

Control Number: 50017

Item Number: 47

Addendum StartPage: 0

#### **DOCKET NO. 50017**

§ APPLICATION OF PURE UTILITIES, PUBLIC UTILITY COM LC AND UNDINE TEXAS, LLC FOR § OF TEXAS SALE, TRANSFER, OR MERGER OF  $\phi$ WATER FACILITIES AND CERTIFICATE RIGHTS IN LIBERTY, POLK, SAN JACINTO, AND TYLER COUNTIES, AND TO DECERTIFY A PORTION OF PURE UTILITIES, LC'S

CERTIFICATED AREA AND TO AMEND UNCERTIFICATED WATER SERVICE AREA IN LIBERTY AND

POLK COUNTIES

#### JOINT SUPPLEMENTAL MOTION TO ADMIT EVIDENCE AND PROPOSED NOTICE OF APPROVAL

COME NOW Undine Texas, LLC (Undine), Pure Utilities, LC (Pure) (collectively, the Applicants), together with the Staff (Staff) of the Public Utility Commission of Texas (Commission) (collectively, the parties), and file this Joint Supplemental Motion to Admit Evidence and Proposed Notice of Approval. In support thereof, the parties show the following:

#### I. **BACKGROUND**

On September 17, 2019 the Applicants filed an application for the sale, transfer, or merger of water facilities and certificate of convenience and necessity (CCN) rights in Liberty, Polk, San Jacinto, and Tyler Counties, and to decertify a portion of Pure's certificated area and to amend an uncertificated water service area in Liberty and Polk Counties. Specifically, Undine seeks approval to transfer all the service area under Pure's water CCN number 12072 and to amend additional area and decertify a small area to clean up the service area boundaries. Also, Undine is requesting dual certification with Tempe Water Supply Corporation, CCN No. 11579. The agreement letter for dual certification was filed with the application. The entire requested area subject to this transaction includes approximately 5,095 acres. The area to be transferred is approximately 4,137 acres, the additional area to be amended is approximately 1,190 acres, and the area to be decertified is approximately 233 acres. The area for dual certification is

approximately 95 acres. On January 29, 2021, the Applicants filed consent forms concurring with Staff's proposed map and certificates.

On January 14, 2021, Order No. 13 was filed, requiring the parties to file a joint proposed notice of approval, including proposed findings of fact, conclusions of law, and ordering paragraphs by February 12, 2021. Therefore, this pleading is timely filed.

#### II. JOINT SUPPLEMENTAL MOTION TO ADMIT EVIDENCE

The parties respectfully request the entry of the following additional items into the record of this proceeding:

- (a) The Applicants' proof of closing documents, filed on October 21, 2020 (Interchange Item No. 39);
- (b) Commission Staffs' recommendation on sufficiency of the closing documents, filed on November 16, 2020 (Interchange Item No. 40);
- (c) The Applicants' consent forms, filed on January 29, 2021 (Interchange Item No. 46); and
- (d) The final maps, certificate, and tariff attached to this pleading.

#### III. JOINT PROPOSED NOTICE OF APPROVAL

The parties have agreed to the attached Proposed Notice of Approval, which would transfer all of the service area under Pure's water CCN number 12072 to Undine's CCN number 13260, amend additional area, decertify a small area to clean up the service area boundaries, and grant dual certification with Tempe Water Supply Corporation, CCN number 11579.

#### IV. CONCLUSION

The parties respectfully request that all items requested above be admitted into the record of this proceeding as evidence and that the Commission grant the attached proposed Notice of Approval.

Respectfully submitted,

### PUBLIC UTILITY COMMISSION OF TEXAS LEGAL DIVISION

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/s/ John Harrison

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#### **DOCKET NO. 50017**

APPLICATION OF PURE UTILITIES,	§	PUBLIC UTILITY COMMISSION
LC AND UNDINE TEXAS, LLC FOR	§	
SALE, TRANSFER, OR MERGER OF	§	OF TEXAS
WATER FACILITIES AND	§	
CERTIFICATE RIGHTS IN LIBERTY,	§	
POLK, SAN JACINTO, AND TYLER	§	
COUNTIES, AND TO DECERTIFY A	§	
PORTION OF PURE UTILITIES, LC'S	§	
CERTIFICATED AREA AND TO	§	
AMEND UNCERTIFICATED WATER	§	
SERVICE AREA IN LIBERTY AND	§	
POLK COUNTIES	§	

