



Control Number: 48405



Item Number: 1

Addendum StartPage: 0

RECEIVED

2018 MAY 31 AM 8:57

**Application for Amendment of CCN**

PUBLIC UTILITY COMMISSION  
FILING CLERK

Submitted to:

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

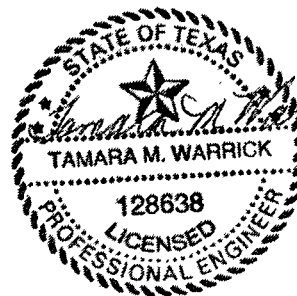
For:

Crest Water Company  
P.O. Box 460  
840 Betsy Road  
Keene, Texas 76049

Issue Date: May 25, 2018

Prepared Either By or

Under The Direction Of: Tamara M. Warrick, P.E.



*05/25/2018*



**consulting environmental engineers, inc.**

150 n. harbin drive – suite 408 • stephenville, tx 76401  
phone: (254) 968-8130 fax: (254) 968-8134  
email: ceeinc@ceeinc.org registered firm: #F-2323

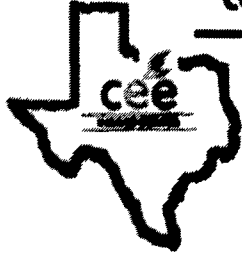
# **Crest Water Company CCN Amendment Exhibit Cross Reference**

<b><u>Exhibit I.D.</u></b>	<b><u>Description</u></b>
I	Project Summary
II	Maps/Drawings
III	TCEQ Plan Review Form
IV	CCN Application
V	Crest Water Company Tariff
VI	Effect of Granting Amendment
VII	TCEQ Inspection Report



**Crest Water Company  
Project Summary**





## **consulting environmental engineers, inc.**

---

150 n. harbin drive – suite 408 • stephenville, tx 76401  
phone: (254) 968-8130 fax: (254) 968-8134  
email: [ceeinc@ceeinc.org](mailto:ceeinc@ceeinc.org) registered firm: #F-2323

## **PROJECT SUMMARY**

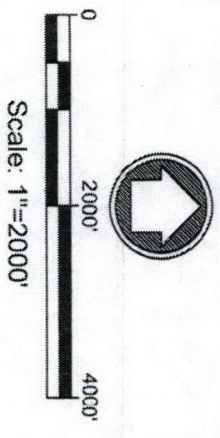
### **Crest Water – CCN Amendment**


Mr. Michael Matthews of Carnegie Development is requesting water services from Crest Water to supply a newly proposed development. Crest Water's CCN is located immediately north of the newly proposed development.

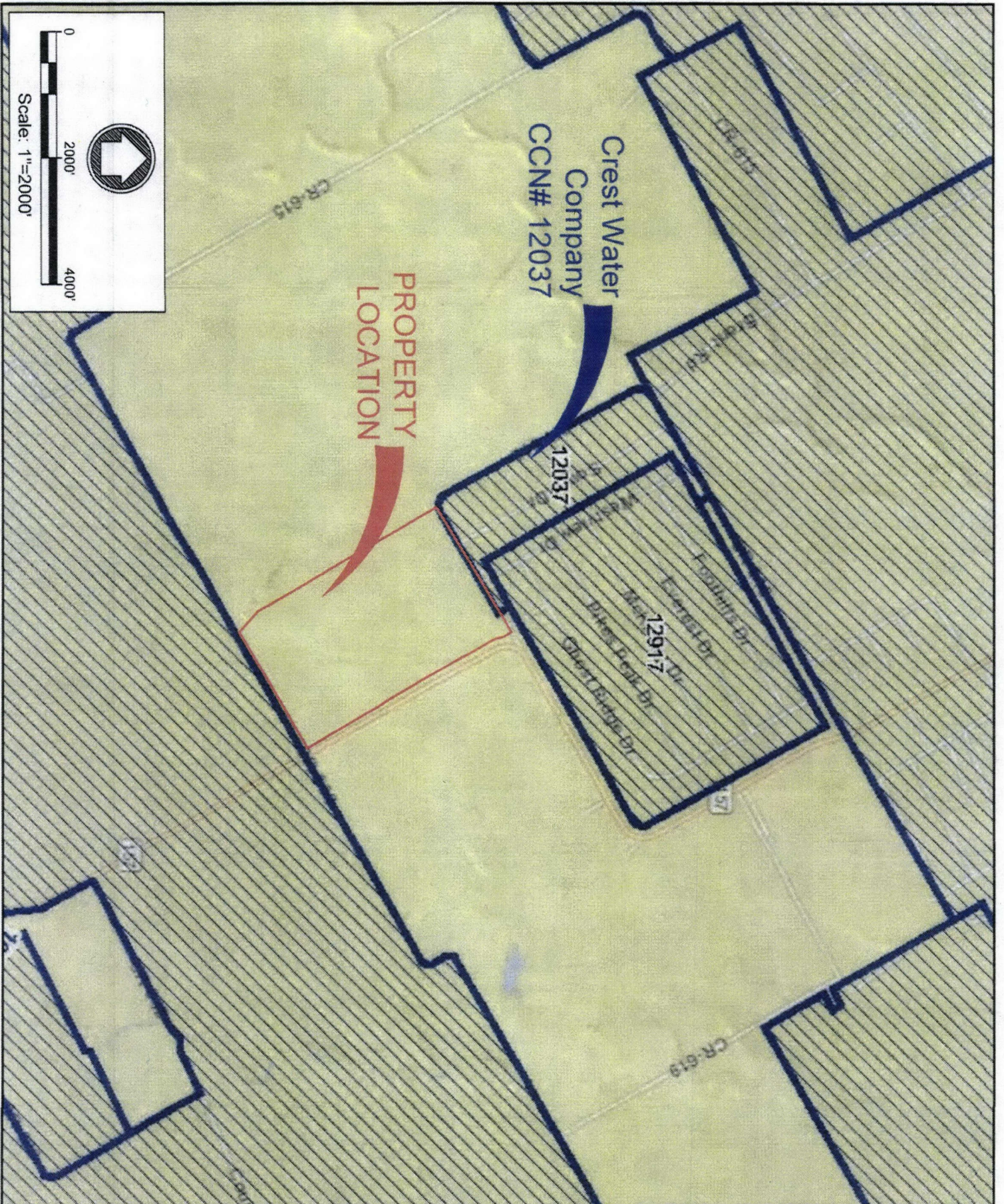
The 195-acre tract falls between CR 506 and CR 507 and runs along FM 157. The proposed development will consist of 128 1-acre plus lots on a 195-acre tract of land located 2 miles northwest of downtown Venus, Texas.


**Crest Water Company  
Maps/Drawings**





Date <b>May 9, 2018</b> Drawn By <b>TK</b> Scale <b>1"=2000'</b>	 <b>consulting environmental engineers, inc.</b> <small>130 n. barfield drive • suite 400 • dallas, tx 75208          (214) 968-0200 fax: (214) 968-0204 email: ceo@ceei.com          registered firm: 07-2853</small>	<b>Crest CCN Amendment</b> <b>Johnson County, Texas</b>  <b>Location Map</b>	
---	--	---	--



Date <b>May 9, 2018</b> Drawn By <b>TK</b> Scale <b>1"=2000'</b>	 <b>consulting environmental engineers, inc.</b> <small>150 N. Hardin Drive - Suite 408 • Attyneville, TX 76821          (817) 940-0100 fax: (817) 940-0154 email: ceed@ceed.org          registered firm: 07-2332</small>	Crest CCN Amendment Johnson County, Texas  CCN Map	
---	--	---	--





**Crest Water Company  
TCEQ Plan Review Form**



# TCEQ PUBLIC WATER SYSTEM PLAN REVIEW SUBMITTAL FORM

(Complete, Seal and Attach to Submittal Package)

## WATER SYSTEM INFORMATION

Date:	4/25/18	
TCEQ PWS Identification No.: (Facilities will be assigned this PWS No.)	1260066	
Water System Name:	Manfield South	

## OWNER INFORMATION

Water System Owner:	Crest Water Company		
Address:	840 N Old Baby Rd., Mesquite, TX 76059	(AC) Phone:	(817) 645-5493
Responsible Official:	James A. Dyche	Title:	Owner
County (System Location):	Johnson	Mechanism & Source of Financing: (i.e. loans, rates, self-financed, etc.)	Self-financed
Subdivision Sec., Phase, Unit, Etc.			

## ENGINEER INFORMATION

Engineer Name:	Tamara M. Warwick, P.E.	Registration No.:	170638
Firm Name:	Consulting Environmental Engineers, Inc.	Firm No.:	F-2323
(AC) Phone:	(254) 968-8130	(AC) Fax:	(254) 968-8134
Firm Address:	150 N. Harbin Suite 406, Stephenville, TX 76401		

## SUBMITTAL INFORMATION

**Is this submittal for a new public water system?**      YES:       NO:

If no, proceed to the *Project Information* section on Page 2. If no PWS number exists, the owner must submit a core data form and business plan, if required, in accordance with §290.39(f) and (g).

### NEW (PROPOSED) WATER SYSTEMS

(Only complete this section if this submittal is for a NEW water system)

For new (proposed) system submittals, please provide 2 copies of the submittal and attach the following:

<input type="checkbox"/>	A list of all water utilities within ½ mile of the proposed service area boundaries (reference 30 TAC 290.39(c)(1))
<input type="checkbox"/>	Copies of written responses from each of the entities listed above (reference 30 TAC 290.39(c)(1))
<input checked="" type="checkbox"/>	Copies of formal applications for service from each of the following (reference 30 TAC 290.39(c)(1)) :
<input type="checkbox"/>	Any municipality if the system is within its ETJ
<input type="checkbox"/>	Any district or other political subdivision whose corporate boundaries are within ½ mile of the proposed service area boundaries
<input type="checkbox"/>	Any other water service provider whose certificated service area boundary is within ½ mile of the proposed service area boundaries
<input type="checkbox"/>	Documentation that all application requirements, including fee payments, are current.
<b>Business plan:</b> Please complete the financial ability form, provide a cost summary for the proposed project, and submit a business plan (reference 30 TAC 290.39 (f)). The business plan must confirm capital available to construct the system according to TCEQ requirements. Acceptable financial information can include some of the following:	
<input type="checkbox"/>	Financial statements (preferably audited), CPA compilation report, tax returns, statements of net worth, bank statements. If the project is being funded with loan proceeds, provide a loan commitment letter from the lender specific to this project.
If the plan submittal is for a community system, also provide a copy of the Certificate of Convenience and Necessity (CCN) application submitted to the Public Utility Commission of Texas (PUC), and complete items referenced in 30 TAC 290.39 (f) (1 - 13).	

