

Control Number: 48405



Item Number: 25

Addendum StartPage: 0

**DOCKET NO. 48405**

**APPLICATION OF CREST WATER  
COMPANY TO AMEND A  
CERTIFICATE OF CONVENIENCE  
AND NECESSITY IN JOHNSON  
COUNTY** §  
§  
§  
§  
§

**PUBLIC UTILITY COMMISSION  
OF TEXAS**

2019 JAN 11 PM 1:40  
FILING CLERK

**COMMISSION STAFF’S RECOMMENDATION ON FINAL DISPOSITION**

**COMES NOW** the Staff of the Public Utility Commission of Texas (Staff), representing the public interest, and files this Commission Staff’s Recommendation on Final Disposition and would show the following:

**I. BACKGROUND**

On May 31, 2018, James A. Dyche, d/b/a Crest Water Company (Crest) filed an application to amend its water Certificate of Convenience and Necessity (CCN) No. 12037 in Johnson County. The total area being requested includes approximately 195 acres and zero current customers.

On October 25, 2018, the administrative law judge (ALJ) issued Order No. 5, finding notice sufficient, and requiring Staff to file a final recommendation on the application by January 11, 2019. Therefore, this pleading is timely filed.

**II. RECOMMENDATION ON FINAL DISPOSITION**

Staff has reviewed Crest's application, and as detailed in the memorandum of Kathryn Eiland of the Commission's Water Utility Regulation Division (Attachment A), Staff recommends that the application be approved. In accordance with this recommendation, the corresponding maps (Attachment B), certificates (Attachment C), and tariffs (Attachment D) that Crest consented to in their January 2, 2019 filing are attached. On or before January 18, 2019, the parties will jointly file proposed findings of fact and conclusions of law.

**III. CONCLUSION**

Staff respectfully requests that the ALJ issue an order consistent with the above recommendation.

Dated: January 11, 2019

Respectfully Submitted,

**PUBLIC UTILITY COMMISSION OF  
TEXAS LEGAL DIVISION**

Margaret Uhlig Pemberton  
Division Director

Karen S. Hubbard  
Managing Attorney

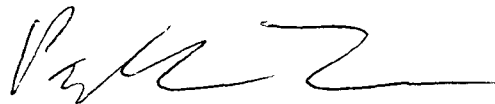


Patrick D. Todd  
State Bar No. 24106513  
1701 N. Congress Avenue  
P.O. Box 13326  
Austin, Texas 78711-3326  
(512) 936-7290  
(512) 936-7268 (facsimile)  
Patrick.Todd@puc.texas.gov

**DOCKET NO. 48405**

**CERTIFICATE OF SERVICE**

I certify that a copy of this document will be served on all parties of record on January 11, 2019 in accordance with 16 TAC § 22.74.



Patrick D. Todd

# Exhibit A

## PUC Interoffice Memorandum

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**To:** Patrick Todd, Attorney  
Legal Division

**Thru:** Tammy Benter, Director  
Heidi Graham, Manager  
Water Utility Regulation Division

**From:** Kathryn Eiland, Financial Analyst  
Water Utility Regulation Division

**Date:** January 11, 2019

**Subject:** **Docket 48405**, *Application of Crest Water Company to Amend a Certificate of Convenience and Necessity in Johnson County*

On May 31, 2018, Crest Water Company filed with the Public Utility Commission of Texas (Commission) an application to amend its water Certificate of Convenience and Necessity (CCN) No. 12037 in Johnson County, Texas pursuant to Texas Water Code Ann. (TWC) §§ 13.242 to 13.250 and the 16 Texas Administrative Code (TAC) §§ 24.225 - 24.237 (formerly §§ 24.101 - 24.107).

### **Background**

The Applicant is seeking to amend a water CCN for the service area containing approximately 195 acres and 0 existing customers.

### **Notice**

The comment period ended October 20, 2018 and no protests or opt-out requests were received.

### **Criteria Considered**

TWC § 13.246(c) requires the Commission to consider nine criteria when granting or amending a CCN. Therefore, the following criteria were considered:

***TWC § 13.246(c)(1) requires the commission to consider the adequacy of service currently provided to the requested area.***

There are no customers currently being served in the requested area.

***TWC § 13.246(c)(2) requires the commission to consider the need for service in the requested area.***

A developer has requested service from the Applicant. Carnegie Development will consist of 128 lots.