#### PROPOSED NOTICE OF APPROVAL

This Notice of Approval addresses the application of Undine Texas, LLC (Undine) and Pure Utilities, LC (Pure) for the sale, transfer, or merger of water facilities and certificate of convenience and necessity (CCN) rights in Liberty, Polk, San Jacinto, and Tyler counties. The applicants seek to transfer water facilities and a portion of Pure's water CCN number 12072 to Undine to be held under water CCN number 13260 and to decertify a portion of Pure's service area. In addition, Undine seeks to amend water CCN number 13260 to add uncertificated water service area in Liberty and Polk counties and for dual certification with a portion of Tempe Water Supply Corporation's water CCN number 11579. The Commission approves the sale and transfer of the facilities and a portion of the service area under Pure's water CCN number 12072 to Undine's CCN number 13260, the decertification of a portion of Pure's service area, the cancellation of CCN number 12072, the amendment of Undine's water CCN number 13260, and the partial dual certification with Tempe Water Supply Corporation's CCN number 11579.

#### I. Findings of Fact

The Commission makes the following findings of fact.

#### **Applicants**

- 1. Pure is a domestic limited company registered with the Texas secretary of state under file number 702652722.
- 2. Pure owns, operates, and controls facilities for providing water service in Liberty, Polk, San Jacinto and Tyler counties under CCN number 12072.
- 3. Undine is a foreign limited liability company registered with the Texas secretary of state under file number 802339329.
- 4. Undine owns, operates, maintains, and controls facilities for providing water service in Liberty, Polk, San Jacinto and Tyler counties under CCN number 13260.

#### Application

- 5. On September 17, 2019, the applicants filed an application for approval of the sale, transfer, or merger of certificate rights in Liberty, Polk, San Jacinto, and Tyler counties.
- 6. Applicants supplemented the application on November 18, 2019.
- 7. Undine seeks approval to transfer Pure's water systems and all but 233 acres of the water service area held under CCN number 12072 to Undine's CCN number 13260. The requested transfer includes approximately 4,137 acres and 1,059 current customers. The applicants request that 233 acres in Pure's existing CCN that are not included in the transaction be decertified and that Pure's CCN be cancelled. In addition, Undine requests a CCN amendment to add uncertificated area that includes approximately 1,190 acres to its CCN and for dual certification of 95 acres with Tempe Water Supply Corporation, CCN number 11579.
- 8. The following requested areas subject to this transaction are located as follows:

#### Bar D Ranchettes

The requested area subject to this transaction is located approximately 12 miles east and southeast of downtown Shepherd, Texas, and is generally bounded on the north by a line one mile north of and parallel to Burlington Northern Santa Fe (BNSF) Railway; on the east by Cherry Creek; on the south by BNSF Railway; and on the west by a line 1,650 feet

west of and parallel to Laddis Road in Liberty County. The total area being requested includes approximately 307 acres and 41 current customers.

#### Riverboat Bend

The requested area subject to this transaction is located approximately 1.3 miles east and southeast of Kenefick, Texas, and is generally bounded on the north by Farm-to-Market Road 2797; on the east by the Trinity River; on the south by a line 590 feet south of and parallel to River Boat Bend; and on the west by a line 700 feet west of and parallel to River Boat Bend in Liberty County. The total area being requested includes approximately 157 acres and 42 current customers.

#### Six Lakes

The requested area subject to this transaction is located approximately 9.5 miles east of downtown Shepherd, Texas, and is generally bounded on the north and west by Menard Creek; on the east by Williams Creek; and on the south by a line 1,000 feet south of and parallel to Barrett Drive in Liberty and Polk counties. The total area being requested includes approximately 271 acres and 60 current customers.

#### **Bentwood Bend**

The requested area subject to this transaction is located approximately 3.9 miles northeast of downtown Onalaska, Texas, and is generally bounded on the north and east by Rocky Creek Road; and on the south and west by Baird Branch and Kickapoo Creek in Polk County. The total area being requested includes approximately 69 acres and 23 current customers.