## TCEQ PUBLIC WATER SYSTEM PLAN REVIEW SUBMITTAL FORM

(Complete, Seal and Attach to Submittal Package)

- Justification for constructing a separate system (if one of the entities listed above is willing to provide service)
- TCEQ Core Data Form (No. 10400)
- Emergency Preparedness Plan (No. 20536) if serving water in Harris or Fort Bend Counties and have overnight accommodations

### CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN)

Certificates of Convenience and Necessity (CCN) applications are processed by the Public Utility Commission of Texas (PUC) and are required for privately owned systems and water supply corporations. If a CCN is required and a CCN does not exist, the applicant must obtain a CCN number or have the application accepted for filing at the PUC before a PWS project submittal can be technically reviewed. In addition, if a submittal is for a project located outside the CCN area, a CCN amendment application must be submitted before a project may be reviewed for construction approval. Please refer to PUC for additional information at: <http://www.puc.texas.gov/Industry/water/guidance/UtilRulesGuidance.aspx>.

Will the proposed PWS be owned by either an investor owned utility (IOU) or water supply corporation (WSC)? If yes, please indicate which type of entity _____.	YES: <input type="checkbox"/> NO: <input type="checkbox"/>
Has a CCN application been submitted to the PUC? If yes, please provide the date of acceptance _____.	YES: <input type="checkbox"/> NO: <input type="checkbox"/>
List the name, license number and class of the operator for the proposed system:	James A. Dyche WG0001237

### PROJECT INFORMATION

If a system does NOT have a PWS number, the sections above must be filled out

All engineering documents must be sealed, signed, and dated by a Texas registered professional engineer. An engineering report that includes the number of connections to be served must accompany each project. Please check each box that is applicable.

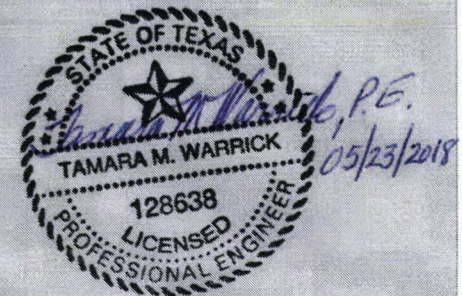
If this submittal is a revision of previously submitted plans, please provide the assigned TCEQ log number: P-08122015-083	
New Projects/Facilities	Modifications to Existing Facilities
<input type="checkbox"/> Water well construction – Proposed	<input type="checkbox"/> Surface water treatment plant modifications
<input type="checkbox"/> Well completion data for approved well	<input type="checkbox"/> Storage capacity modifications
<input type="checkbox"/> Ground water treatment plant – New	<input type="checkbox"/> Distribution system modifications
<input type="checkbox"/> Surface water treatment plant – New	<input type="checkbox"/> Pressure maintenance facilities modifications
<input type="checkbox"/> Proposed Innovative/Alternative Treatment	<input type="checkbox"/> Disinfection facilities or other modifications
<input type="checkbox"/> Request for rule exception	<input type="checkbox"/>
<input type="checkbox"/> Preliminary engineering report without plans	
<input type="checkbox"/> Texas Water Development Board Project No.:	
<input type="checkbox"/> As-Built Plans & Engineering Report	
<input checked="" type="checkbox"/> Other (please describe):	CCN Amendment

### SIGNATURE AND CERTIFICATION

The following certification indicates I have the authority to make submittals on behalf of the PWS referenced on Page 1. I hereby certify that the above information is, to the best of my knowledge, true and correct:

Engineer's Signature:	<i>Tamara M. Warrick, P.E.</i>
Engineer's Printed Name:	Tamara M. Warrick, P.E.
Date:	5/23/18

**Signature/P.E. Seal Required below:**



Please call (512) 239-4691 if you have questions regarding this form. Your cooperation will help us provide better service. Additional helpful information and rules are available at the Public Water System Plan Review website.

**Crest Water Company  
CCN Application**





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

## Application to Obtain or Amend a Water or Sewer Certificate of Convenience and Necessity (CCN)

**Docket Number:** \_\_\_\_\_

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

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

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

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

### Table of Contents

Purpose of Application .....	2
1. Applicant Information.....	2
2. Location Information.....	3
3. Map Requirements.....	5
4. New System Information or Utilities Requesting a CCN for the First Time .....	5
5. Existing System Information .....	6
6. Financial Information .....	9
7. Notice Requirements.....	10
OATH.....	12
Notice for Publication .....	13
Notice to Neighboring Systems, Landowners and Cities.....	15
Notice to Customers of IOUs in Proposed Area .....	17

Historical Balance Sheets .....	19
Historical Income Statement.....	20
Historical Expenses Statement .....	21
Projected Balance Sheets .....	22
Projected Income Statement .....	23
Projected Expenses Statement.....	24
Projected Sources And Uses Of Cash Statements .....	25

**Application to Obtain or Amend a Water or Sewer Certificate of Convenience and Necessity (CCN)**

Purpose of Application		
<input type="checkbox"/> Obtain	<input type="checkbox"/> New Water CCN	<input type="checkbox"/> New Sewer CCN
<input checked="" type="checkbox"/> Amend	<input checked="" type="checkbox"/> Water CCN# (s) <u>12037</u>	
<input type="checkbox"/> Amend	<input type="checkbox"/> Sewer CCN#(s) _____	

**1. Applicant Information**

Applicant	
Utility name: Crest Water	
Certificate number: 12037	
Street address (City/ST/ZIP/Code): 840 N Old Betsy Rd., Keene, TX 76059	
Mailing address(City/ST/ZIP/Code): 840 N Old Betsy Rd., Keene, TX 76059	
Utility Phone Number and Fax: (817) 645-5493	
Contact information	
Please provide information about the person(s) to be contacted regarding this application. Indicate if this person is the owner, operator, engineer, attorney, accountant manager, or other title related to the applicant.	
Name: Jim Dyche	Title: Owner
Mailing address: P.O. Box 460, Keene, TX 76059	
Email: mldyche@gmail.com	Phone and Fax: (254) 645-5493
List all counties in which service is proposed: Johnson	

A. Check the appropriate box and provide information regarding the legal status of the applicant:

- Investor Owned Utility       Individual       Partnership
- Home or Property Owners Association       For-profit Corporation
- Non-profit, member-owned, member-controlled cooperative corporation  
(Water Code Chapter 67, Water Supply or Sewer Service Corporation)
- Municipality       District       Other - Please explain:

B. If the applicant is a For-Profit business or corporation, please include the following information:

- i. A copy of the corporation's "Certification of Account Status" from the Texas State Comptroller of Public Accounts.
- ii. The corporation's charter number as recorded with the Office of the Texas Secretary of State: \_\_\_\_\_
- iii. A listing of all stockholders and their respective percentages of ownership.
- iv. A copy of the company's organizational chart, if available.
- v. A list of all directors and disclose the title of each individual.
- vi. A list of all affiliated organizations (if any) and explain the affiliate's business relationship with the applicant.

C. If the applicant is a Texas Water Code (TWC) Chapter 67 water supply or sewer service corporation please provide:

- i. A copy of the Articles of Incorporation and By-Laws.
- ii. The corporation's charter number as recorded with the Office of the Texas Secretary of State.
- iii. Identification of all board members including name, address, title, and telephone number.
- iv. A copy of the corporation's *Certificate of Account Status* from the Texas Comptroller of Public Accounts.

## 2. Location Information

- A. Are there people already living in the proposed area?       Yes       No
- If YES, are any currently receiving utility service?       Yes       No
- If YES, from WHOM? \_\_\_\_\_



B. Demonstrate the Need for Service by providing the following:

Have you received any requests for service in the requested service area?

Yes     No

If YES, provide the following:

- i. Describe the service area and circumstances driving the need for service in the requested area. Indicate the name(s) and address(es) of landowner(s), prospective landowner(s), tenant(s), or resident(s) that have requested service; and/or
- ii. Describe the economic need(s) for service in the requested area (i.e. plat approvals, recent annexation(s) or annexation request(s), building permits, septic tank permits, hospitals, etc.); and/or
- iii. Discuss in detail the environmental need(s) for service in the requested area (i.e. failing septic tanks in the requested area, fueling wells, etc.); and/or
- iv. Provide copies of any written application(s) or request(s) for service in the requested area; and/or
- v. Provide copies of any reports and/or market studies demonstrating existing or anticipated growth in the requested area.
- vi. If none of these items exist or are available, please justify the need for service in the proposed area in writing.

Note: Failure to demonstrate a need for additional service in the proposed service area may result in the delay and /or possible denial of the application.

C. Is any portion of the proposed service area inside an incorporated city or district?

Yes     No

If YES, within the corporate limits of: \_\_\_\_\_

Provide a copy of any franchise, permit, or consent granted by the city or district. If not available please explain:

D. Is any portion of the proposed service area inside another utility's CCN area?

Yes     No

If YES, has the current CCN holder agreed to decertify the proposed area?

If NO, are you seeking dual or single certification of the area? Explain why decertification of the area is in the public interest:

Currently the proposed development location does not reside in any CCN. We are requesting expansion of our existing CCN to encompass only this proposed development requesting service.

### 3. Map Requirements

Attach the following hard copy maps with each copy of the application:

- A. A location map delineating the proposed service area with enough detail to accurately locate the proposed area within the county.
- B. A map showing only the proposed area by:
  - i. metes and bounds survey certified by a licensed state or register professional land surveyor; or
  - ii. projectable digital data with metadata (proposed areas should be in a single record and clearly labeled). Also, a data disk labeled with the applicant's name must be provided; or
  - iii. following verifiable natural and man-made landmarks; or
  - iv. a copy of recorded plat map with metes and bounds.
- C. A written description of the proposed service area.
- D. Provide separate and additional maps of the proposed area(s) to show the following:
  - i. all facilities, illustrating separately facilities for production, transmission, and distribution of the applicant's service(s); and
  - ii. any facilities, customers or area currently being served outside the applicant's certificated area(s).

