utility plant added in test year	51,849		Schedule III-3(a), Line 11
3	Utility plant retirements in test year	11,969		Schedule III-3(a), Line 21
4	Net additions	39,880		Line 2 minus line 3
5	Net Property tax rate	.01		Line 1 / beginning of test year gross plant balance from III-3 (a), Col. D, Line 1
6	Test year property tax on additions		398	Line 4 times Line 5
7	Adjusted Test year property tax expense		3,570	Line 1 + Line 6
8	Known and measurable change	398		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 <u>127,200</u>	6.2	34,995	Column D+E+F Line 9	2,170
10	Medicare	wages to <u>0</u>	1.45	34,995	Column H Line 9	507
11	Added Medicare (Affordable Care Act)	wages to <u>0</u>	0	34,995		-
12	Federal unemployment	wages to <u>7,000.</u>	6	7,000	Column D Line 9	420
13	State unemployment	wages to <u>7,000.</u>	0.45	9000	Column D+E Line 9	41
14	Total (add Lines 11 through 14)			34,995		3,362
15	Less: Capitalized	Use % on Sch II-6(a), line 10	%			-
16	Test year Payroll Tax Expense	Line 13 less 14				3,362
17	Known and measurable change				(Line 13 minus Line 14)	-

OTHER TAXES:

A	I	J	K	L
Line No.	Description	Test year	K & M change	Adjusted Test Year
18	Other taxes & licenses	-	-	-
19				
20				
21	Total Other Taxes (Line 18 + Line 19 + Line 20)	-	-	-
22	Total this page - taxes other than income (Line 7) + (Col G, Line 16) + (Col L, Line 21)			6,932
23	Sch IV(a), Total known and measurable change (Line 8 plus line 17, Column G plus line 21, Column K)			398

line 8 = 29, line 17 = 0, line 21 = 0

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UTILITY NAME: <u>Cedar Shores Water Corporation 11441</u> SCHEDULES - CLASS B RATE/TARIFF CHANGE IV(b) REVENUE RELATED TAXES AND EXPENSES FOR THE TEST YEAR ENDED: <u>DECEMBER 31, 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	-	-	1,057.00	-	1,057.00
2	Test year effective rate (test year tax expense/historic test year revenues-Sch I-1)			0.0700		0.0700
3	Gross up factor (1.0 divided by (1.0 minus Line (example below))			1.0700		1.0700
4	Change in revenue requirement (Sch I-1, line 33)					37,866.00
5	Adjusted revenue requirement (Line 3 x Line 4)					40,516.62
6	Adjusted expense (Line 3 times Line 4)					49,314.00

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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: Cedar Shores Water Corporation 11441
SCHEDULES - CLASS B RATE/TARIFF CHANGE
V SCHEDULE OF EFFECTIVE FEDERAL TAX RATE
FOR THE TEST YEAR ENDED: DECEMBER 31, 2016

A	B	C	D
Line		Amount	Reference
1	Requested Return	15,167	Schedule III-1, Line 3 or II-1, line 34
2	Less: Synchronized Interest		Sch. III-1, Col. G, Line 5 x Sch. III-2, Line 16)
3	Requested taxable return	155,403	Line 1 minus Line 2
4	Income taxes at proposed rates	3,079	Line 17 below
5	Effective tax rate	0	Line 4 divided by Line 3
6	Total gross up factor	1.5	1.0 divided by (1.0 minus line 5)
7	Grossed up federal income tax	3,079	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%	3,079
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	3,079

UTILITY NAME: _____ 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: Cedar Shores Water Corporation 11441							
SCHEDULES - CLASS B RATE/TARIFF CHANGE							
Schedule VI-1 RATE DESIGN							
Docket 47153 'FOR THE TEST YEAR ENDED: DECEMBER 31, 2016							
Line No.	A		B		C		
			Reference				
DETERMINATION OF FIXED COSTS							
1.	Gross revenues to be recovered:		Sch I-1, Line 36		138,243.00		
Less variable costs:							
2.	Purchased water - Account 610		Sch I-1, Col. F, line 1		0		
3.	Purchased power - Account 615		Sch I-1, Col. F, line 2		6386		
4.	Other volume related - Account 618		Sch I-1, Col. F, line 3		0		
5.	Other volume related or allocated (attach schedule)						
6.							
7.							
8.							
9.			TOTAL		6,386		
10.	FIXED COSTS (Line 1 minus Lines 2-9)				131,857.00		
11.	% OF FIXED COSTS RECOVERED IN VOLUMETRIC CHARGE					0	%
12.	TO BE RECOVERED THROUGH BASE SERVICE CHARGE					131,857.00	
RECAP:							
13.	RECOVERED THROUGH BASE SERVICE CHARGE		Line 10		131,857.00		
14.	RECOVERED THROUGH VOLUMETRIC RATE		Line 1 - Line 10		6,386.00		
TOTAL				Equals Line 1		138,243.00	
TO BE RECOVERED THROUGH BASE SERVICE CHARGE							
15.	TOTAL METER EQUIVALENTS		Sch I-3, Col H, line 9		185		
16.	CHARGE PER 5/8" X 3/4" METER		Line 13 / Line 15/ 12		59.40		
TO BE RECOVERED THROUGH VOLUMETRIC RATE							
17.	TOTAL WATER SALES IN 1,000 GALS		Sch II-1(a), Col C, line 4		6289		
18.	VOLUMETRIC RATE (CHARGE PER 1,000 GALS)		Line 14 / Line 17		1.02		
PROPOSED RATES:							
19.	FOR ALL WATER DELIVERED PER 1,000 gallons		Line 18 or attach calc		1.02		
BASE SERVICE CHARGE (PER 5/8" X 3/4")							
	Meter size	Line 16	Equivalency			Base Rate/size	
20.	5/8 X 3/4"	59.40	X 1.0 =	191	59.40		
21.	3/4"	59.40	X 1.5 =	0	89.09		
22.	1"	59.40	X 2.5 =	0	148.49		
23.	1 1/2"	59.40	X 5.0 =	0	296.98		
24.	2"	59.40	X 8.0 =	0	475.16		
25.	3"	59.40	X 15.0 =	0	890.93		
26.	4"	59.40	X 25.0 =	0	1,484.88		

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.



WATER UTILITY TARIFF

Docket Number: 47153

(this number will be assigned by the Public Utility Commission after your tariff is filed)

Cedar Shores Water Corporation CCN 11441

(dba CS Water Corporation CCN 11441)

(Utility Name)

(Business Address)

102 N 30th St, Waco, TX 76710 254-715-4788

(City, State, Zip Code) (Area Code/Telephone)

This tariff is effective for utility operations under the following Certificate of Convenience and Necessity: **11441**

This tariff is effective in the following counties:

Bosque

This tariff is effective in the following cities or unincorporated towns (if any):

Moragn

This tariff is effective in the following subdivisions or public water systems:

The Canyons

TABLE OF CONTENTS

The above utility lists the following sections of its tariff (if additional pages are needed for a section, all pages should be numbered consecutively):

TABLE OF CONTENTS

SECTION 1.0-RATE SCHEDULE	2
SECTION 2.0- SERVICE RULES AND POLICIES	5
SECTION 3.0- EXTENSION POLICY	16
APPENDIX A - DROUGHT CONTINGENCY PLAN	20
APPENDIX B- APPLICATION FOR SERVICE	21

Note: Appendix A – Drought Contingency Plan (DCP) is approved by the Texas Commission on Environmental Quality; however, the DCP is included as part of your approved utility tariff pursuant to PUC rules. If you are establishing a tariff for the first time, please contact the TCEQ to complete and submit a DCP for approval.

SECTION 1.0 -- RATE SCHEDULE

Section 1.01 - Rates

Meter Size	Monthly Minimum Charge	Gallonage Charge
5/8" or 3/4"	\$ <u>46.00</u> (Includes gallons)	\$ <u>0.0</u> per 1000 gallons, 1 st
1"	\$ <u>na</u>	\$ <u>4.75</u> per 1000 gallons, next <u>2001 -</u> gallons
		<u>5000</u>
1½ "	\$ <u>na</u>	\$ _____ per 1000 gallons thereafter
		<u>5.00</u>
2"	\$ <u>na</u>	
3"	\$ <u>na</u>	
4"	\$ <u>na</u>	

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

Cash * **Check** * **Money Order** * _____ Credit Card_no_ Other (specify _____)

THE UTILITY MAY REQUIRE EXACT CHANGE FOR PAYMENTS AND MAY REFUSE TO ACCEPT PAYMENTS MADE USING MORE THAN \$1.00 IN SMALL COINS. A WRITTEN RECEIPT WILL BE GIVEN FOR CASH PAYMENTS.

REGULATORY ASSESSMENT

1.0%

PUC RULES REQUIRE THE UTILITY TO COLLECT A FEE OF ONE PERCENT OF THE RETAIL MONTHLY BILL AND REMIT THE FEE TO THE TCEQ.

Section 1.02 - Miscellaneous Fee

TAP FEE

\$1,800. or actual over

TAP FEE COVERS THE UTILITY'S COSTS FOR MATERIALS AND LABOR TO INSTALL A STANDARD RESIDENTIAL 5/8" or 3/4" METER. AN ADDITIONAL FEE TO COVER UNIQUE COSTS IS PERMITTED IF LISTED ON THIS TARIFF. *Actual cost over \$1,800. May be assessed.

RESERVICE FEE

\$400.00

To reestablish service for inactive account where service has been interrupted. No new tap required.

TAP FEE (Unique Costs)

Actual Cost

FOR EXAMPLE, A ROAD BORE FOR CUSTOMERS OUTSIDE OF SUBDIVISIONS OR RESIDENTIAL AREAS.

TAP FEE (Large Meter)

Actual Cost

TAP FEE IS THE UTILITY'S ACTUAL COST FOR MATERIALS AND LABOR FOR METER SIZE INSTALLED.

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

PUCT 9/1/2014 Water Tariff (Previous TCEQ Form 10330)

METER TEST FEE

\$ 25.00

THIS FEE WHICH SHOULD REFLECT THE UTILITY'S COST MAY BE CHARGED IF A CUSTOMER REQUESTS A SECOND METER TEST WITHIN A TWO-YEAR PERIOD AND THE TEST INDICATES THAT THE METER IS RECORDING ACCURATELY. THE FEE MAY NOT EXCEED \$25.

Cedar Shores Water Corporation 11441 _____ Water Tariff Page No. 3
(Utility Name)

SECTION 1.0 – RATE SCHEDULE (Continued)

RECONNECTION FEE

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

- a) Nonpayment of bill (Maximum \$25.00) **\$ 25.00**
- b) Customer's request that service be disconnected **\$ 25.00**
- c) Reservice/ inactive account, notap required **\$ 400.00**

TRANSFER FEE

\$ 100.00

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

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

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

RETURNED CHECK CHARGE \$ 35.00

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

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

SEASONAL LOCK CUSTOMER REQUEST

The Corporation shall charge a fee calculated based on Base rate multiplied by the number of months which service is suspended/locked at the customer request, not to exceed nine (9) months during any twelve (12) consecutive months.