#### Commodore Cape

The requested area subject to this transaction is located approximately 5.6 miles south of downtown Onalaska, Texas, and is generally bounded on the north and west by Lake Livingston; on the east by Scenic Loop; and on the south by Inlet Drive in Polk County. The total area being requested includes approximately 145 acres and 105 current customers.

#### **Forest Springs**

The requested area subject to this transaction is located approximately 4.6 miles east of downtown Goodrich, Texas, and is generally bounded on the north by Myrow Road; on the east by Sam Randolph Road; on the south by Bird Road; and on the west by Eagle Pass Road in Polk County. The total area being requested includes approximately 393 acres and 156 current customers.

#### Lakeside Village

The requested area subject to this transaction is located approximately 2.6 miles south of downtown Livingston, Texas, and is generally bounded on the north by Old Highway 35; on the east by Lodia Brock Road; on the south by Stallion Station Road; and on the west by US Highway 59 in Polk County. The total area being requested includes approximately 318 acres and 130 current customers.

#### **Spring Creek**

The requested area subject to this transaction is located approximately 5.3 miles southeast of downtown Onalaska, Texas, and is generally bounded on the north by the intersection of US Highway 190 and Farm-to-Market Road 3126; on the east by Hidden Valley Road; on the south by Nelson Drive; and on the west by Farm-to-Market Road 3126 in Polk County. The total area being requested includes approximately 912 acres and 135 current customers.

#### **Taylor Lake Estates**

The requested area subject to this transaction is located approximately 7.7 miles east of downtown Shepherd, Texas, and is generally bounded on the north, west, and south by the Trinity River; and on the east by Farm-to-Market Road 2610 in Polk County. The total area being requested includes approximately 482 acres and 151 current customers.

#### **Texas Water Supply**

The requested area subject to this transaction is located approximately two miles southwest of downtown Seven Oaks, Texas, and is generally bounded on the north by Ravin Road; on the east by Long King Creek; on the south by Farm-to-Market Road 942; and on the west by Barnett Creek in Polk County. The total area being requested includes approximately 564 acres and 69 current customers.

#### **Tanglewood Forest**

The requested area subject to this transaction is located approximately 6.5 miles west of downtown Point Blank, Texas, and is generally bounded on the north by a line 550 feet north of and parallel to Pecan Lane; on the east by Cleveland Road; on the south by Old Dodge Road; and on the west by Mann Road in San Jacinto County. The total area being requested includes approximately 191 acres and 25 current customers.

#### Town Bluff (Mont Neches)

The requested area subject to this transaction is located approximately 14 miles east of downtown Woodville, Texas, and is generally bounded on the north by the Neches River; on the east and south by County Road 4400; and on the west by Farm-to-Market Road 92 in Tyler County. The total area being requested includes approximately 352 acres and 34 current customers.

#### **Barlow Lake Estates**

The requested area subject to this transaction is located approximately 16 miles east of downtown Woodville, Texas, and is generally bounded on the north and east by the Neches River; on the south by a line 250 feet south of and parallel to Mock Drive; and on the west by a line 250 feet west of and parallel to Mock Drive in Tyler County. The total area being requested includes approximately 395 acres and 15 current customers.

#### Whitetail Ridge

The requested area subject to this transaction is located approximately 8.9 miles west of downtown Woodville, Texas, and is generally bounded on the north by a line 200 feet north of and parallel to Noble Road; on the east by a line 300 feet east of and parallel to Farm-to-Market Road 2200; on the south by a line 200 feet south of and parallel to Neely Road; and on the west by Horsepen Creek in Tyler County. The total area being requested includes approximately 539 acres and 73 current customers.

9. In Order No. 3 filed on December 30, 2019, the ALJ found the application administratively complete.

#### **Notice**

- 10. On February 18, 2020, Undine filed the affidavit Carey Thomas, senior vice president, attesting that notice was provided to all current customers, landowners, neighboring utilities, and affected parties on January 17, 2020.
- 11. On February 18, 2020, Undine filed a publisher's affidavit attesting to the publication of notice in *The Vindicator*, a newspaper of general circulation in Liberty County, on January 16 and 23, 2020.

