



Control Number: 47153



Item Number: 3

Addendum StartPage: 0

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 PUBLIC UTILITY COMMISSION OF TEXAS

**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: JANUARY 28, 2018

(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 costs associated with monthly operation of water system and system 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>55.50</u> /mo	Proposed	5,000 gallons:	\$ <u>60.50</u> /mo
Existing	10,000 gallons:	\$ <u>75.50</u> /mo	Proposed	10,000 gallons:	\$ <u>85.50</u> /mo
Existing	30,000 gallons:	\$ <u>175.50</u> /mo	Proposed	30,000 gallons:	\$ <u>185.50</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

PO Box 141 Clifton, TX 76634

Company Address City State Zip

(254)675-1018

Company Phone Number

22k

DEC 22, 2017

Annual Revenue Increase

Date Notice Delivered

August 28 2008

20-25th

Date of Last Rate Change

Date Meters Typically Read

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

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 5000 gals.	\$ 4.75 /1000 gals.	Tier 2	2001 to 5000 gals.	\$ 4.75 /1000 gals.
Tier 3	5001 to 100,000 gals.	\$ 5.00 /1000 gals.	Tier 3	5001 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	\$	1800.00 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	\$	25.00	Returned Check Charge	\$	35.00
Deposit	\$	50.00	Deposit (Maximum \$50.00)	\$	50.00
Meter test fee	\$	25.00	Meter test fee (Maximum - \$25.00)	\$	25.00

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

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

P.U.C. DOCKET NO. 47153

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 Protester: _____

_____ Date: _____

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

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



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):

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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	Gallonge Charge	
5/8" or 3/4"	\$ <u>46.00</u> (Includes gallons)	\$ <u>0.0</u>	per 1000 gallons, 1 st <u>2000</u> gallons
1"	\$ <u>na</u>	\$ <u>4.75</u>	per 1000 gallons, next <u>2001 - 5000</u> gallons
1½ "	\$ <u>na</u>	\$ _____	per 1000 gallons thereafter
2"	\$ <u>na</u>	<u>5.00</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 \$1,100. May be assessed.

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

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/Meter Reset for account with tap but no meter \$ 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

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:

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

(Utility Name)

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. _____

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.

(Utility Name)

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.

(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.

(Utility Name)

Water Tariff Page No. 12

SECTION 2.0 -- SERVICE RULES AND POLICIES (Continued)

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.

(Utility Name)

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

(Utility Name)

Water Tariff Page No. 12

SECTION 2.0 -- SERVICE RULES AND POLICIES (Continued)

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.

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 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.

(Utility Name)

Water Tariff Page No. 12

SECTION 2.0 -- SERVICE RULES AND POLICIES (Continued)

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.

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.

(Utility Name)

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

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

Cedar Shores Water Corporation 11441
Docket 47153

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** _____

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.

The tax owner of the house 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.

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.

Seasonal Reconnect: Base rate multiplies by number of months during which service is suspended, not to exceed 9 months during any 12 consecutive months. Lock Fee / Reconnect Fee \$25.

Subscriber 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 Subscriber's 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 vehicles

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 /reconnect of **\$50. 00 must be paid along with outstanding bill in full before water will be turned on again.** If meter is removed, then Subscriber shall pay actual 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

Ea 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 (tap exists/ no meter) \$400. _____
(liquidated accounts)

State Reg. Asses. Tax 1%

\$5.00 Late Fee after the 15th
RECONNECT FEES \$50.00

*Transfer applies only when there is NO interruption in water service between two accounts, payment and Agreement must be received before service start date.

TOTAL _____

(Signature of Applicant)

(Date)

(Signature of Co-Applicant)

(Date)

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

- (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.

AFFIDAVIT

STATE OF TEXAS

COUNTY OF McLennan

I, Susan Calhoun 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 DEC 22, 20 17

Susan Calhoun
Susan Calhoun

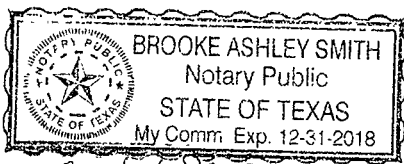
AFFIANT
(Utility's Authorized Representative)

Cedar Shores Water Utility CCN 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 26 day of Dec, 20 17, to certify
which witness my hand and seal of office.

SEAL



130566300

Brooke Ashley Smith

NOTARY PUBLIC IN AND FOR THE
STATE OF TEXAS

Brooke Ashley Smith
PRINT OR TYPE NAME OF NOTARY

MY COMMISSION EXPIRES 12-31-2018