COMMERCIAL & NON-RESIDENTIAL DEPOSIT

1/6TH OF ESTIMATED ANNUAL BILL

GOVERNMENTAL TESTING, INSPECTION AND COSTS SURCHARGE

\$ _____

WHEN AUTHORIZED IN WRITING BY PUC AND AFTER NOTICE TO CUSTOMERS, THE UTILITY MAY INCREASE RATES TO RECOVER INCREASED COSTS FOR INSPECTION FEES AND WATER TESTING. [P.U.C. SUBST. R. 24.21(k)(2)]

LINE EXTENSION AND CONSTRUCTION CHARGES:

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

(Utility Name)

Water Tariff Page No. 4

SECTION 2.0 -- SERVICE RULES AND POLICIES

The utility will have the most current Public Utility Commission of Texas (PUC or commission rules relating to Water and Wastewater Utility regulations, available at its office for reference purposes. The Rules and this tariff shall be available for public inspection and reproduction at a reasonable cost. The latest Rules or commission approved changes to the Rules supersede any rules or requirements in this tariff.

Section 2.01 - Application for Water Service

All applications for service will be made on the utility's standard application or contract form (attached in the Appendix to this tariff), will be signed by the applicant, any required fees (deposits, reconnect, tap, extension fees, etc. as applicable) will be paid and easements, if required, will be granted before service is provided by the utility. A separate application or contract will be made for each service location.

Section 2.02 - Refusal of Service

The utility may decline to serve an applicant until the applicant has complied with the regulations of the regulatory agencies (state and municipal regulations) and for the reasons outlined in the PUC Rules. In the event that the utility refuses to serve an applicant, the utility will inform the applicant in writing of the basis of its refusal. The utility is also required to inform the applicant that a complaint may be filed with the commission.

Section 2.03 - Fees and Charges & Easements Required Before Service Can Be Connected

(A) Customer Deposits

If a residential applicant cannot establish credit to the satisfaction of the utility, the applicant may be required to pay a deposit as provided for in Section 1.02 - Miscellaneous Fees of this tariff. The utility will keep records of the deposit and credit interest in accordance with PUC Rules.

Residential applicants 65 years of age or older may not be required to pay deposits unless the applicant has an outstanding account balance with the utility or another water or sewer utility which accrued within the last two years.

Nonresidential applicants who cannot establish credit to the satisfaction of the utility may be required to make a deposit that does not exceed an amount equivalent to one-sixth of the estimated annual billings. _____

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(Utility Name)

Water Tariff Page No. 5

Cedar Shores Water Corporation 11441

SECTION 2.0 – SERVICE RULES AND POLICIES (Continued)

Refund of deposit - If service is not connected, or after disconnection of service, the utility will promptly refund the customer's deposit plus accrued interest or the balance, if any, in excess of the unpaid bills for service furnished. The utility may refund the deposit at any time prior to termination of utility service but must refund the deposit plus interest for any residential customer who has paid 18 consecutive billings without being delinquent.

(B) Tap or Reconnect Fees

A new customer requesting service at a location where service has not previously been provided must pay a tap fee as provided in Section 1. A customer requesting service where service has previously been provided must pay a reconnect fee as provided in Section 1. Any applicant or existing customer required to pay for any costs not specifically set forth in the rate schedule pages of this tariff shall be given a written explanation of such costs prior to request for payment and/or commencement of construction. If the applicant or existing customer does not believe that these costs are reasonable or necessary, the applicant or existing customer shall be informed of their right to appeal such costs to the PUC or such other regulatory authority having jurisdiction over the utility's rates in that portion of the utility's service area in which the applicant's or existing customer's property(ies) is located.

Fees in addition to the regular tap fee may be charged if listed specifically in Section 1 to cover unique costs not normally incurred as permitted by P.U.C. SUBST. R. 24.86(a)(1)(C). For example, a road bore for customers outside a subdivision or residential area could be considered a unique cost.

(C) Easement Requirement

Where recorded public utility easements on the service applicant's property do not exist or public road right-of-way easements are not available to access the applicant's property, the utility may require the applicant to provide it with a permanent recorded public utility easement on and across the applicant's real property sufficient to provide service to that applicant. Such easement(s) shall not be used for the construction of production, storage, transmission or pressure facilities unless they are needed for adequate service to that applicant.

SECTION 2.0 – SERVICE RULES AND POLICIES (Continued)

Section 2.04 - Utility Response to Applications for Service

After the applicant has met all the requirements, conditions and regulations for service, the utility will install tap, meter and utility cut-off valve and/or take all necessary actions to initiate service. The utility will serve each qualified applicant for service within 5 working days unless line extensions or new facilities are required. If construction is required to fill the order and if it cannot be completed within 30 days, the utility will provide the applicant with a written explanation of the construction required and an expected date of service.

Except for good cause where service has previously been provided, service will be reconnected within one working day after the applicant has met the requirements for reconnection.

Section 2.05 - Customer Responsibility

The customer will be responsible for furnishing and laying the necessary customer service pipe from the meter location to the place of consumption. Customers will not be allowed to use the utility's cutoff valve on the utility's side of the meter. Existing customers may install cutoff valves on their side of the meter and are encouraged to do so. All new customers may be required to install and maintain a cutoff valve on their side of the meter.

No direct connection between a public water supply system and any potential source of contamination or between a public water supply system and a private water source (ex. private well) will be allowed. A customer shall not connect, or allow any other person or party to connect, onto any water lines on his premises.

Section 2.06 - Customer Service Inspections

Applicants for new service connections or facilities which have undergone extensive plumbing modifications are required to furnish the utility a completed customer service inspection certificate. The inspection certificate shall certify that the establishment is in compliance with the Texas Commission on Environmental Quality (TCEQ) Rules and Regulations for Public Water Systems, Section 290.46(j). The utility is not required to perform these inspections for the applicant/customer, but will assist the applicant/customer in locating and obtaining the services of a certified inspector.

Cedar Shores Water Corporation 11441

(Utility Name)

(Utility Name)

SECTION 2.0 – SERVICE RULES AND POLICIES (Continued)

Section 2.07 - Back Flow Prevention Devices

No water connection shall be allowed to any residence or establishment where an actual or potential contamination hazard exists unless the public water facilities are protected from contamination by either an approved air gap, backflow prevention assembly, or other approved device. The type of device or backflow prevention assembly required shall be determined by the specific potential hazard identified in Title 30 Texas Administrative Code (TAC) §290.47(i) Appendix I, Assessment of Hazards and Selection of Assemblies of the TCEQ Rules and Regulations for Public Water Systems.

The use of a backflow prevention assembly at the service connection shall be considered as additional backflow protection and shall not negate the use of backflow protection on internal hazards as outlined and enforced by local plumbing codes. When a customer service inspection certificate indicates that an adequate internal cross-connection control program is in effect, backflow protection at the water service entrance or meter is not required.

At any residence or establishment where it has been determined by a customer service inspection, that there is no actual or potential contamination hazard, as referenced in 30 TAC §290.47(i) Appendix I, Assessment of Hazards and Selection of Assemblies of the TCEQ Rules and Regulations for Public Water Systems, then a backflow prevention assembly or device is not required. Outside hose bibs do require, at a minimum, the installation and maintenance of a working atmospheric vacuum breaker.

All backflow prevention assemblies or devices shall be tested upon installation by a TCEQ certified backflow prevention assembly tester and certified to be operating within specifications. Backflow prevention assemblies which are installed to provide protection against health hazards must also be tested and certified to be operating within specifications at least annually by a certified backflow prevention assembly tester. If the utility determines that a backflow prevention assembly or device is required, the utility will provide the customer or applicant with a list of TCEQ certified backflow prevention assembly testers. The customer will be responsible for the cost of installation and testing, if any, of backflow prevention assembly or device. The customer should contact several qualified installers to compare prices before installation. The customer must pay for any required maintenance and annual testing and must furnish a copy of the test results demonstrating that the assembly is functioning properly to the utility within 30 days after the anniversary date of the installation unless a different date is agreed upon.

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Section 2.08 - Access to Customer's Premises

The utility will have the right of access to the customer's premises at all reasonable times for the purpose of installing, testing, inspecting or repairing water mains or other equipment used in connection with its provision of water service, or for the purpose of removing its property and disconnecting lines, and for all other purposes necessary to the operation of the utility system including inspecting the customer's plumbing for code, plumbing or tariff violations. The customer shall allow the utility and its personnel access to the customer's property to conduct any water quality tests or inspections required by law. Unless necessary to respond to equipment failure, leak or other condition creating an immediate threat to public health and safety or the continued provision of adequate utility service to others, such entry upon the customer's property shall be during normal business hours and the utility personnel will attempt to notify the customer that they will be working on the customer's property. The customer may require any utility representative, employee, contractor, or agent seeking to make such entry identify themselves, their affiliation with the utility, and the purpose of their entry.

All customers or service applicants shall provide access to meters and utility cutoff valves at all times reasonably necessary to conduct ordinary utility business and after normal business hours as needed to protect and preserve the integrity of the public drinking water supply.

Section 2.09 - Meter Requirements, Readings, and Testing

One meter is required for each residential, commercial, or industrial connection. All water sold by the utility will be billed based on meter measurements. The utility will provide, install, own and maintain meters to measure amounts of water consumed by its customers.

Meters will be read at monthly intervals and as nearly as possible on the corresponding day of each monthly meter reading period unless otherwise authorized by the Commission.

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(Utility Name)

SECTION 2.0 -- SERVICE RULES AND POLICIES(Continued)

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(Utility Name)

Water Tariff Page No. 12

SECTION 2.0 -- SERVICE RULES AND POLICIES (Continued)

Meter tests. The utility will, upon the request of a customer, and, if the customer so desires, in his or her presence or in that of his or her authorized representative, make without charge a test of the accuracy of the customer's meter. If the customer asks to observe the test, the test will be made during the utility's normal working hours at a time convenient to the customer. Whenever possible, the test will be made on the customer's premises, but may, at the utility's discretion, be made at the utility's testing facility. If within a period of two years the customer requests a new test, the utility will make the test, but if the meter is found to be within the accuracy standards established by the American Water Works Association, the utility will charge the customer a fee which reflects the cost to test the meter up to a maximum \$25 for a residential customer. Following the completion of any requested test, the utility will promptly advise the customer of the date of removal of the meter, the date of the test, the result of the test, and who made the test.

Section 2.10 - Billing

(A) Regular Billing

Bills from the utility will be mailed monthly unless otherwise authorized by the Commission. The due date of bills for utility service will be at least sixteen (16) days from the date of issuance. The postmark on the bill or, if there is no postmark on the bill, the recorded date of mailing by the utility will constitute proof of the date of issuance. Payment for utility service is delinquent if full payment, including late fees and the regulatory assessment, is not received at the utility or the utility's authorized payment agency by 5:00 p.m. on the due date. If the due date falls on a holiday or weekend, the due date for payment purposes will be the next workday after the due date.

(B) Late Fees

A late penalty of either \$5.00 or 10.0% will be charged on bills received after the due date. The penalty on delinquent bills will not be applied to any balance to which the penalty was applied in a previous billing. The utility must maintain a record of the date of mailing to charge the late penalty.

(C) Information on Bill

Each bill will provide all information required by the PUC Rules. For each of the systems it operates, the utility will maintain and note on the monthly bill a local or toll-free telephone number (or numbers) to which customers can direct questions about their utility service.

(D) Prorated Bills

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If service is interrupted or seriously impaired for 24 consecutive hours or more, the utility will not prorate the monthly base bill in proportion to the time service was not available to reflect this loss of service.

(E) Seasonal Reconnect Fee – The Corporation shall charge a fee calculated based on the Base Rate multiplied by the number of months during which service is suspended/locked, not to exceed nine (9) months during any twelve (12) consecutive months.