- 12. On February 18, 2020, Undine filed a publisher's affidavit attesting to the publication of notice in the *Polk County Enterprise*, a newspaper of general circulation in Polk County, on January 23 and 30, 2020.
- 13. On February 18, 2020, Undine filed a publisher's affidavit attesting to the publication of notice in the *San Jacinto News Times*, a newspaper of general circulation in San Jacinto County, on January 23 and 30, 2020.
- 14. On February 18, 2020, Undine filed a publisher's affidavit attesting to the publication of notice in the *Tyler County Booster*, a newspaper of general circulation in Tyler County, on February 6 and 13, 2020.
- 15. In Order No. 5 filed on March 13, 2020, the ALJ found the notice sufficient.

#### Evidentiary Record

- 16. On May 11, 2020, Commission Staff and applicants filed a joint motion to admit evidence and proposed order approving sale and transfer to proceed.
- 17. In Order No. 8 filed on May 27, 2020, the ALJ admitted the following evidence into the record of this proceeding: (a) the applicants' application, including confidential materials, filed on September 17, 2019, and as supplemented on November 18, 2019; (b) Commission Staff's recommendation on administrative completeness and proposed procedural schedule filed on December 18, 2019; (c) the applicants' proof of notice and supporting documentation, including confidential material, filed on February 18, 2020; (d) Commission Staff's recommendation on notice filed on March 12, 2020; and (e) Commission Staff's recommendation on approval of the sale and on the CCN amendment filed on April 20, 2020.
- 18. On February 12, 2021, Commission Staff and applicants filed a supplemental motion to admit evidence.

#### Sale

- 20. In Order No. 9 filed July 23, 2020, the ALJ approved the transaction to proceed and required Undine and Pure to file proof that the transaction had closed and that customer deposits had been addressed.
- 21. On October 21, 2020, Undine filed proof of closing documents demonstrating that the sale had closed effective September 20, 2020 and that there were customer deposits to be addressed.
- 22. In Order No. 11 filed on November 19, 2020, the ALJ found the closing documents sufficient.

### <u>System Compliance—Texas Water Code (TWC) § 13.301(e)(3)(A); 16 Texas Administrative</u> Code (TAC) §§ 24.227(a), 24.239(j)(3)(A), (j)(5)(A)

- 23. Undine has executed compliance agreements with TCEQ for some of its public water systems that were acquired while under a temporary manager.
- 24. Undine has not been subject to any enforcement action by the Commission, TCEQ, the Texas Department of State Health Services, the Office of Attorney General, or the United States Environmental Protection Agency.
- 25. The applicants have demonstrated a compliance history adequate for the approval of the proposed sale and transfer.

#### Adequacy of Existing Service—TWC § 13.246(c)(1); 16 TAC §§ 24.227(d)(2), 24.239(j)(5)(C)

26. The requested area to be sold and transferred is currently served by Pure with several public water systems which are registered with TCEQ with no violations.

#### Need for Additional Service—TWC § 13.246(c)(2); 16 TAC §§ 24.227(d)(2), 24.239(j)(5)(C)

27. There are approximately 1,059 customers being served in the area requested to be sold and transferred; therefore, there is a continuing need for service.

## Effect of Approving the Transaction and Granting the Amendment—TWC § 13.246(c)(3); 16 TAC §§ 24.227(d)(3), 24.239(h)(5)(D)

- 28. Landowners in the requested area will benefit because they will not have to drill individual wells.
- 29. Utilities within a two-mile radius were notified and none filed a protest or adverse comments; therefore, neighboring utilities will not be affected.

## Ability to Serve: Managerial and Technical—TWC § 13.241(a), 13.246(c)(4), 13.301(b), (e)(2); 16 TAC §§ 24.227(a), (d)(4), and 24.239(g), (h)(5)(E)

- 30. Undine is capable of providing drinking water that meets the requirements of chapter 341 Health and Safety Code, TWC chapter 13, and the TCEQ's rules, has a sufficient number of licensed operators, and has access to an adequate supply of water.
- 31. Undine has executed compliance agreements with TCEQ for some of its public water systems that were acquired while under temporary manager.
- 32. Additional construction is not necessary for Undine to serve the requested area.
- 33. Undine has the managerial and technical capability to provide continuous and adequate service to the area being transferred.

## Ability to Serve: Financial Ability and Stability—TWC §§ 13.241(a), 13.246(c)(6), 13.301(b); 16 TAC §§ 24.11(e), 24.227(a), (d)(6), and 24.239(e), (j)(5)(G)

- 34. Undine has a debt-to-equity ratio of less than one, satisfying the leverage test.
- 35. Undine has sufficient cash on hand to cover any projected operations and maintenance shortages during the first five years of operations following the proposed transaction, satisfying the operations test.
- 36. Undine has the financial ability and stability to provide continuous and adequate service to the requested area.