**Note:** Failure to provide adequate mapping information may result in the delay or possible denial of your application.

Digital data submitted in a format other than ArcView shape file or Arc/Info E00 file may result in the delay or inability to review applicant's mapping information.

For information on obtaining a CCN base map or questions about sending digital map data, please visit the Water Utilities section of the PUC website for assistance.

### 4. New System Information or Utilities Requesting a CCN for the First Time

N/A

- A. Please provide the following information:
  - i. a list of public drinking water supply system(s) or sewer system(s) within a 2 mile radius of the proposed system;
  - ii. copies of written requests seeking to obtain service from each of the public drinking water systems or sewer systems listed in a. 1 above or documentation that it is not economically feasible to obtain service from each entity;
  - iii. copies of written responses from each system or evidence that they did not reply; and
  - iv. for sewer utilities, documentation showing that you have obtained or applied for a wastewater discharge permit.
- B. Were your requests for service denied?  Yes  No

i. If yes, please provide documentation of the denial of service and go to c.

ii. If no, please provide a detailed analysis which justifies your reasons for not accepting service. A separate analysis must be prepared and submitted for each utility that granted your request for service.

C. Please summarize how the proposed utility system will be constructed and describe each projected construction phase, if any:

D. Date of plat approval, if required: \_\_\_\_\_  
 Approved by: \_\_\_\_\_

E. Date Plans & Specifications submitted to the TCEQ for approval: \_\_\_\_\_  
 Attach copy of approval letter, if available. If the letter is not available by the time your CCN application is submitted, please supplement your application with a copy of the letter once you receive it from the TCEQ.

F. Date construction is scheduled to commence: \_\_\_\_\_

G. Date service is scheduled to commence: \_\_\_\_\_

**5. Existing System Information**

A. Please provide the following information for each water and/or sewer system, attach additional sheets if necessary.

i. Water system(s): TCEQ Public Water System identification number(s):

0	7	0	0	0	7	0	1	2	6	0	1	2	0	1	2	6	0	1	2	4
1	0	9	0	0	4	2	1	2	6	0	0	6	6	2	1	3	0	0	3	1
1	2	6	0	0	7	3	1	2	6	0	0	3	4	1	2	6	0	0	6	4
1	2	6	0	0	5	6	1	2	6	0	1	0	4	1	2	6	0	0	6	9

ii. Sewer system(s): TCEQ Discharge Permit number(s)

W	Q																			
---	---	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

W	Q																			
---	---	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

W	Q																			
---	---	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

W	Q																			
---	---	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

W	Q																			
---	---	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

W	Q																			
---	---	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

- iii. Date of last TCEQ water and/or sewer system inspection(s): 3/26/2018
- iv. Attach a copy of the most recent TCEQ water and/or sewer inspection report letter(s).
- v. For each system deficiency listed in the TCEQ inspection report letter; attach a brief explanation listing the actions taken or being taken by the utility to correct the listed deficiencies, including the proposed completion dates.

B. Provide the following information about the utility's certified water and/or sewer operators

Name	Classes	License Number
James A. Dyche	B	WG0001237
Charles Evans	B	WG0002769
David E. Crane	C	WG0011110
Terry Barber	C	WG0011109

- Attach additional sheet(s) if necessary -

C. Using the current number of customers, is any facility component in systems named in #5A above operating at 85% or greater of minimum standard capacity?

- Yes
- No

Attach a copy of the 85% rule compliance document filed with the TCEQ if the system is operating at 85% or greater of the TCEQ's minimum standard capacity requirements.

D. In the table below, the number of existing and/or proposed metered and non-metered connections (by size). The proposed number should reflect the information presented in the business plan or financial documentation and reflect the number of service requests identified in Question 2.b in the application.

TCEQ Water System			TCEQ Sewer System		
Connection	Existing	Proposed	Connection	Existing	Proposed
5/8" or 3/4" meter	0	128	Residential	0	0
1" meter or larger	0	0	Commercial	0	0
Non-Metered	0	0	Industrial	0	0

TCEQ Water System		TCEQ Sewer System	
Other:	0	0	0
Total Water	0	128	0

E. If this application is for a water CCN only, please explain how sewer service is or will be provided:

The individual residences will provide their own septic system.

F. If this application is for a sewer CCN only, please explain how water service is or will be provided:

G. Effect of Granting a Certificate Amendment.

Explain in detail the effect of granting of a certificate or an amendment, including, but not limited to regionalization, compliance and economic effects on the following:

- i. the applicant,
- ii. any retail public utility of the same kind already serving the proximate area; and
- iii. any landowner(s) in the requested area.

H. Do you currently purchase or plan to purchase water or sewer treatment capacity from another source?

i.  No, (skip the rest of this question and go to #6)

ii.  Yes, Water

Purchased on a  Regular  Seasonal  Emergency basis?

Water Source	% of Total Treatment
	0.00%

Water Source	% of Total Treatment
	0.00%
	0.00%

iii.  Yes, Sewer treatment capacity

Purchased on a  Regular  Seasonal  Emergency basis?

Sewer Source	% of Total Treatment
	0.00%
	0.00%
	0.00%

iv. Provide a signed and dated copy of the most current water or sewer treatment capacity purchase agreement or contract.

I. Ability to Provide Adequate Service.

Describe the ability of the applicant to provide adequate service, including meeting the standards of the commission, taking both of the following items into consideration:

- i. the current and projected density; and
- ii. the land use of the requested area.

J. Effect on the Land. Explain the effect on the land to be included in the certificated area.

## 6. Financial Information

- A. For new water and/or sewer systems and for applicants with existing CCNs who are constructing a new stand-alone water and/or sewer system:
  - i. the applicant must provide an analysis of all necessary costs for constructing, operating, and maintaining the system, and the source of that capital (such as a financial statement for the developing entity) for which the CCN is requested for at least the first five years. In addition, if service has been offered by an existing retail water service provider as stated in #4.A., but the applicant has determined that the cost of service as finally offered renders the project not economically feasible, the applicant must provide a comparison analysis of all necessary costs for acquiring and continuing to receive service from the existing system for the same period.
  - ii. Attach projected profit and loss statements, cash flow worksheets, and balance sheets (projected five year financial plan worksheet is attached) for each of the first five years of operation. Income from rates

should correlate to the projected growth in connections, shown on the projected profit and loss statement.

iii. Attach a proposed rate schedule or tariff. Describe the procedure for determining the rates and fees and indicate the date of last change, if applicable. Attach copies of any cost of service studies or rate analysis worksheets.

B. For existing water and/or sewer systems:

i. Attach a profit and loss statement and current balance sheet for existing businesses (end of last fiscal year is acceptable). Describe sources and terms for borrowed capital such as loans, bonds, or notes (profit and loss and balance sheet worksheets are attached, if needed).

ii. Attach a proposed rate schedule or tariff.

❖ **Note: An existing water and/or sewer system may be required to provide the information in 6.A.i. above during the technical review phase if necessary for staff to completely evaluate the application**

C. Identify any funds you are required to accumulate and restrict by lenders or capital providers.

D. In lieu of the information in #6.A. thru #6.C., you may provide information concerning loan approvals within the last three (3) years from lending institutions or agencies including the most recent financial audit of the applicant.

❖ **Note: Failure to provide adequate financial information may result in the delay or possible denial of your application.**

## 7. Notice Requirements

A. All proposed notice forms must be completed and submitted with the application. Do not mail or publish the notices until you receive written approval from the commission to do so.

B. The commission cannot grant a CCN until proper notice of the application has been given. Commission rules do not allow a waiver of notice requirements for CCN applicants.

C. It is the applicant's responsibility to ensure that proper notice is given to all entities that are required to receive notice.

D. Recommended notice forms for publication, neighboring cities and systems, landowners with 25 acres or more, and customers are included with this application for use in preparing proposed notices. (Notice forms are available in Spanish upon request.)

E. After reviewing and, if necessary, modifying the proposed notice, the commission will send the notice to the applicant after the application is accepted for filing along with instructions for publication and/or mailing. Please review the notice carefully before providing the notice.

F. Notice For Publication:

The applicant shall publish the notice in a newspaper with general circulation in the county(ies) where a CCN is being requested. The notice must be published once each week for two consecutive weeks beginning with the week after the notice is received from the commission. Proof of publication in the form of a publisher's affidavit shall be submitted to the commission within 30 days of the last publication date. The affidavit shall state with specificity each county in which the newspaper is of general circulation.

G. Notice To Neighboring Utilities:

i. List all neighboring retail public utilities and cities providing the same utility service within the following vicinities of the applicant's proposed certificate area.

ii. For applications for the issuance of a NEW CCN, the applicant must mail the notice with a copy of the proposed CCN map to all cities and neighboring retail public utilities providing the same utility service within five (5) miles of the requested service area.

- iii. For applications for the AMENDMENT of a CCN, the applicant must mail the notice with a copy of the proposed CCN map to all cities and neighboring retail public utilities providing the same utility service within two (2) miles of the requested service area.
- H. Notice to Customers:  
Investor Owned Utilities (IOUs) that are currently providing service without a CCN must provide individual mailed notice to all current customers. The notice must contain the current rates, the date those rates were instituted and any other information required in the application.
- I. The commission may require the applicant to deliver notice to other affected persons or agencies.

**Do not publish or send copies of the proposed notices to anyone at the time you submit the application to the commission. Wait until you receive written authorization to do so. Authorization occurs after the commission has reviewed the notices for completeness, and your application has been accepted for filing. Once the application is accepted for filing, you will receive written authorization to provide notice. Please check the notices for accuracy before providing them to the public. It is the applicant's burden to ensure that correct and accurate notice is provided.**



OATH

STATE OF Texas  
COUNTY OF Johnson

I, James A. Dyche, being duly sworn, file this application as owner (indicate relationship to Applicant, that is, owner, member of partnership, title as officer of corporation, or other authorized representative of Applicant); that, in such capacity, I am qualified and authorized to file and verify such application, am personally familiar with the maps and financial information filed with this application, and have complied with all the requirements contained in this application; and, that all such statements made and matters set forth therein are true and correct. I further state that the application is made in good faith and that this application does not duplicate any filing presently before the Public Utility Commission of Texas.