(F) Owner and Renters - Any subscribed Owner having complied with the requirements of this Tariff, renting or leasing property designated to receive service according to the terms of this tariff to other parties, is responsible for all charges due the Corporation. The service agreement for rental or leased properties shall be in the name of the tax owner of service address. The Corporation may bill the renter or lessee for utility service (at Owner Request) as a third party, but the Owner is fully responsible for any and all unpaid bills left by the renter/lessee. The Owner shall be required to sign a Service Agreement if the Owner requests that the tenant be billed for utility service. The Owner shall take responsibility for any necessary deposits from the renter/lessee to ensure payment of a past due bill. The Corporation will notify the Owner of the renter's past due payment status. Such notification may be subject to a customer request service charge.

Section 2.11- Payments

All payments for utility service shall be delivered or mailed to the utility's business office. If the business office fails to receive payment prior to the time of noticed disconnection for non-payment of a delinquent account, service will be terminated as scheduled. Utility service crews shall not be allowed to collect payments on customer accounts in the field.

Payment of an account by any means that has been dishonored and returned by the payor or payee's bank, shall be deemed to be delinquent. All returned payments must be redeemed with cash or valid money order. If a customer has two returned payments within a twelve month period, the customer shall be required to pay a deposit if one has not already been paid.

Section 2.12 - Service Disconnection

(A) With Notice

Utility service may be disconnected if the bill has not been paid in full by the date listed on the termination notice. The termination date must be at least 10 days after the notice is mailed or hand delivered.

The utility is encouraged to offer a deferred payment plan to a customer who cannot pay an outstanding bill in full and is willing to pay the balance in reasonable installments. However, a customer's utility service may be disconnected if a bill

(Utility Name)

Water Tariff Page No. 12

SECTION 2.0 -- SERVICE RULES AND POLICIES (Continued)

has not been paid or a deferred payment agreement entered into within 26 days from the date of issuance of a bill and if proper notice of termination has been given.

Notice of termination must be a separate mailing or hand delivery in accordance with the PUC Rules.

B) Without Notice

Utility service may also be disconnected without notice for reasons as described in the PUC Rules.

SECTION 2.0 -- SERVICE RULES AND POLICIES (Continued)

Section 2.13 - Reconnection of Service

Utility personnel must be available during normal business hours to accept payments on the day service is disconnected and the following day unless service was disconnected at the customer's request or due to a hazardous condition.

Service will be reconnected within 36 hours after the past due bill, reconnect fees and any other outstanding charges are paid or the conditions which caused service to be disconnected are corrected.

Section 2.14 - Service Interruptions

The utility will make all reasonable efforts to prevent interruptions of service. If interruptions occur, the utility will re-establish service within the shortest possible time. Except for momentary interruptions due to automatic equipment operations, the utility will keep a complete record of all interruptions, both emergency and scheduled and will notify the commission in writing of any service interruptions affecting the entire system or any major division of the system lasting more than four hours. The notice will explain the cause of the interruptions.

Section 2.15 - Quality of Service

The utility will plan, furnish, and maintain production, treatment, storage, transmission, and distribution facilities of sufficient size and capacity to provide a continuous and adequate supply of water for all reasonable consumer uses. Unless

otherwise authorized by the TCEQ, the utility will maintain facilities as described in the TCEQ Rules and Regulations for Public Water Systems.

Section 2.16 - Customer Complaints and Disputes

If a customer or applicant for service lodges a complaint, the utility will promptly make a suitable investigation and advise the complainant of the results. Service will not be disconnected pending completion of the investigation. If the complainant is dissatisfied with the utility's response, the utility must advise the complainant that he has recourse through either the TCEQ or PUC complaint process, depending on the nature of the complaint. Pending resolution of a complaint, the commission may require continuation or restoration of service.

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

In the event of a dispute between a customer and a utility regarding any bill for utility service, the utility will conduct an investigation and report the results to the customer. If the dispute is not resolved, the utility will inform the customer that a complaint may be filed with the commission.

Section 2.17 - Customer Liability

Customer shall be liable for any damage or injury to utility-owned property shown to be caused by the customer.

Meter Tampering and Damage to Property.

- a. For purposes of this Section, the term "Tampering" shall mean meter-tampering, by-passing, or diversion of the Corporation's service equipment, or other instances of diversion, including:
 - 1) removing a locking or shut-off device used by the Corporation to discontinue service,
 - 2) physically disorienting the meter or sewer tap,
 - 3) attaching objects to the meter or sewer tap to divert service or to by-pass,
 - 4) inserting objects into the meter or sewer tap,
 - 5) other electrical and mechanical means of tampering with, by-passing, or diverting service,
 - 6) connection or reconnection of service without Corporation authorization;

(Utility Name)

Water Tariff Page No. 12

SECTION 2.0 -- SERVICE RULES AND POLICIES (Continued)

- 1) connection into the service line of adjacent customers of the Corporation;
and
 - 8) preventing the supply or wastewater discharge from being correctly registered by a metering device or sewer tap due to adjusting the valve so that flow is reduced below metering capability.
- a. If the Corporation determines under subsection (a) that Tampering has occurred, the Corporation shall disconnect service without notice and charge the person who committed the Tampering the total actual loss to the Corporation, including the cost of repairs, replacement of damaged facilities, and lost water revenues.
 - b. A person who otherwise destroys, defaces, damages or interferes with Corporation property will be charged the total actual loss to the Corporation including but not limited to the cost of repairs, replacement of damaged facilities, and lost water revenues. The Corporation also will prosecute the offending party to the extent allowed under law pursuant to Texas Water Code Section 49.228 and other applicable laws.
 - d. In addition to actual damages charged, the Corporation may assess a penalty against the offending party. The penalty shall not exceed six (6) times the Base Rate.

SECTION 3.0--EXTENSION POLICY

Section 3.01 - Standard Extension Requirements

LINE EXTENSION AND CONSTRUCTION CHARGES: NO CONTRIBUTION IN AID OF CONSTRUCTION MAY BE REQUIRED OF ANY CUSTOMER EXCEPT AS PROVIDED FOR IN THIS APPROVED EXTENSION POLICY.

The utility is not required to extend service to any applicant outside of its certified service area and will only do so under terms and conditions mutually agreeable to the utility and the applicant, in compliance with PUC rules and policies, and upon extension of the utility's certified service area boundaries by the PUC.

The applicant for service will be given an itemized statement of the costs, options such as rebates to the customer, sharing of construction costs between the utility and the customer, or sharing of costs between the customer and other applicants prior to beginning construction.

The utility is not required to extend service to any applicant outside of its certificated service area and will only do so under terms and conditions mutually agreeable to the utility and the applicant, in compliance with PUC rules and policies, and upon extension of the utility's certificated service area boundaries by the PUC.

Section 3.02 - Costs Utilities and Service Applicants Shall Bear

Within its certified area, the utility will pay the cost of the first 200 feet of any water main or distribution line necessary to extend service to an individual residential customer within a platted subdivision.

However, if the residential customer requesting service purchased the property after the developer was notified in writing of the need to provide facilities to the utility, the utility may charge for the first 200 feet. The utility must also be able to document that the developer of the subdivision refused to provide facilities compatible with the utility's facilities in accordance with the utility's approved extension policy after receiving a written request from the utility.

(Utility Name)

SECTION 3.0 -- EXTENSION POLICY (Continued)

Residential customers will be charged the equivalent of the costs of extending service to their property from the nearest transmission or distribution line even if that line does not have adequate capacity to serve the customer. However, if the customer places unique, non-standard service demands upon the system, the customer may be charged the additional cost of extending service to and throughout their property, including the cost of all necessary transmission and storage facilities necessary to meet the service demands anticipated to be created by that property.

Unless an exception is granted by the TCEQ, the residential service applicant shall not be required to pay for costs of main extensions greater than 2" in diameter for water distribution and pressure wastewater collection lines and 6" in diameter for gravity wastewater lines.

Exceptions may be granted by the TCEQ if:

- adequate service cannot be provided to the applicant using the maximum line sizes listed due to distance or elevation, in which case, it shall be the utility's burden to justify that a larger diameter pipe is required for adequate service;
- or larger minimum line sizes are required under subdivision platting requirements or building codes of municipalities within whose corporate limits or extraterritorial jurisdiction the point of use is located; or the residential service applicant is located outside the CCN service area.

If an exception is granted by the TCEQ, the utility shall establish a proportional cost plan for the specific extension or a rebate plan which may be limited to seven years to return the portion of the applicant's costs for oversizing as new customers are added to ensure that future applicants for service on the line pay at least as much as the initial service applicant.

For purposes of determining the costs that service applicants shall pay, commercial customers with service demands greater than residential customer demands in the certified area, industrial, and wholesale customers shall be treated as developers. A service applicant requesting a one inch meter for a lawn sprinkler system to service a residential lot is not considered nonstandard service.

If an applicant requires service other than the standard service provided by the utility, such applicant will be required to pay all expenses incurred by the utility in excess of the expenses that would be incurred in providing the standard service and connection beyond 200 feet and throughout his property including the cost of all necessary transmission facilities.

(Utility Name)

SECTION 3.0 -- EXTENSION POLICY (Continued)

The utility will bear the full cost of any over-sizing of water mains necessary to serve other customers in the immediate area. The individual residential customer shall not be charged for any additional production, storage, or treatment facilities. Contributions in aid of construction may not be required of individual residential customers for production, storage, treatment or transmission facilities unless otherwise approved by the Commission under this specific extension policy.

Section 3.03 - Contributions in Aid of Construction

Developers may be required to provide contributions in aid of construction in amounts sufficient to furnish the development with all facilities necessary to provide for reasonable local demand requirements and to comply with TCEQ minimum design criteria for facilities used in the production, transmission, pumping, or treatment of water or TCEQ minimum requirements. For purposes of this subsection, a developer is one who subdivides or requests more than two meters on a piece of property. Commercial, industrial, and wholesale customers will be treated as developers.

Any applicant who places unique or non-standard service demands on the system may be required to provide contributions in aid of construction for the actual costs of any additional facilities required to maintain compliance with the TCEQ minimum design criteria for water production, treatment, pumping, storage and transmission.

Any service extension to a subdivision (recorded or unrecorded) may be subject to the provisions and restrictions of P.U.C. SUBST. R. 24.86(d). When a developer wishes to extend the system to prepare to service multiple new connections, the charge shall be the cost of such extension, plus a pro-rata charge for facilities which must be committed to such extension compliant with the TCEQ minimum design criteria. As provided by P.U.C. SUBST. R. 24.85(e)(3), for purposes of this section, commercial, industrial, and wholesale customers shall be treated as developers.

A utility may only charge a developer standby fees for unrecovered costs of facilities committed to a developer's property under the following circumstances:

- Under a contract and only in accordance with the terms of the contract; or
- if service is not being provided to a lot or lots within two years after installation of facilities necessary to provide service to the lots has been completed and if the standby fees are included on the utilities approved tariff after a rate change application has been filed. The fees cannot be billed to the developer or collected until the standby fees have been approved by the commission or executive director. for purposes of this section, a manufactured housing rental community can only be charged standby fees under a contract or if the utility installs the facilities necessary to provide individually metered service to each of the rental lots or spaces in the community.

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(Utility Name)

Water Tariff Page No. 16

SECTION 3.0 -- EXTENSION POLICY (Continued)

Section 3.04 - Appealing Connection Costs

The imposition of additional extension costs or charges as provided by Sections 3.0 - Extension Policy of this tariff shall be subject to appeal as provided in this tariff, PUC rules, or the rules of such other regulatory authority as may have jurisdiction over the utility's rates and services. Any applicant required to pay for any costs not specifically set forth in the rate schedule pages of this tariff shall be given a written explanation of such costs prior to payment and/or commencement of construction. If the applicant does not believe that these costs are reasonable or necessary, the applicant shall be informed of the right to appeal such costs to the PUC or such other regulatory authority having jurisdiction over the utility's rates in that portion of the utility's service area in which the applicant's property(ies) is located.