***TWC § 13.246(c)(3) requires the commission to consider the effect of granting an amendment on the recipient and on any other retail public utility servicing the proximate area.***

The Applicant's CCN boundaries will be amended to include the requested area. Therefore, there is no effect on any other retail public utilities in the proximate area.

***TWC § 13.246(c)(4) requires the commission to consider the ability of the Applicant to provide adequate service.***

The development will be served by Mansfield South, Public Water System ID No. 1260066. The

initial phase of Carnegie Development will be approximately 4 single family residences, which is not considered a significant change, since it is less than 10% of the existing system. The Mansfield South public water system has no outstanding TCEQ violations. Additionally, the Applicant has experienced operators that are knowledgeable about operations as well as the requirements for continuous and adequate service.

***TWC § 13.246(c)(5) requires the commission to consider the feasibility of obtaining service from an adjacent retail public utility.***

No protests or concerns were received from any other adjacent retail public utility.

***TWC § 13.246(c)(6) requires the commission to consider the financial ability of the Applicant to pay for facilities necessary to provide continuous and adequate service.***

16 TAC § 24.11(e) lists the financial tests.

16 TAC § 24.11(e)(2) refers to the leverage test. The Applicant meets two out of the five leverage tests with a debt to equity ratio of 0.41, which is less than one and a debt service coverage ratio of 3.78, which is greater than 1.25.

16 TAC § 24.11(e)(3) refers to the operations test, which requires that the owner or operator must demonstrate sufficient cash is available to cover any projected operations and maintenance shortages in the first five years of operations. Based on the projections submitted in the application, net income from continuing operations is projected to be positive for the next five years. Additionally, the owner has provided an affidavit affirming that funds are available to install plant and equipment necessary to serve projected customers in the first two years or a new water system or substantial addition to Mansfield South (PWS ID No. 1260066). Thus, there are no shortages to cover.

***TWC §§ 13.246(7) and (9) require the commission to consider the environmental integrity and the effect on the land to be included in the certificate.***

The land will be minimally affected by the development of 128 1-acre lots.

***TWC § 13.246(8) requires the commission to consider the probable improvement in service or lowering of cost to consumers.***

It is expected that the services to the requested area will be comparable to the services provided to the existing customers by the Applicant.

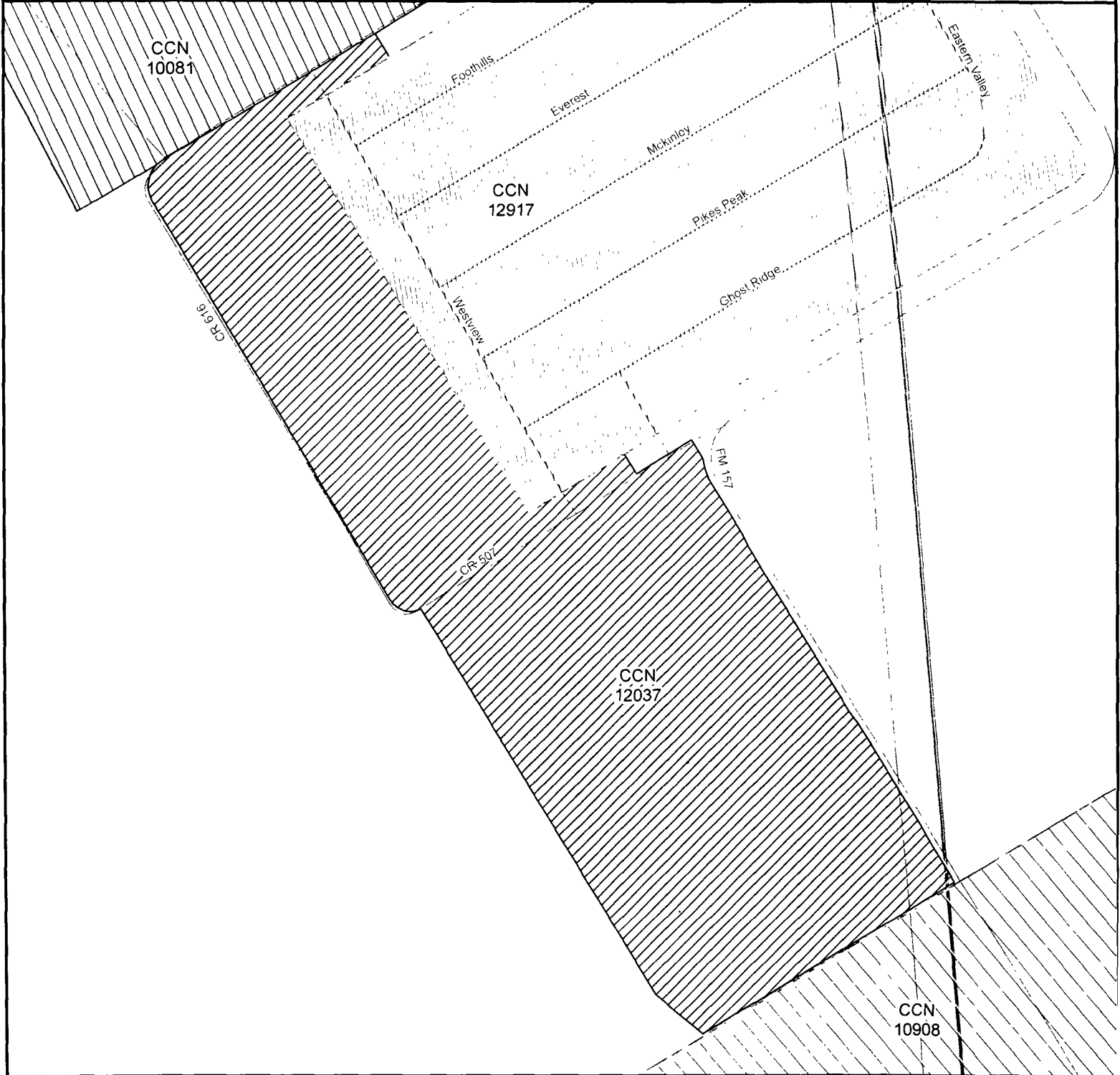
Staff recommends that the Applicant meets all of the statutory requirements of TWC Chapter 13 and the Commission's Chapter 24 rules and regulations, is capable of providing continuous and adequate service and approving this application to amend water CCN No. 12037 is necessary for the service, accommodation, convenience and safety of the public.