I further represent that the application form has not been changed, altered or amended from its original form.

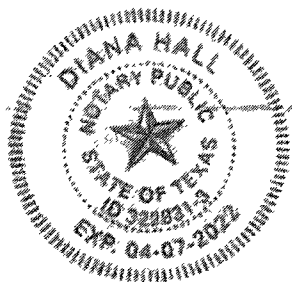
**I further represent that the Applicant will provide continuous and adequate service to all customers and qualified applicants for service within its certificated service area.**

James A. Dyche  
*James A. Dyche*  
AFFIANT  
(Utility's Authorized Representative)

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

SUBSCRIBED AND SWORN TO BEFORE ME, a Notary Public in and for the State of Texas, This day 10<sup>th</sup> of May 2013

SEAL



Diana Hall  
NOTARY PUBLIC IN AND FOR THE  
STATE OF TEXAS

DIANA HALL  
PRINT OR TYPE NAME OF NOTARY

MY COMMISSION EXPIRES 4-7-22

## Notice for Publication

NOTICE OF APPLICATION FOR CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) TO PROVIDE WATER/SEWER UTILITY SERVICE IN

Johnson COUNTY(IES), TEXAS

Name of Applicant James A. Dyche has filed an application for a CCN to obtain or amend CCN No. (s) 12037 and to decertify a portion(s) of \_\_\_\_\_ with the  
(Name of Decertified Utility)

Public Utility commission of Texas to provide water  
(specify 1) water or 2) sewer or 3) water & sewer)

utility service in Johnson County  
(ies).

The proposed utility service area is located approximately 2 miles northwest [direction] of downtown Venus, [City or Town] Texas, and is generally bounded on the north by CR 537; on the east by a fence line; on the south by CR 506; and on the west by FM 157.

The total area being requested includes approximately 196 acres and 10 current customers.

A copy of the proposed service area map is available at (Utility Address and Phone Number): 840 N Old Betsy Rd., Keene, TX 76059 817-845-5493

A request for a public hearing must be in writing. You must state (1) your name, mailing address, and daytime telephone number; (2) the applicant's name, application number or another recognizable reference to this application; (3) the statement, "I/we request a public hearing"; (4) a brief description of how you or the persons you represent, would be adversely affected by the granting of the application for a CCN; and (5) your proposed adjustment to the application or CCN which would satisfy your concerns and cause you to withdraw your request for a hearing.

**Persons who wish to Intervene or comment should file with the PUC at the following address:**

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

within thirty (30) days from the date of this publication or notice. A public hearing will be held only if a legally sufficient hearing request is received or if the commission on its own motion requests a hearing. Only those individuals who submit a written hearing request or a written request to be notified if a hearing is set will receive notice if a hearing is scheduled.

If a public hearing is requested, the commission will not issue the CCN and will forward the application to the State Office of Administrative Hearings (SOAH) for a hearing. If no settlement is reached and an evidentiary hearing is held, the SOAH will submit a recommendation to the commission for final decision. If an evidentiary hearing is held, it will be a legal proceeding similar to a civil trial in state district court.

If you are a landowner with a tract of land at least 25 acres or more, that is partially or wholly located within the proposed area, you may request to be excluded from the proposed area (or "opt out") by providing written notice to the commission within (30) days from the date that notice was provided by the applicant. All requests to opt out of the requested service area must include a scaled, general location map and a metes and bounds description of the tract of land.

**Persons who meet the requirements to opt out, and wish to request this option should file the required documents with the:**

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

A copy of the request to opt out of the proposed area must also be sent to the applicant. Staff may request additional information regarding your request.

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

## Notice to Neighboring Systems, Landowners and Cities

NOTICE OF APPLICATION FOR CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) TO PROVIDE WATER/SEWER UTILITY SERVICE IN

Johnson COUNTY(IES), TEXAS

To: Johnson County FWSD No 2 Date Notice Mailed          20           
(Neighboring System, Landowner or City)

2849 S Highway 171

(Address)

Cleburne TX 76031  
City State Zip

Name of Applicant Crest Water Company has filed an application for a CCN to obtain or amend CCN No. (s) 12037 and to decertify a portion(s) of          with the  
(Name of Decertified Utility)

Public Utility Commission of Texas to provide water  
(specify 1) water or 2) sewer or 3) water & sewer)  
utility service in Johnson County(ies).

The proposed utility service area is located approximately 2 miles northwest  
[direction] of downtown Venus, [City or Town] Texas, and is generally bounded on the north by CR 507; on the east by a fence line; on the south by CR 506; and on the west by FM 157

**See enclosed map of the proposed service area.**

The total area being requested includes approximately 195 acres and 0 current customers.

A request for a public hearing must be in writing. You must state (1) your name, mailing address, and daytime telephone number; (2) the applicant's name, application number or another recognizable reference to this application; (3) the statement, "I/we request a public hearing"; (4) a brief description of how you or the persons you represent, would be adversely affected by the granting of the application for a CCN; and (5) your proposed adjustment to the application or CCN which would satisfy your concerns and cause you to withdraw your request for a hearing.



## Notice to Neighboring Systems, Landowners and Cities

NOTICE OF APPLICATION FOR CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) TO PROVIDE WATER/SEWER UTILITY SERVICE IN

Johnson COUNTY(IES), TEXAS

To: Mauka Water LTD Date Notice Mailed          20           
(Neighboring System, Landowner or City)

3305 Westview Dr.  
(Address)

Venus TX 76084  
City State Zip

Name of Applicant Crest Water Company has filed an application for a CCN to obtain or amend CCN No. (s) 12037 and to decertify a portion(s) of          with the  
(Name of Decertified Utility)

Public Utility Commission of Texas to provide water  
(specify 1) water or 2) sewer or 3) water & sewer)  
utility service in Johnson County(ies).

The proposed utility service area is located approximately 2 miles northwest  
[direction] of downtown Venus, [City or Town] Texas, and is generally bounded on the north by CR 507; on the east by a fence line; on the south by CR 506; and on the west by FM 157

**See enclosed map of the proposed service area.**

The total area being requested includes approximately 195 acres and 0 current customers.

A request for a public hearing must be in writing. You must state (1) your name, mailing address, and daytime telephone number; (2) the applicant's name, application number or another recognizable reference to this application; (3) the statement, "I/we request a public hearing"; (4) a brief description of how you or the persons you represent, would be adversely affected by the granting of the application for a CCN; and (5) your proposed adjustment to the application or CCN which would satisfy your concerns and cause you to withdraw your request for a hearing.

## Notice to Neighboring Systems, Landowners and Cities

NOTICE OF APPLICATION FOR CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) TO PROVIDE WATER/SEWER UTILITY SERVICE IN

Johnson COUNTY(IES), TEXAS

To: Mountain Peak SUD Date Notice Mailed            20             
(Neighboring System, Landowner or City)

5871 Waterworks Rd  
(Address)  
Midlothian TX 76084  
City State Zip

Name of Applicant Crest Water Company has filed an application for a CCN to obtain or amend CCN No. (s) 12037 and to decertify a portion(s) of            with the  
(Name of Decertified Utility)

Public Utility Commission of Texas to provide water  
(specify 1) water or 2) sewer or 3) water & sewer)  
utility service in Johnson County(ies).

The proposed utility service area is located approximately 2 miles northwest  
[direction] of downtown Venus, [City or Town] Texas, and is generally bounded on the north by CR 507; on the east by a fence line; on the south by CR 508; and on the west by FM 157

**See enclosed map of the proposed service area.**

The total area being requested includes approximately 195 acres and 0 current customers.

A request for a public hearing must be in writing. You must state (1) your name, mailing address, and daytime telephone number; (2) the applicant's name, application number or another recognizable reference to this application; (3) the statement, "I/we request a public hearing"; (4) a brief description of how you or the persons you represent, would be adversely affected by the granting of the application for a CCN; and (5) your proposed adjustment to the application or CCN which would satisfy your concerns and cause you to withdraw your request for a hearing.

## Notice to Neighboring Systems, Landowners and Cities

NOTICE OF APPLICATION FOR CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) TO PROVIDE WATER/SEWER UTILITY SERVICE IN

Johnson COUNTY(IES), TEXAS

To: Monarch Utilities I LP Date Notice Mailed 20  
(Neighboring System, Landowner or City)

9610 High Rd

(Address)

Johnsua TX 76058

City State Zip

Name of Applicant Crest Water Company has filed an application for a CCN to obtain or amend CCN No. (s) 12037 and to decertify a portion(s) of \_\_\_\_\_ with the \_\_\_\_\_  
(Name of Decertified Utility)

Public Utility Commission of Texas to provide water  
(specify 1) water or 2) sewer or 3) water & sewer)  
utility service in Johnson County(ies).

The proposed utility service area is located approximately 2 miles northwest  
[direction] of downtown Venus, [City or Town] Texas, and is generally bounded on the north by CR 507; on the east by a fence line; on the south by CR 506; and on the west by FM 157

**See enclosed map of the proposed service area.**

The total area being requested includes approximately 195 acres and 0 current customers.

A request for a public hearing must be in writing. You must state (1) your name, mailing address, and daytime telephone number; (2) the applicant's name, application number or another recognizable reference to this application; (3) the statement, "I/we request a public hearing"; (4) a brief description of how you or the persons you represent, would be adversely affected by the granting of the application for a CCN; and (5) your proposed adjustment to the application or CCN which would satisfy your concerns and cause you to withdraw your request for a hearing.



## Notice to Neighboring Systems, Landowners and Cities

NOTICE OF APPLICATION FOR CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) TO PROVIDE WATER/SEWER UTILITY SERVICE IN

Johnson COUNTY(IES), TEXAS

To: City of Venus Date Notice Mailed 20  
(Neighboring System, Landowner or City)

105 E Highway 67  
(Address)  
Venus TX 76084  
City State Zip

Name of Applicant Great Water Company has filed an application for a CCN to obtain or amend CCN No. (s) 12037 and to decertify a portion(s) of \_\_\_\_\_ with the \_\_\_\_\_  
(Name of Decertified Utility)

Public Utility Commission of Texas to provide water  
(specify 1) water or 2) sewer or 3) water & sewer)  
utility service in Johnson County(ies).