Section 3.05 - Applying for Service

The utility will provide a written service application form to the applicant for each request for service received by the utility's business offices. A separate application shall be required for each potential service location if more than one service connection is desired by any individual applicant. Service application forms will be available at the utility's business office during normal weekday business hours. Service applications will be sent by prepaid first class United States mail to the address provided by the applicant upon request. Completed applications should be returned by hand delivery in case there are questions which might delay fulfilling the service request. Completed service applications may be submitted by mail if hand delivery is not possible.

Where a new tap or service connection is required, the service applicant shall be required to submit a written service application and request that a tap be made. A diagram, map, plat, or written metes and bounds description of precisely where the applicant desires each tap or service connection is to be made and, if necessary, where the meter is to be installed, along the applicant's property line may also be required with the tap request. The actual point of connection and meter installation must be readily accessible to utility personnel for inspection, servicing, and meter reading while being reasonably secure from damage by vehicles and mowers. If the utility has more than one main adjacent to the service applicant's property, the tap or service connection will be made to the utility's nearest service main with adequate capacity to service the applicant's full potential service demand. Beyond the initial 200 feet, the customer shall bear only the equivalent cost of extending from the nearest main. If the tap or service connection cannot be made at the applicant's desired location, it will be made at another location mutually acceptable to the applicant and the utility. If no agreement on location can be made, the applicant may refer the matter to the PUC for resolution.

SECTION 3.0 -- EXTENSION POLICY (Continued)

Section 3.06 - Qualified Service Applicant

A "qualified service applicant" is an applicant who has: (1) met all of the utility's requirements for service contained in this tariff, PUC rules and/or PUC order, (2) has made payment or made arrangement for payment of tap fees, (3) has provided all easements and rights-of-way required to provide service to the requested location, (4) delivered an executed customer service inspection certificate to the utility, if applicable, and (5) has executed a customer service application for each location to which service is being requested.

The utility shall serve each qualified service applicant within its certified service area as soon as practical after receiving a completed service application. All service requests will be fulfilled within the time limits prescribed by PUC rules once the applicant has met all conditions precedent to achieving "qualified service applicant" status. If a service request cannot be fulfilled within the required period, the applicant shall be notified in writing of the delay, its cause and the anticipated date that service will be available. The PUC service dates shall not become applicable until the service applicant has met all conditions precedent to becoming a qualified service applicant as defined by PUC rules.

Section 3.07 - Developer Requirements

As a condition of service to a new subdivision, the utility shall require a developer (as defined by PUC rule) to provide permanent recorded public utility easements as a condition of service to any location within the developer's property.

**APPENDIX A – DROUGHT CONTINGENCY PLAN
(Utility Must Attach TCEQ-Approved Plan)**

Cedar Shores Water Corporation 11441
Docket 47153

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**APPENDIX B -- APPLICATION FOR SERVICE
(Utility Must Attach Blank Copy)**

Cedar Shores Water Corporation 11441
Docket 47153

Drought Contingency Plan

September 27, 2017

**Cedar Shores Water Corporation
Plant site: 150 CR 1514
Morgan, TX 76671
PWS ID 0180033
RN102683810
Bosque County, Texas**

**Cedar Shores Water Corporation
Mr. Dempsey S. Calhoun, President
102 North 30th Street
Waco, TX 76710-7222**

Section I: Declaration of Policy, Purpose, and Intent

In order to conserve the available water supply and protect the integrity of water supply facilities, with particular regard for domestic water use, sanitation, and fire protection, and to protect and preserve public health, welfare, and safety and minimize the adverse impacts of water supply shortage or other water supply emergency conditions, Cedar Shores Water Corporation (dba CS Water Corporation) hereby adopts the following regulations and restrictions on the delivery and consumption of water through a resolution.

Water uses regulated or prohibited under this Drought Contingency Plan (the Plan) are considered to be non-essential and continuation of such uses during times of water shortage or other emergency water supply condition are deemed to constitute a waste of water which subjects the offender(s) to penalties as defined in Section XI of this Plan.

Section II: Public Involvement

Opportunity for the public to provide input into the preparation of the Plan was provided by Cedar Shores Water Corporation by means of a notice on the monthly water bill.

Section III: Public Education

Cedar Shores Water Corporation will periodically provide the public with information about the Plan, including information about the conditions under which each stage of the Plan is to be initiated or terminated and the drought response measures to be implemented in each stage. This information will be provided by any or all of the following means.

1. Water bill notice
2. Special notice
3. Message posted at the entrance to the Canyons



4. Message posted at the Canyons community Center
5. Local TV stations

Section IV: Coordination with Regional Water Planning Groups

The service area of Cedar Shores Water Corporation is located within the Brazos G water planning area and has provided a copy of this Plan to the Brazos G planning group.

Section V: Authorization

The owner, utility general manager, or his/her designee is hereby authorized and directed to implement the applicable provisions of this Plan upon determination that such implementation is necessary to protect public health, safety, and welfare. The owner, utility general manager, or his/her designee shall have the authority to initiate or terminate drought or other water supply emergency response measures as described in this Plan.

Section VI: Application

The provisions of this Plan shall apply to all persons, customers, and property utilizing water provided by Cedar Shores Water Corporation. The terms person and customer are used in the Plan to include individuals, corporations, partnerships, associations, and all other legal entities.

Section VII: Definitions

For the purposes of this Plan, the following definitions shall apply:

Aesthetic water use: water use for ornamental or decorative purposes such as fountains, reflecting pools, and water gardens.

Commercial and institutional water use: water use which is integral to the operations of commercial and non-profit establishments and governmental entities such as retail establishments, hotels and motels, restaurants, and office buildings.

Conservation: those practices, techniques, and technologies that reduce the consumption of water, reduce the loss or waste of water, improve the efficiency in the use of water or increase the recycling and reuse of water so that a supply is conserved and made available for future or alternative uses.

Customer: any person, company, or organization using water supplied by Cedar Shores Water Corporation

Domestic water use: water use for personal needs or for household or sanitary purposes such as drinking, bathing, heating, cooking, sanitation, or for cleaning a residence, business, industry, or institution.

Even number address: street addresses, box numbers, or rural postal route numbers ending in 0, 2, 4, 6, or 8 and locations without addresses.

Industrial water use: the use of water in processes designed to convert materials of lower value into forms having greater usability and value.

Landscape irrigation use: water used for the irrigation and maintenance of landscaped areas, whether

publicly or privately owned, including residential and commercial lawns, gardens, golf courses, parks, and rights-of-way and medians.

Non-essential water use: water uses that are not essential nor required for the protection of public, health, safety, and welfare, including:

- (a) irrigation of landscape areas, including parks, athletic fields, and golf courses, except otherwise provided under this Plan;
- (b) use of water to wash any motor vehicle, motorbike, boat, trailer, airplane or other vehicle;
- (c) use of water to wash down any sidewalks, walkways, driveways, parking lots, tennis courts, or other hard-surfaced areas;
- (d) use of water to wash down buildings or structures for purposes other than immediate fire protection;
- (e) flushing gutters or permitting water to run or accumulate in any gutter or street;
- (f) use of water to fill, refill, or add to any indoor or outdoor swimming pools or Jacuzzi-type pools;
- (g) use of water in a fountain or pond for aesthetic or scenic purposes except where necessary to support aquatic life;
- (h) failure to repair a controllable leak(s) within a reasonable period after having been given notice directing the repair of such leak(s); and
- (i) use of water from hydrants for construction purposes or any other purposes other than fire fighting.

Odd numbered address: street addresses, box numbers, or rural postal route numbers ending in 1, 3, 5, 7, or 9.

Section VIII: Criteria for Initiation and Termination of Drought Response Stages

The owner, utility general manager, or his/her designee shall monitor water supply and/or demand conditions on a weekly basis and shall determine when conditions warrant initiation or termination of each stage of the Plan, that is, when the specified triggers are reached.

The triggering criteria described below are based on the well gallons per minute of production, ground storage tank capacity, and service pump gallons per minute of pumping capacity.

Stage 1 Triggers -- MILD Water Shortage Conditions

Requirements for initiation

Customers shall be requested to voluntarily conserve water and adhere to the prescribed restrictions on certain water uses as defined in Section VII Definitions when either apply;

1. When the specific capacity of the well production is equal to or less than 109 gpm. A 10% reduction in pumping capacity.
2. When the total daily demand exceeds 87,120 gallons per day of consumption. This equals 50% pump run time at 121 gpm.

Requirements for termination

Stage 1 of the Plan may be rescinded when all of the conditions listed as triggering events have ceased to exist for a period of 7 consecutive days.

Stage 2 Triggers -- MODERATE Water Shortage Conditions

Requirements for initiation

Customers shall be required to comply with the requirements and restrictions on certain non-essential water uses provided in Section IX of this Plan when either apply;

1. When the specific capacity of the well production is equal to or less than 103 gpm. A 15% reduction in pumping capacity.
2. When the total daily demand exceeds 95,800 gallons per day of consumption. This equals 55% pump run time at 121 gpm.

Requirements for termination

Stage 2 of the Plan may be rescinded when all of the conditions listed as triggering events have ceased to exist for a period of 7 consecutive days. Upon termination of Stage 2, Stage 1 becomes operative.

Stage 3 Triggers B SEVERE Water Shortage Conditions

Requirements for initiation

Customers shall be required to comply with the requirements and restrictions on certain non-essential water uses for Stage 3 of this Plan when either apply;

1. When the specific capacity of the well production is equal to or less than 97 gpm. A 20% reduction in pumping capacity.
2. When the total daily demand exceeds 104,500 gallons per day of consumption. This equals 60% pump run time at 121 gpm.

Requirements for termination

Stage 3 of the Plan may be rescinded when all of the conditions listed as triggering events have ceased to exist for a period of 7 consecutive days. Upon termination of Stage 3, Stage 2 becomes operative.

Stage 4 Triggers -- CRITICAL Water Shortage Conditions

Requirements for initiation

Customers shall be required to comply with the requirements and restrictions on certain non-essential water uses for Stage 4 of this Plan when either apply;

1. When the specific capacity of the well production is equal to or less than 91 gpm. A 25% reduction in pumping capacity.
2. When the total daily demand exceeds 112,250 gallons per day of consumption. This equals 65% pump run time at 121 gpm.

Requirements for termination

Stage 4 of the Plan may be rescinded when all of the conditions listed as triggering events have ceased to exist for a period of 7 consecutive days. Upon termination of Stage 4, Stage 3 becomes operative.

Stage 5 Triggers -- EMERGENCY Water Shortage Conditions

Requirements for initiation

Customers shall be required to comply with the requirements and restrictions for Stage 5 of this Plan when the owner, utility general manager, or his/her designee, determines that a water supply emergency exists based on:

1. Major water line breaks, well or service pump failure or operation issues, or system failures occur, which cause unprecedented water loss or capability to provide water service at required pressure **or**
2. Natural or man-made contamination of the water supply source or system.

Requirements for termination

Stage 5 of the Plan may be rescinded when all of the conditions listed as triggering events have ceased to exist for a period of 7 consecutive days.

Stage 6 Triggers -- WATER ALLOCATION

Requirements for initiation

Customers shall be required to comply with the water allocation plan prescribed in Section IX of this Plan and comply with the requirements and restrictions for Stage 5 of this Plan when either apply;

1. When the specific capacity of the well production is equal to or less than 85 gpm. A 30% reduction in pumping capacity.
2. When the total daily demand exceeds 122,000 gallons per day of consumption. This equals 70% pump run time at 121 gpm.