The Applicant consented to the attached map, tariff and certificate on January 2, 2019.

Based on the above information, Staff recommends the application be approved, and that Crest Water Company be provided the attached map, tariff and certificate. Staff further recommends that the Applicant file certified copies of the CCN maps along with a written description of the CCN service area in the county clerk's office pursuant to TWC §§ 13.257 (r)-(s).





# Exhibit B

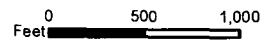
James A. Dyche dba Crest Water Company  
 Portion of Water CCN No. 12037  
 PUC Docket No. 48405  
 Amended CCN No. 12037 in Johnson County



Public Utility Commission of Texas  
 1701 N. Congress Ave  
 Austin, TX 78701

**Water CCN**

-  12037 - James A. Dyche dba Crest Water Company
-  10081 - Johnson County SUD
-  12917 - Mauka Water LTD
-  10908 - Mountain Peak SUD



Map by Komal Patel  
 Date created December 7, 2018  
 Project Path n Vinalmapping\  
 48405CrestWater.mxd



# Exhibit C



# **Public Utility Commission Of Texas**

**By These Presents Be It Known To All That**

**James A. Dyche**

having obtained certification to provide water utility service for the convenience and necessity of the public, and it having been determined by this Commission that the public convenience and necessity would in fact be advanced by the provision of such service, James A. Dyche is entitled to this

## **Certificate of Convenience and Necessity No. 12307**

to provide continuous and adequate water utility service to that service area or those service areas in Johnson County as by final Order or Orders duly entered by this Commission, which Order or Orders resulting from Docket No. 48405 are on file at the Commission offices in Austin, Texas; and are matters of official record available for public inspection; and be it known further that these presents do evidence the authority and the duty of the James A. Dyche to provide such utility service in accordance with the laws of this State and Rules of this Commission, subject only to any power and responsibility of this Commission to revoke or amend this Certificate in whole or in part upon a subsequent showing that the public convenience and necessity would be better served thereby.

Issued at Austin, Texas, this \_\_\_\_\_ day of \_\_\_\_\_ 2019.

# Exhibit D



**WATER UTILITY TARIFF  
Docket No 48405**

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

P.O. 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
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**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
Carnegie Development	1260066	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>Gallonage 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.

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) Nonpayment 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 [16 TAC § 24.25(b)(2)(G)]

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 16 TAC §24.25(b)(2)(F).

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)

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.

SECTION 2.0 – SERVICE RULES AND POLICIES (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.)