The proposed utility service area is located approximately 2 miles northwest [direction] of downtown Venus, [City or Town] Texas, and is generally bounded on the north by CR 507; on the east by a fence line; on the south by CR 506; and on the west by FM 157

**See enclosed map of the proposed service area.**

The total area being requested includes approximately 195 acres and 0 current customers.

A request for a public hearing must be in writing. You must state (1) your name, mailing address, and daytime telephone number; (2) the applicant's name, application number or another recognizable reference to this application; (3) the statement, "I/we request a public hearing"; (4) a brief description of how you or the persons you represent, would be adversely affected by the granting of the application for a CCN; and (5) your proposed adjustment to the application or CCN which would satisfy your concerns and cause you to withdraw your request for a hearing.

**Persons who wish to intervene or comment should write the:**

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

within thirty (30) days from the date of this publication or notice. A public hearing will be held only if a legally sufficient hearing request is received or if the commission on its own motion requests a hearing. Only those individuals who submit a written hearing request or a written request to be notified if a hearing is set will receive notice if a hearing is scheduled.

If a public hearing is requested, the commission will not issue the CCN and will forward the application to the State Office of Administrative Hearings (SOAH) for a hearing. If no settlement is reached and an evidentiary hearing is held, the SOAH will submit a recommendation to the commission for final decision. If an evidentiary hearing is held, it will be a legal proceeding similar to a civil trial in state district court.

If you are a landowner with a tract of land at least 25 acres or more, that is partially or wholly located within the proposed area, you may request to be excluded from the proposed area (or "opt out") by providing written notice to the commission within (30) days from the date that notice was provided by the applicant. All requests to opt out of the requested service area must include a scaled, general location map and a metes and bounds description of the tract of land.

**Persons who meet the requirements to opt out, and wish to request this option should file the required documents with the:**

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

A copy of the request to opt out of the proposed area must also be sent to the applicant. Staff may request additional information regarding your request.

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

## Notice to Customers of IOUs in Proposed Area

NOTICE OF APPLICATION FOR CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) TO  
 PROVIDE WATER/SEWER UTILITY SERVICE IN \_\_\_\_\_ COUNTY(IES), TEXAS

Dear Customer: \_\_\_\_\_ Date Notice Mailed \_\_\_\_\_ 20 \_\_\_\_\_

Name of Applicant \_\_\_\_\_ has filed an application for a  
 CCN to obtain or amend CCN No. (s) \_\_\_\_\_ and to  
 decertify a portion(s) of \_\_\_\_\_ with the  
 (Name of Decertified Utility)

Public Utility commission of Texas to provide \_\_\_\_\_  
(specify 1) water or 2) sewer or 3) water & sewer  
 utility service in \_\_\_\_\_ County(ies).

The proposed utility service area is located approximately \_\_\_\_\_ miles \_\_\_\_\_  
 [direction] of downtown \_\_\_\_\_, [City or Town] Texas.

A copy of the proposed service area map is available at (Utility Address and Phone  
 Number): \_\_\_\_\_

The current utility rates which were first effective on \_\_\_\_\_ 20 \_\_\_\_\_

Monthly Flat Rate of \$ \_\_\_\_\_ Per connection

-OR-

Monthly Base Rate Including per \_\_\_\_\_ gallons  
 connection for:

5/8" meter	\$ _____
1" meter	\$ _____
1 1/2" meter	\$ _____
2" meter	\$ _____

Other\$ \_\_\_\_\_

Gallonage charge of \$ \_\_\_\_\_ Per 1,000  
 Gallons above minimum (same for all meters sizes)

**Miscellaneous Fees**

**Regulatory Assessment**

**Tap Fee** (Average Actual Cost) \$ \_\_\_\_\_

**Reconnecting fee:**

- Non Payment (\$25.00 max) \$ \_\_\_\_\_
- Transfer \$ \_\_\_\_\_
- Customer's request \$ \_\_\_\_\_

**Late fee** \$5.00 or 10%

**Returned Check charge** \$ \_\_\_\_\_

**Customer Deposit** (\$50.00 max) \$ \_\_\_\_\_

**Meter test fee**

(Actual Cost not Exceed \$25.00) \$ \_\_\_\_\_

**Other Fees** \$ \_\_\_\_\_

1%
\$ _____
\$ _____
\$ _____
\$ _____
\$5.00 or 10%
\$ _____
\$ _____
\$ _____

**Your utility service rates and fees cannot be changed by this application. If you are currently paying rates, those rates must remain in effect unchanged. Rates may only be increased if the utility files and gives notice of a separate rate change application.**

**A request for a public hearing must be in writing.** You must state (1) your name, mailing address, and daytime telephone number; (2) the applicant's name, application number or another recognizable reference to this application; (3) the statement, "I/we request a public hearing"; (4) a brief description of how you or the persons you represent, would be adversely affected by the granting of the application for a CCN; and (5) your proposed adjustment to the application or CCN which would satisfy your concerns and cause you to withdraw your request for a hearing.

**Persons who wish to intervene or comment should write the:**

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

within thirty (30) days from the date of this publication or notice. A public hearing will be held only if a legally sufficient hearing request is received or if the commission on its own motion requests a hearing. Only those individuals who submit a written hearing request or a written request to be notified if a hearing is set will receive notice if a hearing is scheduled.

If a public hearing is requested, the Commission will not issue the CCN and will forward the application to the State Office of Administrative Hearings (SOAH) for a hearing. If no settlement is reached and an evidentiary hearing is held, the SOAH will submit a recommendation to the commission for final decision. If an evidentiary hearing is held, it will be a legal proceeding similar to a civil trial in state district court.

**IF A HEARING IS HELD,** it is important that you or your representative attend to present your concerns. Your request serves only to cause a hearing to be held and is not used during the hearing.

If you are a landowner with a tract of land at least 25 acres or more, and is partially or wholly located within the proposed area, you may request to be excluded from the proposed area (or "opt out") by providing written notice to the commission within (30) days from the date that notice was provided by the applicant. All requests to opt out of the requested service area must include a scaled, general location map and a metes and bounds description of the tract of land.

**Persons who meet the requirements to opt out, and wish to request this option should file the required documents with the:**

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

A copy of the request to opt out of the proposed area must also be sent to the applicant. Staff may request additional information regarding your request.

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

## HISTORICAL BALANCE SHEETS

	CURRENT YEAR (A)	A-1 YEAR	A-2 YEAR	A-3 YEAR	A-4 YEAR	A-5 YEAR
<b>CURRENT ASSETS</b>						
Cash	29,339.76	28,485.21	27,655.54	26,850.04	26,068.00	25,285.96
Accounts Receivable	124,104.61	119,907.84	115,852.98	111,935.25	108,150.00	104,364.75
Inventories	190,603.17	186,865.86	183,201.82	179,609.83	173,087.87	172,566.11
Income Tax Receivable						
Other						
<b>Total</b>	<b>344,047.55</b>	<b>335,258.90</b>	<b>326,710.34</b>	<b>318,394.92</b>	<b>310,305.87</b>	<b>302,216.82</b>
<b>FIXED ASSETS</b>						
Land	22,510.18	21,854.54	21,218.00	20,600.00	20,000.00	19,400.00
Collection/Distribution System						
Buildings	94,133.66	95,567.16	97,022.50	98,500.00	100,000.00	101,500.00
Equipment	62,562.79	63,839.59	65,142.43	66,471.87	67,826.44	69,185.01
Other	760,338.59	735,368.19	710,889.72	696,889.26	663,353.15	639,817.04
Less: Accum. Depreciation or Reserves						
<b>Total</b>	<b>939,545.21</b>	<b>916,628.47</b>	<b>894,272.66</b>	<b>872,461.13</b>	<b>851,181.59</b>	<b>829,902.05</b>
<b>TOTAL ASSETS</b>	<b>1,282,064.83</b>	<b>1,250,794.96</b>	<b>1,220,287.76</b>	<b>1,190,524.65</b>	<b>1,161,487.40</b>	<b>1,132,450.27</b>
<b>CURRENT LIABILITIES</b>						
Accounts Payable	1,358.55	1,338.47	1,318.69	1,299.20	1,280.00	1,260.80
Notes Payable, Current						
Accrued Expenses						
Other	2,630.31	2,578.74	2,528.17	2,478.60	2,430.00	2,381.40
<b>Total</b>	<b>3,988.86</b>	<b>3,917.20</b>	<b>3,846.86</b>	<b>3,777.80</b>	<b>3,710.00</b>	<b>3,642.20</b>
<b>LONGTERM LIABILITIES</b>						
Notes Payable, Long-term	375,947.71	370,391.83	364,916.06	359,525.18	354,212.00	348,898.82
Other						
<b>TOTAL LIABILITIES</b>	<b>379,936.56</b>	<b>374,309.03</b>	<b>368,764.92</b>	<b>363,302.98</b>	<b>357,922.00</b>	<b>352,541.02</b>
<b>OWNER'S EQUITY</b>						
Paid in Capital	70,358.09	68,978.52	67,626.00	66,300.00	65,000.00	63,700.00
Retained Equity	831,261.93	807,050.42	783,544.10	760,722.42	738,565.46	716,408.50
Other						
Current Period Profit or Loss						
<b>TOTAL OWNER'S EQUITY</b>	<b>901,620.02</b>	<b>876,028.94</b>	<b>851,170.10</b>	<b>827,022.42</b>	<b>803,565.46</b>	<b>780,108.50</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>1,281,556.58</b>	<b>1,250,337.97</b>	<b>1,219,935.01</b>	<b>1,190,325.40</b>	<b>1,161,487.46</b>	<b>1,132,649.52</b>
<b>WORKING CAPITAL</b>	<b>902,128.27</b>	<b>786,485.92</b>	<b>851,522.84</b>	<b>827,221.67</b>	<b>803,565.46</b>	<b>779,909.25</b>
<b>CURRENT RATIO</b>	<b>3.37</b>	<b>3.34</b>	<b>3.31</b>	<b>3.28</b>	<b>3.25</b>	<b>3.21</b>
<b>DEBT TO EQUITY RATIO</b>	<b>0.42</b>	<b>0.43</b>	<b>0.43</b>	<b>0.44</b>	<b>0.45</b>	<b>0.45</b>
<b>EQUITY TO TOTAL ASSETS</b>	<b>0.70</b>	<b>0.70</b>	<b>0.70</b>	<b>0.70</b>	<b>0.69</b>	<b>0.69</b>