Requirements for termination

Water allocation may be rescinded when all of the conditions listed as triggering events have ceased to exist for a period of 7 consecutive days.

Section IX: Drought Response Stages

The owner, utility general manager, or his/her designee, shall monitor water supply and/or demand conditions on a daily basis and, in accordance with the triggering criteria set forth in Section VIII of this Plan, shall determine that a mild, moderate, severe, critical, emergency or water shortage condition exists and shall implement the following notification procedures:

Notification

Notification of the Public:

The owner, utility general manager, or his/ her designee shall notify the public by any or all of the following means.

1. Water bill notice
2. Special notice
3. Message posted at the entrance to the Canyons
4. Message posted at the Canyons community Center
5. Local TV stations

Additional Notification:

The owner, utility general manager, or his/ her designee shall notify directly, or cause to be notified directly the TCEQ when mandatory restrictions are imposed.

Stage 1 Response – MILD Water Shortage Conditions

Target: Achieve a voluntary 25% percent reduction in daily water demand to 65,000 gallons per day and:

1. When the specific capacity of the well production returns to 121 gpm. 100% pumping capacity.

Best Management Practices for Supply Management:

Cedar Shores Water Corporation will discontinue dead end main flushing.

Voluntary Water Use Restrictions for Reducing Demand :

- (a) Water customers are requested to voluntarily limit the irrigation of landscaped areas to Sundays and Thursdays for customers with a street address ending in an even number (0, 2, 4, 6 or 8), and Saturdays and Wednesdays for water customers with a street address ending in an odd number (1, 3, 5, 7 or 9), and to irrigate landscapes only between the hours of midnight and 05:00 a.m. on designated watering days.
- (b) All operations of the Cedar Shores Water Corporation shall adhere to water use restrictions prescribed for Stage 2 of the Plan.
- (c) Water customers are requested to practice water conservation and to minimize or discontinue water use for non-essential purposes.

Stage 2 Response -- MODERATE Water Shortage Conditions

Target: Achieve a 30% percent reduction in daily water demand to 65,000 gallons per day and:

1. When the specific capacity of the well production returns to 121 gpm. 100% pumping capacity.

Best Management Practices for Supply Management:

Cedar Shores Water Corporation will discontinue dead end main flushing.

Water Use Restrictions for Demand Reduction:

Under threat of penalty for violation, the following water use restrictions shall apply to all persons:

- (a) Irrigation of landscaped areas with hose-end sprinklers or automatic irrigation systems shall be limited to Sundays and Thursdays for customers with a street address ending in an even number (0, 2, 4, 6 or 8), and Saturdays and Wednesdays for water customers with a street address ending in an odd number (1, 3, 5, 7 or 9), and irrigation of landscaped areas is further limited to the hours of 12:00 midnight until 04:00 a.m. on designated watering days. However, irrigation of landscaped areas is permitted at anytime if it is by means of a hand-held hose, a faucet filled

bucket or watering can of five (5) gallons or less, or drip irrigation system.

- (b) Use of water to wash any motor vehicle, motorbike, boat, trailer, airplane or other vehicle is prohibited except on designated watering days between the hours of 12:00 midnight and 04:00 a.m. Such washing, when allowed, shall be done with a hand-held bucket or a hand-held hose equipped with a positive shutoff nozzle for quick rises. Vehicle washing may be done at any time on the immediate premises of a commercial car wash or commercial service station. Further, such washing may be exempted from these regulations if the health, safety, and welfare of the public is contingent upon frequent vehicle cleansing, such as garbage trucks and vehicles used to transport food and perishables.
- (c) Use of water to fill, refill, or add to any indoor or outdoor swimming pools, wading pools, or Jacuzzi-type pools is prohibited except on designated watering days between the hours of 12:00 midnight and 04:00 a.m.
- (d) Operation of any ornamental fountain or pond for aesthetic or scenic purposes is prohibited except where necessary to support aquatic life or where such fountains or ponds are equipped with a recirculation system.
- (e) Use of water from hydrants shall be limited to fire fighting, related activities, or other activities necessary to maintain public health, safety, and welfare.
- (f) Use of water for the irrigation of golf course greens, tees, and fairways is prohibited except on designated watering days between the hours 12:00 midnight and 04:00 a.m. However, if the golf course utilizes a water source other than that provided by Cedar Shores Water Corporation the facility shall not be subject to these regulations.
- (g) All restaurants are prohibited from serving water to patrons except upon request of the patron.
- (h) The following uses of water are defined as non-essential and are prohibited:
 - 1. wash down of any sidewalks, walkways, driveways, parking lots, tennis courts, or other hard-surfaced areas;
 - 2. use of water to wash down buildings or structures for purposes other than immediate fire protection;
 - 3. use of water for dust control;
 - 4. flushing gutters or permitting water to run or accumulate in any gutter or street; and
 - 5. failure to repair a controllable leak(s) within a reasonable period after having been given notice directing the repair of such leak(s).

Stage 3 Response -- SEVERE Water Shortage Conditions

Target: Achieve a 50% percent reduction in daily water demand to 65,000 gallons per day and:

1. When the specific capacity of the well production returns to 121 gpm. 100% pumping capacity.

Best Management Practices for Supply Management:

Cedar Shores Water Corporation will discontinue dead end main flushing.

Water Use Restrictions for Demand Reduction:

All requirements of Stage 2 shall remain in effect during Stage 3 except:

- (a) Irrigation of landscaped areas shall be limited to designated watering days between the hours of 12:00 midnight and 04:00 a.m. and shall be by means of hand-held hoses, hand-held buckets, drip irrigation, or permanently installed automatic sprinkler system only. The use of hose-end sprinklers is prohibited at all times.
- (b) The watering of golf course tees is prohibited unless the golf course utilizes a water source other than that provided by the Cedar Shores Water Corporation.

Stage 4 Response -- CRITICAL Water Shortage Conditions

Target: Achieve a 70% percent reduction in daily water demand to 78,500 gallons per day and:

1. When the specific capacity of the well production returns to 97 gpm. 80% pumping capacity.

Best Management Practices for Supply Management:

Cedar Shores Water Corporation will discontinue dead end main flushing.

Water Use Restrictions for Reducing Demand: All requirements of Stage 2 and 3 shall remain in effect during Stage 4 except:

- (a) NO irrigation of landscaped areas.
- (b) Use of water to wash any motor vehicle, motorbike, boat, trailer, airplane or other vehicle not occurring on the premises of a commercial car wash and commercial service stations and not in the immediate interest of public health, safety, and welfare is prohibited. Further, such vehicle washing at commercial car washes and commercial service stations shall occur only between the hours of midnight and 04:00 a.m.
- (c) The filling, refilling, or adding of water to swimming pools, wading pools, and Jacuzzi-type pools is prohibited.

- (d) Operation of any ornamental fountain or pond for aesthetic or scenic purposes is prohibited except where necessary to support aquatic life or where such fountains or ponds are equipped with a recirculation system.
- (e) No application for new, additional, expanded, or increased-in-size water service connections, meters, service lines, pipeline extensions, mains, or water service facilities of any kind shall be approved, and time limits for approval of such applications are hereby suspended for such time as this drought response stage or a higher-numbered stage shall be in effect.

Stage 5 Response -- EMERGENCY Water Shortage Conditions

Target: Achieve a 80% percent reduction in daily water demand to 89,500 gallons per day and:

- 1. When the specific capacity of the well production returns to 97 gpm. 80% pumping capacity.

Best Management Practices for Supply Management:
Cedar Shores Water Corporation will discontinue dead end main flushing.

Water Use Restrictions for Reducing Demand. All requirements of Stage 2, 3, and 4 shall remain in effect during Stage 5 except:

- (a) Irrigation of landscaped areas is absolutely prohibited.
- (b) Use of water to wash any motor vehicle, motorbike, boat, trailer, airplane or other vehicle is absolutely prohibited.

Stage 6 Response -- WATER ALLOCATION

In the event that water shortage conditions threaten public health, safety, and welfare, the owner, utility general manager, or his/her designee is hereby authorized to allocate water according to the following water allocation plan:

Single-Family Residential Customers

The allocation to residential water customers residing in a single-family dwelling shall be as follows:

Persons per Household	Gallons per Month
1 or 2	6,000
3 or 4	7,000
5 or 6	8,000
7 or 8	9,000

9 or 10	10,000
11 or more	12,000

A Household means the residential premises served by the customer's meter. Persons per household include only those persons currently physically residing at the premises and expected to reside there for the entire billing period. It shall be assumed that a particular customer's household is comprised of two (2) persons unless the customer notifies Cedar Shores Water Corporation of a greater number of persons per household on a form prescribed by Cedar Shores Water Corporation. The owner shall give his/her best effort to see that such forms are mailed, otherwise provided, or made available to every residential customer. If a customer does not receive such a form, it shall be the customer's responsibility to call Cedar Shores Water Corporation's office at 254-675-1018 to obtain a form, complete and sign the form claiming more than two (2) persons per household, and return it to Cedar Shores Water Corporation at P.O. Box 141, Clifton, TX 76634. New customers may claim more persons per household at the time of applying for water service on the Cedar Shores Water corporation Service Agreement. When the number of persons per household increases so as to place the customer in a different allocation category, the customer may notify Cedar Shores Water Corporation on the same form and the change will be implemented in the next practicable billing period. If the number of persons in a household is reduced, the customer shall notify Cedar Shores Water Corporation in writing within two (2) days. In prescribing the method for claiming more than two (2) persons per household Cedar Shores Water Corporation shall adopt methods to insure the accuracy of the claim. Any person who knowingly, recklessly, or with criminal negligence falsely reports the number of persons in a household or fails to timely notify Cedar Shores Water corporation of a reduction in the number of person in a household shall be fined not less than \$100.00.

Residential water customers shall pay the following surcharges:

- \$1.50 for the first 1,000 gallons over allocation.
- \$2.50 for the second 1,000 gallons over allocation.
- \$3.50 for the third 1,000 gallons over allocation.
- \$4.50 for each additional 1,000 gallons over allocation.

Surcharges shall be cumulative.

Master-Metered Multi-Family Residential Customers

There are no Master-Metered Multi-Family Residential Customers served by Cedar Shores Water Corporation.

Commercial Customers

There are no Commercial customers served by Cedar Shores Water Corporation.

Industrial Customers

There are no Commercial customers served by Cedar Shores Water Corporation.

Section X: Enforcement

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- (a) No person shall knowingly or intentionally allow the use of water from Cedar Shores Water corporation for residential, commercial, industrial, agricultural, governmental, or any other purpose in a manner contrary to any provision of this Plan, or in an amount in excess of that permitted by the drought response stage in effect at the time pursuant to action taken by the owner, utility general manager, or his/her designee, in accordance with provisions of this Plan.
- (b) Any person who violates this Plan is guilty of a misdemeanor and, upon conviction shall be punished by a fine of not less than \$100.00 dollars and not more than \$500.00 dollars. Each day that one or more of the provisions in this Plan is violated shall constitute a separate offense. If a person is convicted of three or more distinct violations of this Plan, the owner shall, upon due notice to the customer, be authorized to discontinue water service to the premises where such violations occur. Services discontinued under such circumstances shall be restored only upon payment of a re-connection charge, hereby established at \$50.00 and any other costs incurred by the Cedar Shores Water Corporation in discontinuing service. In addition, suitable assurance must be given to Cedar Shores Water Corporation that the same action shall not be repeated while the Plan is in effect. Compliance with this plan may also be sought through injunctive relief in the district court.
- (c) Any person, including a person classified as a water customer of Cedar Shores Water Corporation in apparent control of the property where a violation occurs or originates shall be presumed to be the violator, and proof that the violation occurred on the persons property shall constitute a rebuttable presumption that the person in apparent control of the property committed the violation, but any such person shall have the right to show that he/she did not commit the violation. Parents shall be presumed to be responsible for violations of their minor children and proof that a violation, committed by a child, occurred on property within the parents= control shall constitute a rebuttable presumption that the parent committed the violation, but any such parent may be excused if he/she proves that he/she had previously directed the child not to use the water as it was used in violation of this Plan and that the parent could not have reasonably known of the violation.
- (d) Any employee of Cedar Shores Water Corporation, Bosque County Sheriff Officer, or other sub-contractor designated by Cedar Shores Water Corporation may issue a citation to a person he/she reasonably believes to be in violation of this Ordinance. The citation shall be prepared in duplicate and shall contain the name and address of the alleged violator, if known, the offense charged, and shall direct him/her to appear in the Bosque County Court on the date shown on the citation for which the date shall not be less than 3 days nor more than 5 days from the date the citation was issued. The alleged violator shall be served a copy of the citation. Service of the citation shall be complete upon delivery of the citation to the alleged violator, to an agent or employee of a violator, or to a person over 14 years of age who is a member of the violators immediate family or is a resident of the violators residence. The alleged violator shall appear in Bosque County Municipal Court to enter a plea of guilty or not guilty for the violation of this Plan. If the alleged violator fails to appear in Bosque county Municipal Court, a warrant for his/her arrest may be issued. A summons to appear may be issued in lieu of an arrest warrant. These cases shall be expedited and given

preferential setting in Bosque County Municipal Court before all other cases.

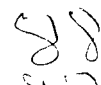
Section XI: Variances

The owner, utility general manager, or his/her designee, may, in writing, grant temporary variance for existing water uses otherwise prohibited under this Plan if it is determined that failure to grant such variance would cause an emergency condition adversely affecting the health, sanitation, or fire protection for the public or the person requesting such variance and if one or more of the following conditions are met:

- (a) Compliance with this Plan cannot be technically accomplished during the duration of the water supply shortage or other condition for which the Plan is in effect.
- (b) Alternative methods can be implemented which will achieve the same level of reduction in water use.

Persons requesting an exemption from the provisions of this Ordinance shall file a petition for variance with Cedar Shores Water Corporation within 5 days after the Plan or a particular drought response stage has been invoked. All petitions for variances shall be reviewed by the owner or his/her designee and shall include the following:

- (a) Name and address of the petitioner(s).
- (b) Purpose of water use.
- (c) Specific provision(s) of the Plan from which the petitioner is requesting relief.
- (d) Detailed statement as to how the specific provision of the Plan adversely affects the petitioner or what damage or harm will occur to the petitioner or others if petitioner complies with this Ordinance.
- (e) Description of the relief requested.
- (f) Period of time for which the variance is sought.
- (g) Alternative water use restrictions or other measures the petitioner is taking or proposes to take to meet the intent of this Plan and the compliance date.
- (h) Other pertinent information.



**C.S. Water Corporation
P.O. BOX 141
CLIFTON, TX 76634**

(254) 675-1018 Office (leave message)
FAX (254) 675-1018

SERVICE APPLICATION AND AGREEMENT:

ACCT. NO. _____

PLEASE PRINT

SEQUENCE NO. _____

Date: _____

Applicant's Name: _____ **Co-Applicant's Name:** _____

Driver's License #: _____ **Driver's License #:** _____

Home Phone: (____) _____ **Work Phone:** (____) _____

Billing Address:

Legal Description of Property: SERVICE ADDRESS

(Please include County Road Street Address, unit and lot and number):

County that Service Area is located in: 'The Canyons' Bosque County

Number in Household: _____

RENTER or OWNER _____

Proof of Ownership Provided By: _____

NOTE: APPLICATION MUST BE COMPLETED BY APPLICANT ONLY.

BUSINESS USE ONLY

Deposit \$50.00 Fee: _____ **Engineer Approval:** _____

Transfer \$100.00 - Fee _____

Date Paid: _____ **Ck #:** _____ **DATE of NEW SERVICE:** _____

\$1,800. Tap / or Actual over tap, will itemize costs if over : _____

Serial #: _____

Date Paid: _____ **Ck #:** _____ **METER READING** _____

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The undersigned, herein called Subscriber, hereby requests C.S. Water Corporation, herein called Company, to supply water for domestic purposes to the stated above address. **The Subscriber agrees that on or before 5pm on the 15th day from and after the billing each month, payment must be received for water supplied** and used and as measured by meter set on said premise at the Company's rate per tariff with the Texas Public Utility Commission. If default is made in payment of any such bill, written notice will be provided by the Company with request for payment in full before 10 days after the 15th, Company may without any further notice or liability to Subscriber disconnect water service until bill is received in full including a reconnect fee. **Once payment is received, the Company will have 72 hours to reconnect.** Discontinuation of service shall not relieve Subscriber of and from his obligation to pay Company the minimum rate per month during such period of default. If default continues, the Company may, at its option by written notice to Subscriber, terminate its obligations hereunder. At the end of the agreement the security deposit will not be used as a payment, If the deposit is eligible for a refund a check will be issued by CS Water Corporation.

RENTERS: The tax owner of the service address requesting water service assumes responsibility for integrity of meter and water service fees associated. Transfer of billing to a renter may be arranged for by renter signing a secondary agreement and paying a transfer fee of \$100.00 and a \$50.00 deposit. The owner of the property maintains primary agreement and is responsible for all payments due.

The Corporation may bill the renter or lessee for utility service (at owner request) as a third party, but the Owner is fully responsible for any and all unpaid bills left by the renter/lessee. The owner shall take responsibility for any necessary deposits from the renter/lessee to ensure payment of a past due bill.

If at any time the owner with primary agreement requests that membership be canceled thereby discontinuing service to an occupied rental property, the Corporation shall provide written notice to the tenant(s) a minimum of five (5) days prior to the scheduled disconnection date.

A copy of this agreement shall be executed before service may be provided to the applicant.

At any time service is discontinued, terminated or suspended, the Corporation shall not re-establish service unless it has a current, signed copy of this agreement.

Season Reconnect Fee: CS Water Corporation shall charge a fee based on Base Rate multiplied by the number of months during which service is suspended at the customer request, not to exceed nine (9) months during any twelve (12) consecutive months.

Subscribes agrees to the following:

1)All water shall be metered by meters to be furnished and installed by the Corporation. The meter connection is for the sole use of the Member or customer and is to provide service to only one (1) dwelling. Extension of pipe(s) to transfer utility service from one property to another, to share, resell, or submeter water to any other persons, dwelling, businesses, or property, etc. is prohibited.

2)The Company shall supply water only through meter owned and furnished by it, and the delivery of water shall be complete when it leaves the outlet of the meter. The Company shall keep an accurate record of the amount of water registered by each meter, and such record shall at all times and places, including Court, be accepted as primary evidence of the correct amount of water registered and used at said premise.

3)Subscriber shall protect and insure the Company against loss and damage of or to its pipe, connections, meter, meter boxes, and property while on Subscribers property from theft, carelessness, injury, accident or from any other cause, and in the event of such loss or damage. The Customer shall pay to the Company the cost of repairing or replacing same. As continuing security for the performance of this agreement Subscriber shall not, nor shall he/she permit anyone else, except employee of the Company, to tamper, repair, alter, change, move, destroy, heat, bother or interfere with in any manner, the water meter, box, pipe, connections, apparatus, or property, of the Company while on his/her premises, nor shall he/she permit tractors, graders, motor vehicles, or other heavy equipment to drive onto, over, or across said box, meter, and connections, nor permit said meter box to be covered with trash, dirt, gravel, sand debris, grass, weeds, or any other foreign substance, but shall keep the top of said box open to sight as where it can at all times be easily reached by the Company or its employees. Subscriber assumes all responsibility for any damage or harm to the Company's property, and Subscriber shall pay the reasonable cost of such service. Any damage to meter boxes from vehicles on property will be the subscriber's responsibility. If the Subscriber refuses to observe the above requirements, then the Company may at its option, without notice or liability

to Subscriber, cut off their services, and remove its property from the premises. Damage to meter boxes from vehicals

4)Subscriber must keep PETS secure and away from meter when being read. Subscriber assumes full liability for pets during meter service or reading.

5)The duly authorized agents and employees of the Company shall at all times have free access to the Subscriber's premises for the purpose of installing, repairing, inspecting equipment or pipes, reading or removing meter, and stopping water supply for non-payment of water bill. If any of the covenants of this agreement are violated, and Company's rights for access are denied by Subscriber or any other person, and suit is brought by the Company to recover its property, or its value, then Subscriber shall pay all costs of suit, including a reasonable attorney's fee to the Company.

6) If water leak is discovered, then immediate notice thereof shall be given to the Company, and **water may be turned off at home owner's cutoff. Under no circumstances shall Subscriber attempt to repair or remove the property of the Company.**

7) The **service is subscribed for one house only**, and if Subscriber shall connect more than one house to said service without consent and approval of the Company, then said water service shall be discontinued and all payments provided herein shall cease and all objections created herein shall be cancelled and settled in full. A trailer house or mobile home shall be considered a house. Subscriber shall not sell water to others. Neither shall Subscriber haul or transport water from service line.

8)Subscriber shall not allow his water lines to be connected with any surface well, tank or other water supply line while connected to the Company's service line.

9)If Subscriber shall fail to pay his bill for service rendered within ten days after demand, and while the service is discontinued, then a service charge for lock and reconnect must be paid along with outstanding bill in full before water will be turned on again. If meter is removed, then Subscriber shall pay reservice costs of reinstallation of meter before it will be turned on again.

10)It is agreed that Subscriber's service line shall be buried at least 18 inches in the ground and for a distance of 10 feet from the meter box. **The Subscriber shall place a homeowner's cutoff on his service line** not nearer than two feet to the Company's meter box, if he desires to turn his water on and off at his convenience. **Under no circumstance shall Subscriber use the cutoff provide in the Company's meter box.** Tampering with meter can result in penalty not to exceed six months of base rate, in addition to actual costs of repair. Willful tampering that includes cutting lock, stealing or diverting water may result in legal action.

11)The Corporation shall have the right to locate a water service meter and the pipe necessary to connect the meter on the Subscriber's property at a point to be chosen by the Corporation, and shall have access to its property and equipment located upon Subscriber's premises at all reasonable and necessary times for any purpose connected with or in the furtherance of its business operations, and upon discontinuance of service the Corporation shall have the right to remove any of its equipment from the Subscriber's property. The Subscriber shall install, at their own expense, any necessary service lines from the Corporation's facilities and equipment to the point of use, including any customer service isolation valves, backflow prevention devices, clean outs, and other equipment as may be specified by the Corporation. The Corporation shall also have access to Subscriber's property for the purpose of inspecting for possible cross-connections, potential contamination hazards, and illegal lead materials.

12)The Corporation is responsible for protecting the drinking water supply from contamination or pollution which could result from improper practices. This service agreement serves as notice to each customer of the restrictions which are in place to provide this protection. The Corporation shall enforce these restrictions to ensure the public health and welfare. **THE FOLLOWING UNDESIRABLE PRACTICES ARE PROHIBITED BY STATE REGULATIONS:**

- A. No direct connection between the public drinking water supply and a potential source of contamination is permitted. Potential sources of contamination shall be isolated from the public water system by an airgap or an appropriate backflow prevention assembly in accordance with state regulations.