## HISTORICAL INCOME STATEMENT

	CURRENT YEAR (A)	A-1 YEAR	A-2 YEAR	A-3 YEAR	A-4 YEAR	A-5 YEAR
<b>METER NUMBER</b>						
Existing Number of Taps	1,162.00	1,132.00	1,119.00	1,092.00	1,052.00	1,031.00
New Taps per Year	22.00	31.00	16.00	27.00	40.00	23.00
<b>Total Meters at Year End</b>	<b>1,184.00</b>	<b>1,163.00</b>	<b>1,135.00</b>	<b>1,119.00</b>	<b>1,092.00</b>	<b>1,054.00</b>
<b>METER REVENUE</b>						
Fees Per Meter	120.98	117.46	114.04	110.71	107.49	104.27
Cost Per Meter	59.51	58.20	56.92	55.66	54.44	53.22
Operating Revenue Per Meter	180.49	175.66	170.95	166.38	161.93	157.48
<b>GROSS WATER REVENUE</b>						
Fees	3,768.00	35,738.00	34,364.00	33,042.00	31,771.00	30,500.16
Other	799,451.93	787,637.37	775,997.41	764,529.47	753,231.00	738,166.38
<b>Gross Income</b>	<b>836,619.93</b>	<b>823,375.37</b>	<b>810,361.41</b>	<b>797,571.47</b>	<b>785,002.00</b>	<b>768,666.54</b>
<b>OPERATING EXPENSES</b>						
General & Administrative	694,447.86	685,874.43	677,406.85	669,043.80	660,784.00	652,524.20
Interest						
Other						
<b>NET INCOME</b>	<b>142,172.07</b>	<b>137,500.93</b>	<b>132,954.56</b>	<b>128,527.67</b>	<b>124,218.00</b>	<b>116,142.34</b>

## HISTORICAL EXPENSES STATEMENT

	CURRENT YEAR (A)	A-1 YEAR	A-2 YEAR	A-3 YEAR	A-4 YEAR	A-5 YEAR
<b>GENERAL/ADMINISTRATIVE EXPENSES</b>						
Salaries	314,010.00	304,864.00	295,985.00	287,364.00	278,994.00	270,624.00
Office Expense	20,284.00	19,639.00	19,120.00	18,563.00	18,022.00	17,481.00
Computer Expense						
Auto Expense	38,923.00	37,790.00	36,689.00	35,620.00	34,583.00	24,208.00
Insurance Expense	29,569.00	28,708.00	27,872.00	27,060.00	26,272.00	25,484.00
Telephone Expense						
Utilities Expense	81,897.00	79,511.00	77,195.00	74,947.00	72,764.00	70,581.00
Depreciation Expense						
Property Taxes						
Professional Fees	14,346.00	13,928.00	13,522.00	13,128.00	12,746.00	12,364.00
Other	52,221.00	51,671.00	50,166.00	48,705.00	47,286.00	45,867.00
<b>Total</b>	<b>552,250.00</b>	<b>536,165.00</b>	<b>520,549.00</b>	<b>505,387.00</b>	<b>490,667.00</b>	<b>466,610.00</b>
% Increase Per Year	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
<b>OPERATIONAL EXPENSES</b>						
Salaries						
Auto Expense						
Utilities Expense						
Depreciation Expense						
Repair & Maintenance	192,455.00	186,850.00	181,408.00	176,124.00	170,994.00	168,864.10
Supplies						
Other						
<b>Total</b>						
% Increase Per Year	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
<b>ASSUMPTIONS</b>						
Interest Rate/Terms						
Utility Cost/gal.						
Depreciation Schedule						
Other						

## PROJECTED BALANCE SHEETS

	START UP	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
<b>CURRENT ASSETS</b>						
Cash	30,219.96	31,126.56	32,060.35	33,022.16	34,012.83	35,033.21
Accounts Receivable	128,448.27	132,943.96	137,597.00	142,412.90	147,397.35	152,556.26
Inventories	194,415.24	198,303.54	202,269.61	206,315.00	210,441.30	214,650.13
Income Tax Receivable						
Other						
<b>Total</b>	<b>353,083.47</b>	<b>362,374.06</b>	<b>371,926.97</b>	<b>381,750.06</b>	<b>391,854.48</b>	<b>402,239.60</b>
<b>FIXED ASSETS</b>						
Land	23,185.48	23,881.05	24,597.48	25,335.40	26,095.46	26,878.33
Collection/Distribution System						
Buildings	92,721.65	91,330.83	89,960.86	88,611.45	87,282.28	85,973.04
Equipment	61,311.54	60,085.31	58,883.60	57,705.93	56,551.81	55,420.77
Other	785,815.17	811,812.51	838,345.49	865,429.34	893,079.62	921,312.25
Less: Accum. Depreciation or Reserves						
<b>Total</b>	<b>963,033.84</b>	<b>987,109.69</b>	<b>1,011,787.43</b>	<b>1,037,082.12</b>	<b>1,063,009.17</b>	<b>1,089,584.40</b>
<b>TOTAL ASSETS</b>	<b>1,314,116.45</b>	<b>1,346,969.36</b>	<b>1,380,643.60</b>	<b>1,415,159.69</b>	<b>1,450,538.68</b>	<b>1,486,802.15</b>
<b>CURRENT LIABILITIES</b>						
Accounts Payable	1,378.92	1,399.61	1,420.60	1,441.91	1,463.54	1,485.49
Notes Payable, Current						
Accrued Expenses						
Other	2,682.92	2,736.57	2,791.31	2,847.13	2,904.07	2,962.16
<b>Total</b>	<b>4,061.84</b>	<b>4,136.18</b>	<b>4,211.91</b>	<b>4,289.04</b>	<b>4,367.61</b>	<b>4,447.65</b>
<b>LONGTERM LIABILITIES</b>						
Notes Payable, Long-term	381,586.92	387,310.73	393,120.39	399,017.19	405,002.45	411,077.49
Other						
<b>TOTAL LIABILITIES</b>	<b>385,648.76</b>	<b>391,446.91</b>	<b>397,332.29</b>	<b>403,306.23</b>	<b>409,370.06</b>	<b>415,525.14</b>
<b>OWNER'S EQUITY</b>						
Paid in Capital	71,765.30	73,200.56	74,664.57	76,157.86	77,681.02	79,234.64
Retained Equity	856,199.79	881,885.78	908,342.36	935,592.63	963,660.41	992,570.22
Other						
Current Period Profit or Loss						
<b>TOTAL OWNER'S EQUITY</b>	<b>927,965.04</b>	<b>955,086.34</b>	<b>983,006.93</b>	<b>1,011,750.49</b>	<b>1,041,341.42</b>	<b>1,071,804.86</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>1,313,613.80</b>	<b>1,346,533.25</b>	<b>1,380,339.22</b>	<b>1,415,056.72</b>	<b>1,450,711.49</b>	<b>1,487,329.99</b>
<b>WORKING CAPITAL</b>	<b>928,467.69</b>	<b>855,522.46</b>	<b>983,311.30</b>	<b>1,011,853.45</b>	<b>1,041,168.61</b>	<b>1,071,277.01</b>
<b>CURRENT RATIO</b>	<b>3.41</b>	<b>3.44</b>	<b>3.47</b>	<b>3.51</b>	<b>3.54</b>	<b>3.58</b>
<b>DEBT TO EQUITY RATIO</b>	<b>0.42</b>	<b>0.41</b>	<b>0.40</b>	<b>0.40</b>	<b>0.39</b>	<b>0.39</b>
<b>EQUITY TO TOTAL ASSETS</b>	<b>0.71</b>	<b>0.71</b>	<b>0.71</b>	<b>0.72</b>	<b>0.72</b>	<b>0.72</b>



## PROJECTED INCOME STATEMENT

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTALS
<b>METER NUMBER</b>						
Existing Number of Taps	1,184.00	1,230.00	1,287.00	1,284.00	1,309.00	
New Taps per Year	46.00	37.00	18.00	25.00	39.00	
Total Meters at Year End	1,230.00	1,267.00	1,285.00	1,309.00	1,348.00	
<b>METER REVENUE</b>						
Fees Per Meter	124.61	128.35	132.20	136.17	140.25	
Cost Per Meter	60.85	62.22	63.62	65.05	66.51	
Operating Revenue Per Meter	185.46	190.56	195.81	201.12	206.76	
<b>GROSS WATER REVENUE</b>						
Fees	38,654.00	40,200.00	41,808.00	43,481.00	45,220.00	
Other	811,433.71	823,615.36	835,969.59	848,509.14	861,236.77	
Gross Income	850,097.71	863,815.81	877,778.06	891,989.94	906,456.81	
<b>OPERATING EXPENSES</b>						
General & Administrative	703,128.46	711,917.57	720,816.54	729,826.74	738,949.58	
Interest						
Other						
NET INCOME	146,969.25	151,898.25	156,961.52	162,163.20	167,507.24	