- B. No cross-connection between the public drinking water supply and a private water system is permitted. These potential threats to the public drinking water supply shall be eliminated at the service connection by the proper installation of an airgap or a reduced pressure-zone backflow prevention assembly and a service agreement must exist for annual inspection and testing by a certified backflow prevention device tester.
- C. No connection which allows condensing, cooling, or industrial process water to be returned to the public drinking water supply is permitted.
- D. **No pipe or pipe fitting which contains more than 2.5% lead may be used for the installation or repair of plumbing on or after July 1, 1988, at any connection which provides water for human consumption.**
- E. **No solder or flux which contains more than 0.2% lead may be used for the installation or repair of plumbing on or after July 1, 1988, at any connection which provides water for human consumption.**

13)The Corporation shall maintain a copy of this agreement as long as the Subscriber and/or premises is connected to the public water system. The Subscriber shall allow their property to be inspected for possible cross-connections, potential contamination hazards, and illegal lead materials. These inspections shall be conducted by the Corporation or its designated agent prior to initiating service and periodically thereafter. The inspections shall be conducted during the Corporation's normal business hours.

14)The Corporation shall notify the Subscriber in writing of any cross-connections or other undesirable practices which have been identified during the initial or subsequent inspections. The Subscriber shall immediately correct any undesirable practice on their premises. The Subscriber shall, at their expense, properly install, test, and maintain any backflow prevention device required by the Corporation. Copies of all testing and maintenance records shall be provided to the Corporation as required. Failure to comply with the terms of this service agreement shall cause the Corporation to either terminate service or properly install, test, and maintain an appropriate backflow prevention device at the service connection. Any expenses associated with the enforcement of this agreement shall be billed to the Subscriber.

15) In the event the total water supply is insufficient to meet all of the Subscribers, or in the event there is a **shortage of water, the Corporation may initiate the Emergency Rationing Program as specified in the Corporation's Tariff.** By execution of this agreement, the Applicant hereby shall comply with the terms of said program.

16)By execution hereof, the Applicant shall hold the Corporation harmless from any and all claims for damages caused by service interruptions due to waterline breaks by utility or like contractors, tampering by other Subscriber/users of the Corporation, normal failures of the system, or other events beyond the Corporation's control. The Company shall make reasonable provisions to insure satisfactory and continuous service, but it does not guarantee continuous service, and shall not be liable for the loss of or damage incurred by reason of interruption in services, nor for damage caused by unavoidable accident, or from any other causes, whether avoidable by the Company or not. It is expressly agreed that the Company's responsibility with respect to service to be furnished hereunder ceases at the point where the Subscriber's service is tapped to the Company's distribution line, and that the Company shall not in any event, be liable for any loss or damage caused by leakage, escape or loss of water after the same has passed into the Subscriber's service line, or due to the water upon Subscriber's premises.

17)This agreement supersedes all prior agreements, representations, promises, written or verbal, made to the respect of the matters herein contained, and no employee or agent of the Company has authority to modify or change any of the said covenants.

18)The Subscriber shall grant to the Corporation, now or in the future, any easements of right-of-way for the purpose of installing, maintaining, and operating such pipelines, meters, valves, and any other equipment which may be deemed necessary by the Corporation to extend or improve service for existing or future Subscribers, on such forms as are required by the Corporation.

19)By execution hereof, the Applicant agrees that non-compliance with the terms of this agreement by said Applicant shall constitute denial or discontinuance of service until such time as the violation is corrected to the satisfaction of the Corporation.

Any misrepresentation of the facts by the Applicant on any portion of this agreement shall result in discontinuance of service pursuant to the terms and conditions of the Corporation's Tariff.

NEW WATER SERVICE INSTALLATION:

The charge for water-tap and meter connection will be the actual cost of the installation if over the \$1800. Tap. This includes meter connection (labor, materials, supplies). Such costs may vary between installations depending on distance from water main and variations in the cost of labor, possible road bores, materials, and supplies.

DEPOSIT \$50.00 _____

TAP \$1,800. 00 or Actual Cost Over _____

Material & Labor over tap _____

STATE INSPECTION _____

TOTAL _____

REGULAR MONTHLY RATES:

First #2000 gallons \$46.00 BASE RATE

Each additional #1000 over min.

Up to 5k gallons- \$4.75 up to 1k

Each additional 1k gal over 5kgal, \$5. Per 1k gal

CHARGE FOR EXISITING SERVICE:

DEPOSIT \$50.00 _____

TRANSFER FEE \$100.00 _____
(no interruption in service)

**RE SERVICE (inactive account, no tap require,
meter reset) \$400.** _____

State Reg. Asses. Tax 1%

\$ 5.00 Late Fee after the 15th
\$25.00 Lock Fee

*

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TOTAL _____

(Signature of Applicant)

(Date)

(Signature of Co-Applicant)

(Date)

Docket 47153 New Tap Fee; Supplemental background

When a new tap is requested, both administrative, and general repair /maintenance is contracted out with services that work primarily with water utility companies. Hence, our costs per unique job request are higher than if we owned our own heavy equipment with maintenance person on site.

At present we use the services of C&R Construction in China Springs, TX, approximately 45 min to an hour away from our water system in Lake Whitney. Our small rural water system is in a development that is mostly solid limestone necessitating heavier equipment for digging for new lines. When a backhoe is requested, there is a two hour minimum at a rate of \$125. per hour including travel time. Time needed varies depending if tap is to be on the same side of the road with main water line. If not, the road will have to be trenched across to place pipe, and road restored to previous condition. In addition to heavy equipment rental, the labor currently is \$95. per hour with average tap labor at \$450.

In addition to parts, labor and equipment rental, we have an administrative costs. We contract out for water billing and customer service; any unique requests such as locking an account are charged by the request. This person is in Clifton, TX, approximately 30 minutes away. When a tap is requested, our manager makes a site visit to verify meter placement for correct account with C&R Construction, and there is additional administrative work for setting up new accounts.

In the past year we have been replacing a number of meter boxes that have been damaged by vehicles with concrete boxes. This has been more expensive, however very protective of our meters that are mostly by drive areas. Going forward we intend to replace boxes as needed with concrete. New taps will have concrete boxes as well.

The attached receipts show some of the costs associated with parts for placing a new tap request. Not all parts are on one receipt, often parts are in plant inventory. Some labor invoices have been included to demonstrate hourly fees.

TAP ESTIMATES

Meter	\$ 48.00		Morrison Supply inv 7983
Customer Cut Off	\$ 68.99		Morrison Supply
Lockable Angle Stop	\$ 57.87		Morrison Supply
Corp to screw into saddle	\$ 36.77		Morrison Supply
Saddle for 1.5in pipe	\$ 42.00		Morrison Supply
Box Concrete, Cover, Knuckles	\$ 268.65		Morrison Supply inv 9414
3/4 meter coupling no lead	\$ 7.20		HD Waterworks INV 44073
2 3/4 brass coupling no lead	\$ 4.08		HD Waterworks INV 44073
2 3/4 Brass nipple	\$ 5.67		HD Waterworks INV 44073
3/4x4-1/4 coupling Epoxy B&N	\$ 51.34		HD Waterworks INV 44073
Pipe & Fittings to main	\$ 30.00		approx from inventory
subt	\$ 620.57		
TAX 8.25%	\$ 51.19		
PARTS New Tap	\$ 671.76		
LABOR C&R Construction	\$ 450.00	inv 3221	min fee for meter same side as main / \$90.hr
EQUIPMENT: C&R Backhoe 2 hr min	\$ 250.00	inv 4072	2 hr min \$125./hr + travel
	\$ 250.00		travel time from China Springs Morgan TX 1hr ea way
ADMINISTRATIVE	\$ 100.00		contract labor for site vist \$50., new account set up \$50.
	\$ 1,721.76		

12/18/2012

C & R Construction

P.O.Box 4077

Waco, TX 76708-4077

Ph: 254-214-9995

Invoice

DATE

12/18/2012

INVOICE #

3221

BILL TO

Cedar Shores Water Corp

██████████ St.

Waco, TX 76710

TERMS		JOB/ PO #	PLANT	LOCATION		
Due on receipt				Lots 119 & 120		
LOCATION	CUSTOMER NAME ACCT #	SERVICED	DESCRIPTION	QTY	RATE	AMOUNT
Lots 119 & 120		12/18/2012	New meter install - with main on same side as new meter LABOR ONLY	1	450.00	450.00

All Works Complete. Thank You for Your Business	Total \$450.00
--	------------------------------

E-mail candconst2@gmail.com

95A

C & R CONSTRUCTION

P.O.Box 4077
Waco, TX 76708 US
(254)214-9995
candrconst2@gmail.com

PO 8/3/15



61122

BILL TO

Cedar Shores Water Company

██████████ St.
██████████

INVOICE 4072

DATE 07/08/2015 TERMS Due on receipt

LOCATION
CR 1524 (wall
washed out)

Backhoe Rate

DATE	SERVICE	QTY	RATE	AMOUNT
07/07/2015	Backhoe crew hourly to disconnect & reconnect water main. for county to add culvert where wall washed out. Backhoe was requested.	6.50	125.00	812.50

All works complete

TOTAL DUE \$812.50

It has been a pleasure working with you! Thank you for your business!

95B

C & R Construction
P.O.Box 4077
Waco, TX 76708 US
(254)214-9995
candrconst2@gmail.com

PD 2/13/17



BILL TO
Cedar Shores Water Supply
[Redacted]
[Redacted] 0

INVOICE 4634

DATE 02/02/2017 TERMS Due on receipt

Acct 82 Vant / 210

LOCATION
490 CR 1523

DATE	SERVICE	QTY	RATE	AMOUNT
01/20/2017	490 CR 1523 Hand Crew to replace concrete meter box inside asphalt driveway	1	90.00	90.00

All work is complete!

TOTAL DUE \$90.00

It has been a pleasure working with you! Thank you for your business!

95c

MORRISON
SUPPLY COMPANY
a MORSOCO company

BRANCH: 1017 WACO
218 SOUTH 8TH STREET
WACO TX 76701-1914
Phone: 254-753-1591

INVOICE

01/04/2017	S101309414.001
PLEASE REMIT TO: MORRISON SUPPLY COMPANY PO BOX 309 FORT WORTH TX 76101-0309 Phone: 817-484-4676	
Page 1 of 1	

BILL TO:
913 1 MB 0.418 E0035X 10047 D2132853719 S2 P3838873 0001:0001

SHIP TO:



CS WATER CORP
ST

CS WATER CORP SHOP

Bd 1/2017

230448		ACCT 2		Jason Russell	
Jason Russell		WILL CALL UTIL		NET 15TH PROX	
				01/04/2017	01/03/2017
1ea	1ea	9693	OLD 1000005 36 CONCRETE METER BOX ONLY	25.332ea	25.33
1ea	1ea	9707	OLD 1001240 CONCRETE COVER W/HINGED LID	34.520ea	34.52
2ea	2ea	17439	HARR 80120 2 DI 90	52.200ea	104.40
4ea	4ea	17467	HARR 60-100-02 2 DJ KNUCKLE RESTRAINT	26.100ea	104.40

8.25% Tax

Pg 950



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For TERMS and CONDITIONS, See "TERMS PAGE."

Invoice is due by 02/15/2017. All claims for shortages or errors must be made at once, returns require written authorization and are subject to handling charges. Special orders are non-returnable.

2017/01/03 02:20:31 PM 8101309414.1

Mark Campbell

MARK

Subtotal	268.65
S&H Charges	0.00
Tax	22.16
Payments	0.00
Amount Due	290.81

<http://morsco.billtrust.com>

MKK PKL HRS

MORRISON
SUPPLY COMPANY
a MORSCO company

BRANCH: 1017 WACO
218 SOUTH 8TH STREET
WACO TX 76701-1914
Phone: 254-753-1591
Fax Number: 254-757-1225

PO 9 / 10 / 17

INVOICE

INVOICE DATE	INVOICE NUMBER
08/24/2017	S102637983.001
PLEASE REMIT TO: MORRISON SUPPLY COMPANY PO BOX 309 FORT WORTH TX 76101-0309 Phone: 817-484-4676 Fax Number: 817-259-0945	PAGE NO. Page 1 of 1


BILL TO:
1431 1 AB 0.403 E0409X I0650 D2771227785 S2 P4578167 0001:0001

SHIP TO:

CS WATER CORP
██████████
██████████ 0-7222

CS WATER CORP SHOP
██████████
██████████ 76710

CUSTOMER NUMBER	CUSTOMER PO NUMBER	JOB NAME	RELEASE NUMBER	SALESPERSON	
230448			344 CR1500	Jason Russell	
WRITER	SHIP VIA	TERMS	SHIP DATE	ORDER DATE	
Jason Russell	PICK UP UTIL	NET 15TH PROX	08/24/2017	08/24/2017	
ORDER QTY	SHIP QTY	PRODUCT ID	DESCRIPTION	UNIT PRICE	EXT. PRICE
1ea	1ea	47680	ZENN PMN02 5/8 X 3/4 NITRO 1 MULTI JET WM US G METER	48.000ea	48.00
1ea	1ea	9905	DSP DS1200RBLUE .12X17 METER BOX W/READR	27.111ea	27.11
1ea	1ea	90193	AYMC 5124089 3/4X2-MIP STR MOT SM BARREL L/HOLE	18.069ea	18.07
1ea	1ea	89734	AYMC 5139114 3/4 FIP X MOT BALL STR STOP W/ LW L	76.729ea	76.73
1ea	1ea	68000	MATN 3/4XCLOSE RED BRASS NIPPLE (NBR04CL)	2.435ea	2.44



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Visit to enroll <http://morsco.billtrust.com>

For TERMS and CONDITIONS, See "TERMS PAGE."

Invoice is due by 09/15/2017. All claims for shortages or errors must be made at once, returns require written authorization and are subject to handling charges. Special orders are non-returnable.

2017/08/24 09:22:00 AM	S102637983.1	Subtotal	172.35
		S&H Charges	0.00
		Tax	14.22
		Payments	0.00
		Amount Due	186.57
TO VIEW ONLINE ENROLLMENT TOKEN ACCOUNT NUMBER		http://morsco.billtrust.com MKK PKL HRS 230447.00	

0001:0001

pg 952

MORRISON
SUPPLY COMPANY
a MORSCO company

INVOICE

BRANCH: 1017 WACO
218 SOUTH 8TH STREET
WACO TX 76701-1914
Phone: 254-753-1591
Fax Number: 254-757-1225

INVOICE DATE	INVOICE NUMBER
07/11/2017	S102357849.001
PLEASE REMIT TO:	
MORRISON SUPPLY COMPANY	
PO BOX 309	
FORT WORTH TX 76101-0309	
Phone: 817-484-4676	
Fax Number: 817-259-0945	
PAGE NO.	Page 1 of 1

BILL TO:
665 1 MB 0.423 E0171X I0321 D2639030130 S2 P4441764 0001:0001

SHIP TO:



CS WATER CORP SHOP
102 N 30TH
WACO TX 76710

CS WATER CORP
██████████
██████████ 322

PO 7/21/17


CUSTOMER NUMBER	CUSTOMER PO NUMBER	JOB NAME / RELEASE NUMBER	SALESPERSON		
230448	-		Jason Russell		
WRITER	SHIP VIA	TERMS	SHIP DATE / ORDER DATE		
Jason Russell	PICK UP UTIL	NET 15TH PROX	07/11/2017 / 07/11/2017		
ORDER QTY	SHIP QTY	PRODUCT ID	DESCRIPTION	UNIT PRICE	EXT PRICE
4ea	4ea	89734	AYMC 5139114 3/4 FIP X MOT BALL STR STOP W/ LW L	75.195ea	300.78
2ea	2ea	90193	AYMC 5124089 3/4X2 MIP STR MOT SM BARREL L/HOLE	17.708ea	35.42

Thank you for your business!

PG 95 F

For TERMS and CONDITIONS, See "TERMS PAGE."

Invoice is due by 08/15/2017. All claims for shortages or errors must be made at once, returns require written authorization and are subject to handling charges. Special orders are non-returnable.

2017/07/11 02:10:58 PM	\$102357849.1	Subtotal	336.20
 MARK		S&H Charges	0.00
		Tax	27.74
		Payments	0.00
		Amount Due	363.94
REVIEW ONLINE APPROVALS TAKEN		http://morsco.billtrust.com MKK PKL HRS	

2. Statements of Income

Name of Utility: Cedar Shores Water Corporation 11441

Line #	Report Calendar Year	2016	Water Report Year 2016 A	Sewer Report Year NA B	Total Report Year 2016 C=A+B
1	total revenue		\$ 103,642	-	\$ 103,642
	Operating Expenses:				
2	601 O & M Salaried Labor		\$ -	-	\$ -
3	604 Employee Benefits		\$ 18,099		\$ 18,099
4	631, 635, 636 O & M Contract labor		\$ 29,901		\$ 29,901
5	620 Operating/Maint Supplies		\$ 5,211		\$ 5,211
6	610 Purchased Water		\$ -		\$ -
7	615 Purchased Power		\$ 6,386		\$ 6,386
8	635 Testing Expense		\$ 1,253		\$ 1,253
9	618 Chemicals		\$ 839		\$ 839
10	656-659 Insurance		\$ -		\$ -
11	601 General Office Salaries		\$ 34,955		\$ 34,955
12	675 General Office Expenses		\$ 3,341		\$ 3,341
13	632 Contract Accounting		\$ 1,925		\$ 1,925
14	633 Legal		\$ -		\$ -
15	634 Management		\$ -		\$ -
16	666 Amortization- Rate Case Expense		\$ -		\$ -
17	403 Depreciation Expense		\$ 8,980		\$ 8,980
18	667-675 Other Misc. Expenses		\$ 5,184		\$ 5,184
	Taxes:		xxxx	xxxx	xxxx
19	409 Federal Income Taxes		\$ -		\$ -
20	409.0 State Franchise Taxes/Reg Assess.		\$ 958		\$ 958
21	408 All Other Taxes		\$ 7,104		\$ 7,104
22	Total Expenses		\$ 124,136	-	\$ 124,136
23	Net Operating Income		\$ (20,494.00)	-	\$ (20,494.00)
24	421, 433 Non-Operating Income				
	Non-Operating Deductions:				
25	426 Other				
26	427 Interest				
27	Net Income		\$ (20,494)	-	\$ (20,494)

1. Balance Sheet

Name of Utility: Cedar Shores Water Corporation 11441

Line #	<u>ASSETS</u>	End of Year mm/dd/yyyy 12/31/2016	End of Prior Year mm/dd/yyyy 12/31/2015
	<u>UTILITY PLANT</u>		
1	101 Utility Plant in Service	\$ 149,440	\$ 149,440
2	TOTAL UTILITY PLANT	\$ 149,440	\$ 149,440
3	108 Less: Accumulated Amortization		
4	110 Less: Accumulated Depreciation	\$ 138,749	\$ 135,471
5	NET UTILITY PLANT	\$ 10,691	\$ 10,691
6	<u>CURRENT ASSETS</u>	xxxx	xxxx
7	131-135 Cash	\$ 3,568	\$ 2,861
8	141-143 Accounts Receivable	\$ 3,452	\$ 711
9	151 Plant Materials and Supplies (not previously expensed)		
10	171-174 Other Current Assets	\$ 1,658	\$ 1,658
11	TOTAL CURRENT ASSETS	\$ 8,678	\$ 5,230
12	<u>TOTAL ASSETS*</u>	\$ 19,369	\$ 19,119
	 <u>LIABILITIES & EQUITY</u>		
	<u>EQUITY</u>		
13	201 Common Stock	\$ 1,000	\$ 1,000
14	211 Other paid in capital		
15	215 Retained Earnings	\$ (151,877)	\$ (145,061)
16	218 Proprietary Capital		
17	TOTAL STOCKHOLDERS' EQUITY	\$ (150,877)	\$ (144,061)
	<u>LONG-TERM DEBT</u>	xxxx	xxxx
18	224 Long-term debt (more than 1 year)	\$ 168,833	\$ 163,260
	<u>CURRENT LIABILITIES (less than 1 year)</u>	xxxx	xxxx
19	231 Accounts Payable	1,413	0
20	232 Notes Payable		
21	241.0 Other Current Liabilities		
	TOTAL CURRENT LIABILITIES	\$ 1,413	\$ -
	<u>OTHER LIABILITIES and DEFERRED CREDITS</u>	xxxx	xxxx
22	253 Other Deferred Credits		
23	271-272 Net Contributions in Aid of Construction	\$ -	\$ -
24	TOTAL OTHER LIABILITIES and DEFERRED CREDITS	\$ -	\$ -
25	<u>TOTAL LIABILITIES & EQUITY*</u>	\$ 19,369	\$ 19,199

Add NARUC accounts as needed, and if not shown above. *National Assoc Regulatory Utility Commissions*

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TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Revenue and Regulatory Assessment Report
For PUBLIC UTILITY

UTILITY: CEDAR SHORES WATER

ACCOUNT: 11441

Revenue and Regulatory Assessment Report for the Calendar Year 2016	
1. Enter total revenues from retail water and sewer service in year 2016	198,040.07
2. Enter amount collected OR multiply item 1 by 0.01	2. 980.40
3. Late payment penalty: 5% - If paid after January 30th and before March 1st - multiply line 2 by 0.05 10% - If paid after March 1st - multiply line 2 by 0.10	3. -
4. Late payment interest. 1% per month if paid after March 31st: a. Multiply line 2 by 0.01 = monthly interest due, then b. Multiply monthly interest due by the number of months payment is made after March 31, rounded to the nearest month.	4. -
5. Amount due and payable (Add lines 2, 3, and 4).	5. 980.40

C.S. WATER CORPORATION

BANK OF AMERICA, NA
Waco, TX 76710
32-2/1110

7180

PAY TO THE ORDER OF

TCEQ

\$ 980.40

Nine Hundred Eighty Dollars $\frac{40}{100}$

DOLLARS

2016 REG Assess Fee Tax

S. Caplan

⑈007180⑈ [REDACTED] ⑈ [REDACTED] ⑈

PLEASE RETURN ENTIRE ORIGINAL FORM WITH CHECK OR MONEY ORDER PAYABLE TO:

980.40

CHECK HERE IF YOUR ADDRESS OR YOUR PHONE NUMBER HAVE CHANGED. PLEASE INDICATE ADDRESS OR PHONE NUMBER CHANGE ON BACK.



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

PAYMENTS NOT RECEIVED BY JANUARY 30, WILL RECEIVE A NOTICE OF VIOLATION



CEDAR SHORES WATER
102 N 30TH ST
WACO, TX 76710-7222

0000011441 1533242 00000000000130175

CONFIDENTIAL FILED

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