## PROJECTED EXPENSES STATEMENT

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTALS
<b>GENERAL/ADMINISTRATIVE EXPENSES</b>						
Salaries	323,431.00	333,133.00	343,127.00	353,421.00	364,024.00	
Office Expense	20,892.00	21,519.00	22,165.00	22,830.00	23,515.00	
Computer Expense						
Auto Expense	40,091.00	41,294.00	42,533.00	43,809.00	45,123.00	
Insurance Expense	30,456.00	31,370.00	32,311.00	33,281.00	34,279.00	
Telephone Expense						
Utilities Expense	84,353.00	86,884.00	89,491.00	92,175.00	94,491.00	
Depreciation Expense						
Property Taxes						
Professional Fees	14,776.00	15,219.00	15,676.00	16,146.00	16,631.00	
Other	54,817.00	56,462.00	58,156.00	59,900.00	61,698.00	
<b>Total</b>	<b>568,818.00</b>	<b>585,882.00</b>	<b>603,459.00</b>	<b>621,562.00</b>	<b>640,209.00</b>	
<b>% Increase Per Year</b>	<b>3.00</b>	<b>3.00</b>	<b>3.00</b>	<b>3.00</b>	<b>3.00</b>	
<b>OPERATIONAL EXPENSES</b>						
Salaries						
Auto Expense						
Utilities Expense						
Depreciation Expense						
Repair & Maintenance	198,229.00	204,176.00	210,301.00	216,610.00	223,108.00	
Supplies						
Other						
<b>Total</b>	<b>198,229.00</b>	<b>204,176.00</b>	<b>210,301.00</b>	<b>216,610.00</b>	<b>223,108.00</b>	
<b>% Increase Per Year</b>	<b>3.00</b>	<b>3.00</b>	<b>3.00</b>	<b>3.00</b>	<b>3.00</b>	
<b>ASSUMPTIONS</b>						
Interest Rate/Terms						
Utility Cost/gal.						
Depreciation Schedule						
Other						

## PROJECTED SOURCES AND USES OF CASH STATEMENTS

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTALS
<b>SOURCES OF CASH</b>						
Net Income	151,898.25	156,961.52	162,183.20	167,507.24	172,997.72	
Depreciation (if Funded)						
Loan Proceeds	96,859.26	78,261.97	56,956.91	32,549.84	4,589.09	
Other						
<b>Total Sources</b>	<b>248,757.51</b>	<b>235,223.49</b>	<b>219,120.11</b>	<b>200,057.07</b>	<b>177,586.81</b>	
<b>USES OF CASH</b>						
Net Loss	0.00	0.00	0.00	0.00	0.00	
Principle Portion of Pmts.	32,700.00	32,700.00	32,700.00	32,700.00	32,700.00	
Fixed Asset Purchase	50,000.00	0.00	23,000.00	16,000.00	0.00	
Reserve	11,000.00	18,000.00	10,000.00	14,000.00	19,000.00	
Other						
<b>TOTAL USES</b>	<b>93,700.00</b>	<b>50,700.00</b>	<b>65,700.00</b>	<b>62,700.00</b>	<b>51,700.00</b>	
<b>NET CASH FLOW</b>	<b>155,057.51</b>	<b>184,523.49</b>	<b>153,420.11</b>	<b>137,357.07</b>	<b>125,886.81</b>	
<b>DEBT SERVICE COVERAGE</b>						
Cash Available for Debt	38,300.00	38,300.00	38,300.00	38,300.00	38,300.00	
Service (CADS)						
Net Income (Loss)	0.00	0.00	0.00	0.00	0.00	
Depreciation , or Reserve Interest	6,200.00	6,200.00	6,200.00	6,200.00	6,200.00	
<b>TOTAL</b>	<b>44,500.00</b>	<b>44,500.00</b>	<b>44,500.00</b>	<b>44,500.00</b>	<b>44,500.00</b>	
<b>REQUIRED DEBT SERVICE (RDS)</b>						
Principle Plus Interest	38,300.00	38,300.00	38,300.00	38,300.00	38,300.00	
<b>DEBT SERVICE COVERAGE RATIO</b>						
CADS Divided by RDS	1.00	1.00	1.00	1.00	1.00	

**Crest Water Company  
Tariff**





**WATER UTILITY TARIFF  
Tariff Control Number 46600**

James A. Dyche dba Crest Water Company  
(Utility Name)

PO Box 460, 840 Betsy Road  
(Business Address)

Keene, Texas 76049  
(City, State, Zip Code)

(817) 645-5493  
(Area Code/Telephone)

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

12037

This tariff is effective in the following counties:

Ellis, Hill, Johnson, Somervell

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

None

This tariff is effective in the following subdivisions or systems:

See Attached List

**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):

SECTION 1.0 – RATE SCHEDULE.....	3
SECTION 2.0 – SERVICE RULES AND POLICIES.....	5
SECTION 2.20 – SPECIFIC EXTENSION POLICY .....	10

APPENDIX A – DROUGHT CONTINGENCY PLAN

List of Subdivisions/Systems

<b>SUBDIVISION</b>	<b>PWS ID NUMBER</b>	<b>COUNTY</b>
Buffalo Hills Water System	0700070	Ellis
Chisholm Trail Retreat	1090042	Hill
Cahill Country Water System	1260073	Johnson
Fisherman's Paradise	1260056	Johnson
Granda Vista	1260120	Johnson
Mansfield South	1260066	Johnson
Northcrest Addition	1260034	Johnson
Oak Leaf Trail	1260104	Johnson
Oakridge Mobile Home Subdivision	1260124	Johnson
Oak River Ranch	2130031	Somervell
Rolling Oaks Subdivision	1260064	Johnson
Sunset Canyon	NA	Johnson
Sunshine Country Acres	1260069	Johnson
Thomas Acres	1260068	Johnson
Westover Hills	1260128	Johnson
Woodland Oaks Estates	1260070	Johnson

SECTION 1.0 -- RATE SCHEDULE

Section 1.01 - Rates

<u>Meter Size</u>	<u>Monthly Minimum Charge</u> (Includes 0 gallons all meters)	<u>Gallonge Charge</u>
5/8" or 3/4"	<u>\$39.00</u>	<u>\$4.60</u> per 1,000 gallons for 0 – 10,000 gallons
1"	<u>\$97.50</u>	<u>\$4.85</u> per 1,000 gallons for 10,001 – 20,000 gallons
2"	<u>\$195.00</u>	<u>\$5.10</u> per 1,000 gallons for 20,001 – 30,000 gallons
3"	<u>\$312.00</u>	<u>\$5.35</u> per 1,000 gallons for 30,001 – 40,000 gallons
		<u>\$5.60</u> per 1,000 gallons for 40,001–50,000 gallons
		<u>\$5.85</u> per 1,000 gallons for 50,001 – 60,000 gallons
		<u>\$6.10</u> per 1,000 gallons for 60,001 – 70,000 gallons
		<u>\$6.35</u> per 1,000 gallons for 70,001 + gallons

**Purchased Water Fee: (Tariff Control No. 46600)**

Prairielands Groundwater Conservation District Fee: ..... \$0.023 per each 1,000 gallons

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

Cash , Check , Money Order , MasterCard , Visa , Electronic Fund Transfer   
 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. AT THE CUSTOMER'S OPTION, ANY BILLING TRANSACTION OR COMMUNICATION MAY BE PERFORMED ON THE INTERNET. THIS INCLUDES THE UTILITY SENDING PAPERLESS BILLS BY EMAIL.

Section 1.02 – Miscellaneous Fees

REGULATORY ASSESSMENT ..... 1.0%  
 PUC RULES REQUIRE THE UTILITY TO COLLECT A FEE OF ONE PERCENT OF THE RETAIL MONTHLY BILL AND TO REMIT FEE TO THE TCEQ.

TAP FEE ..... \$550.00  
 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.

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

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.

**Tariff Control No. 46600**

SECTION 1.0 -- RATE SCHEDULE (Continued)

Section 1.02 – Miscellaneous Fees (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) Non payment of bill (Maximum \$25.00) ..... \$25.00
- b) Customer's request that service be disconnected..... \$40.00

TRANSFER FEE ..... \$40.00

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) ..... 10%

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 TCEQ AND AFTER NOTICE TO CUSTOMERS, THE UTILITY MAY INCREASE RATES TO RECOVER INCREASED COSTS FOR INSPECTION FEES AND WATER TESTING. [30 TAC 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.



SECTION 1.0 -- RATE SCHEDULE (Continued)

**PURCHASED WATER AND/OR DISTRICT FEE PASS THROUGH CLAUSE:**

The utility's cost attributed to the water use pumping fees charged by Prairielands Groundwater Conservation District in Ellis County shall be passed through to all customers affected by such fees using the following calculations.

Fixed Charge:

Monthly Minimum Charge + (Annual Fee ÷ Numbers of Customers Affected ÷ 12 months)

Volume Charge:

Monthly Gallonage Charge per 1000 gallons + (Increase or Decrease in Pumpage Fee x 1.15)

To implement or modify the Pass through Adjustment Clause, the utility must comply with all notice requirements of 30 TAC §24.21(1).

Adjusted Gallonage Rate (AG) =  $G + [B / (1-L)]$ , where:

AG = adjusted gallonage charge, rounded to the nearest one cent;

G = approved gallonage charge, per 1,000 gallons;

B = change in fee per 1,000 gallons;

L = water or sewer line loss for preceding 12 months, not to exceed 0.15 or 15%.

## 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 before water service is provided by the utility. A separate application or contract will be made for each service location.

### Section 2.02 — Water installation

After the applicant has met all the requirements, conditions and regulations for service, the utility will install tap, meter and cut-off valve and/or take all necessary actions to initiate service. The utility shall serve each qualified applicant for service within its certified area as rapidly as is practical after accepting a completed application. The utility shall provide service in a timely manner on a non-discriminatory basis.

Service requests not involving line extensions, construction or new facilities shall be filled no later than fourteen (14) working days after a completed application has been accepted. If construction is required which cannot be completed within thirty (30) days, the utility shall provide a written explanation of the construction required and an expected date of service. Service shall be provided within thirty (30) days of the expected date, but no later than 180 days after a completed application was accepted. Failure to provide service within this time frame shall constitute refusal to serve.

### 2.03 — Refusal of Service

The utility may decline to serve an applicant until the applicant has complied with both state and municipal regulations, the rules and regulations of the utility on file with the Commission and for the following reasons:

1. The applicant's installation or equipment is known to be inadequate or of such character that satisfactory service cannot be given;
2. The applicant is indebted to any utility for the same kind of service as that applied for, provided, however, that in the event the indebtedness of the applicant is in dispute, the applicant shall be served upon complying with the deposit requirement of the utility; or,
3. Refusal to make a deposit, if the applicant is required to make a deposit by the utility.

In the event that the utility shall refuse to serve an applicant, the utility must inform the applicant of the basis of its refusal. The utility is also required to inform the applicant that it may file a complaint with the Commission.

SECTION 2.0 -- SERVICE RULES AND POLICIES (continued)

Section 2.04 —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 must keep records of the deposit, issue a receipt for it, and credit interest in accordance with PUC Rules. The utility shall maintain all funds received as customer deposits in a separate, federally insured, interest bearing account and shall use such funds only for the purpose of payment of unpaid bills guaranteed by such deposits, payment of interest to depositors, and refund of deposits to depositors.

The utility must automatically refund the deposit plus accrued interest:

1. If service is not connected;
2. After disconnection of service if the deposit or portion of the deposit exceeds any unpaid bills; or,
3. To any residential customer who has paid service bills for 12 consecutive months without being disconnected for non-payment and without more than two occasions in which a bill was delinquent. The refund need not be made if payment on the current bill is delinquent.

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.

Section 2.05 — Meter Requirements, Readings, and Testing

All water sold by the utility will be billed based on meter measurements. The utility shall provide, install, own and maintain meters to measure amounts of water consumed by its customers. No meter shall be placed in service unless its accuracy has been established.

One meter is required for each residential, commercial, or industrial connection. An apartment building or a trailer or mobile home park may be considered to be a single commercial facility.

Service meters shall be read at monthly intervals and as nearly as possible on the corresponding day of each monthly meter reading period. If the circumstances warrant, meters may be read at other than monthly intervals.

Upon request, a customer may have his meter tested, without charge, in his presence or in that of his authorized representative, at a convenient time to the customer, but during the utility's normal working hours. A charge not to exceed that specified in Section 1 of this tariff may be assessed for an additional test.

SECTION 2.0 – SERVICE RULES AND POLICIES (Continued)

Section 2.06 — Billing

Bills from the utility shall be rendered monthly unless otherwise authorized by the Commission. Payment is considered late if not received at the utility's office or postal address within sixteen (16) days of the billing date. The postmark on the envelope of the bill or the recorded date of mailing by the utility, if there is no postmark on the envelope, shall constitute proof of the date of issuance.

A one-time penalty may be made on delinquent bills as specified in Section 1 of this tariff. However, no such penalty may be collected unless a record of the date of mailing is made at the time of the mailing and maintained at the principal office of the utility.

Each bill shall show the following information (if applicable):

1. The date and reading of the meter at the beginning and at the end of the period for which the bill is rendered;
2. The number and kind of units metered;
3. The applicable rate schedule, title, or code;
4. The total amount due for water service;
5. The due date of the bill;
6. The date by which customers must pay the bill in order to avoid addition of a penalty;
7. The total amount due as penalty for nonpayment within a designated period;
8. A distinct marking to identify an estimated bill; and
9. Any conversions from meter reading units to billing units from recording or other devices, or any other factors used in determining the bill.

The information required in items 1-9 above shall be arranged to allow the customer to readily compute his bill with a copy of the utility's rate schedule which shall be provided by the utility at the request of the customer.

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

Section 2.07—Service Disconnection

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 has been given.

Proper notice shall consist of a separate mailing or hand delivery at least ten (10) days prior to a stated date of disconnection, with the words "termination notice" or similar language prominently displayed on the notice. The notice must also list the past due balance.

SECTION 2.0 – SERVICE RULES AND POLICIES (Continued)

Section 2.07—Service Disconnection (continued)

Utility service may be disconnected after proper notice for any of the following reasons:

1. Failure to pay a delinquent account or to comply with a deferred payment agreement;
2. Willful violation of a utility usage rule when that violation interferes with another customer's service; or,
3. Failure to comply with valid deposit or guarantee arrangements.

Service may only be disconnected without notice as follows:

1. When a known dangerous condition exists, for as long as the condition exists;
2. When service is established through meter bypassing, an unauthorized connection or unauthorized reconnection; or,
3. In instances of tampering with the utility company's meter or equipment.

A utility may not disconnect any customer for failure to pay for merchandise or service unrelated to utility service, even if the utility provides that merchandise or those services. A utility may not disconnect any customer for a previous occupant's failure to pay.

Utility personnel must be available to make collections and to reconnect service on the day of and the day after any disconnection of service unless service was disconnected at the customer's request or because of a hazardous condition.

Section 2.08—Service Interruptions

The utility shall make all reasonable efforts to prevent interruptions of service. When interruptions occur, the utility shall re-establish service within the shortest possible time. Except for momentary interruptions due to automatic equipment operations, each utility shall keep a complete record of all interruptions, both emergency and scheduled.

The Commission shall be notified in writing of any service interruptions affecting the entire system or any major division of the system lasting more than four hours. The notice shall also state the cause of such interruptions.

Section 2.09—Termination of Utility Service

No utility may abandon any customer or any portion of its service area without prior written notice to affected customers and neighboring utilities and prior Commission approval.

Section 2.10 —Quality of Service

Each utility must 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. Minimum residual pressure at the consumer's meter shall be at least 20 psi during periods of peak usage and 35 psi during normal operating conditions.

**Tariff Control No. 46600**

SECTION 2.0 – SERVICE RULES AND POLICIES (Continued)

Section 2.10 —Quality of Service (continued)

The water system quantity requirements of the Texas Department of Health shall be the minimum standards for determining the sufficiency of production, treatment, storage, transmission and distribution facilities of water utilities for household usage. Additional capacity shall be provided to meet the reasonable local demand characteristics of the service area.

Each utility shall furnish water which has been approved by the Texas Department of Health. The application of Commission rules shall not relieve the utility from complying with the requirements of the laws and regulations of the state, local department of health, local ordinances and all other regulatory agencies having jurisdiction over such matters.

SECTION 2.20 – SPECIFIC UTILITY SERVICE RULES AND REGULATIONS

This section contains specific utility service rules in addition to the standard rules previously listed under Section 2.0 It must be reviewed and approved by the Commission to be effective.

NONE.

APPENDIX A – DROUGHT CONTINGENCY PLAN

(This page incorporates by reference the utility's Drought Contingency Plan, as approved and periodically amended by the Texas Commission on Environmental Quality.)



**Crest Water Company  
Effect of Granting Amendment**



# Carnegie Development

1755 Wittington Place, Suite 340  
Dallas Texas 75243

Jim Dyché  
Crest Water Co.  
840 N Old Betsy Rd  
Cleburne, TX 76031

Mr. Dyché:

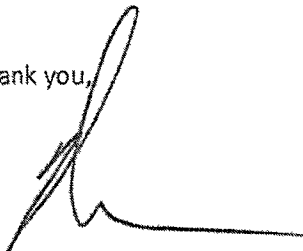
As we have discussed, the Venus, Texas area is experiencing exponential growth and Carnegie Development is proposing approximately 128 1-acre plus lots at the corner of FM 157 and CR 506. The 195-acre tract is immediately south of Crest Water's CCN and we formally request Crest Water to supply the development with water services.

There are currently 33 1-acre lots under construction along CR 501 to the south with another 700 50' builder lots proposed at the corner of FM 157 and CR 501. This is in addition to hundreds of completed homes and lots under construction by LGI along US 67 just east of Venus.

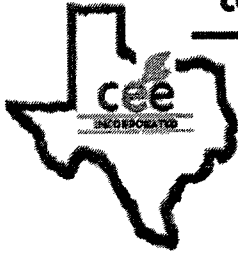
I have attached a preliminary lot layout. A similar preliminary plat is underway for approval by Johnson County. The tract is in City of Venus ETJ, but will not be annexed.

Please let me know if you need any additional information.

Thank you,

A handwritten signature in black ink, appearing to read 'Michael Matthews', with a long horizontal flourish extending to the right.

Michael Matthews  
Carnegie Development



## consulting environmental engineers, inc.

---

150 n. harbin drive – suite 408 • stephenville, tx 76401  
phone: (254) 968-8130 fax: (254) 968-8134  
email: [ceeinc@ceeinc.org](mailto:ceeinc@ceeinc.org) registered firm: #F-2323

# EFFECT OF GRANTING A CERTIFICATE AMENDMENT

## Crest Water – CCN Amendment

Mr. Michael Matthews of Carnegie Development is requesting water services from Crest Water Company to supply a newly proposed development. The proposed development is located 2 miles northwest of downtown Venus, Texas and will consist of 128 1-acre plus lots on a 195-acre tract of land. If the amendment to CCN No. 12037 is granted, the applicant will be able to use water supplied by Crest Water Company, thus allowing the proposed development to continue. The granting of such amendment will not affect any other public utility since there was no existing service to the development. Currently there are no landowners in the requested area, however if there were, they would be supplied water from a well organized and maintained company. As stated before, the service is needed for the proposed development due to no existing service from a public utility being available for this tract of land which will help the community grow.

**Crest Water Company  
TCEQ Inspection Report**



Bryan W. Shaw, Ph.D., P.E., *Chairman*  
Toby Baker, *Commissioner*  
Richard A. Hyde, P.E., *Executive Director*



## TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

*Protecting Texas by Reducing and Preventing Pollution*

July 31, 2015

Mr. James Dyche, Owner  
Crest Water Company  
PO Box 460  
Keene, TX 76059

Re: Public Water Supply Comprehensive Compliance Investigation at:  
Mansfield South, CR 510, Venus, Johnson County, Texas  
RN101265544, PWS ID No. 1260066, Investigation No. 1266644

Dear Mr. Dyche:

On June 25, 2015, Ms. Ariel Yeh of the Texas Commission on Environmental Quality (TCEQ), Dallas/Fort Worth (D/FW) Region Office conducted an investigation of the above-referenced facility to evaluate compliance with applicable requirements for public water supply systems. No violations are being alleged as a result of the investigation.

The TCEQ appreciates your assistance in this matter and your compliance efforts to ensure protection of the State's environment. If you or members of your staff have any questions regarding these matters, please feel free to contact Ms. Yeh in the D/FW Region Office at (817) 588-5878.

Sincerely,

A handwritten signature in black ink, appearing to read "Charles Marshall".

Charles Marshall  
Team Leader, Public Water Supply Program  
D/FW Regional Office

CM/acy