#### Financial Assurance—TWC §§ 13.246(d), 13.301(c); 16 TAC §§ 24.227(e), 24.239(h)

- 37. Undine's projected operating revenues are sufficient to cover projected operations and maintenance expense for the first 5 years after the completion of the proposed sale and transfer.
- 38. There is no need to require Undine to provide a bond or other financial assurance to ensure continuous and adequate service.

## Feasibility of Obtaining Service from Adjacent Retail Public Utility—TWC § 13.246(c)(5); 16 TAC §§ 24.227(d)(5), 24.239(j)(5)(F)

- 39. The requested area has existing facilities and is currently being served by Pure.
- 40. Utilities within a two-mile radius were noticed and no protests or adverse comments were received from any utility regarding the proposed transaction.
- 41. It is not feasible for an adjacent utility to provide service to the requested area.

#### Environmental Integrity—TWC § 13.246(c)(7); 16 TAC §§ 24.227(d)(7), 24.239(j)(5)(H)

42. The proposed transaction will not adversely impact the environmental integrity of the land because the requested area is currently receiving service.

#### Effect on Land —TWC § 13.246(c)(9); 16 TAC § 24.227(d)(9)

43. The requested area will continue to be served by existing systems and facilities and no additional construction is needed; therefore, the effect on the land will likely be minimal.

### <u>Improvement in Service or Lowering Cost to Consumer—TWC § 13.246(c)(8); 16 TAC §§ 24.227(d)(8), 24.239(j)(5)(I)</u>

- 44. The proposed transaction will improve customer service to existing customers because the water systems will be integrated in the systems of Undine.
- 45. Rates will not change as a result of the proposed transaction.

#### Regionalization or Consolidation—TWC § 13.241(d); 16 TAC § 24.227(b)

46. Because Undine will not need to construct a physically separate water system to serve the requested area, concerns of regionalization or consolidation are not applicable.

#### Map, Tariff, and Certificate

- 47. On January 8, 2021, Commission Staff emailed to Undine and Pure the proposed final maps, certificate, and tariff related to this docket.
- 48. On January 29, 2021, Undine and Pure filed their consent forms concurring with the proposed final maps, certificate, and tariff.
- 49. The final maps, certificate, and tariff were attached to the joint supplemental motion to admit evidence filed on February 12, 2021.

#### Informal Disposition

- 50. More than 15 days have passed since the completion of notice provided in this docket.
- 51. All protests or motions to intervene have been withdrawn.
- 52. Undine, Pure, and Commission Staff are the only parties to this proceeding.
- 53. No party requested a hearing, and no hearing is needed.
- 54. Commission Staff recommends approval of the application.
- 55. This decision is not adverse to any party.

#### II. Conclusions of Law

The Commission makes the following conclusions of law.

- 1. The Commission has authority over this proceeding under TWC §§ 13.041, 13.241, 13.244, 13.246, 13.251, and 13.301.
- 2. Undine and Pure are retail public utilities as defined by TWC § 13.002(19) and 16 TAC § 24.3(31).
- 3. Notice of the application was provided as required by TWC § 13.301(a)(2) and 16 TAC § 24.239(a) through (c).
- 4. The Commission processed the application as required by the TWC, the Administrative Procedure Act, and Commission rules.
- 5. Undine and Pure complied with the requirements of 16 TAC § 24.239(k) with respect to customer deposits.
- 6. Undine and Pure completed the sale within the time required by 16 TAC § 24.239(m).
- 7. After consideration of the factors in TWC § 13.246(c) and 16 TAC §§ 24.227(e) and 24.239(h)(5), Undine demonstrated adequate financial, managerial, and technical capability to provide adequate and continuous service to the requested areas as required by TWC § 13.301(b) and 16 TAC § 24.239(f).
- 8. It is not necessary for Undine to provide a bond or other financial assurance under TWC §§ 13.246(d) and 13.301(c).
- 9. Undine and Pure demonstrated that the sale and transfer of Pure's public water system and a portion of its water service area under CCN number 12072, the decertification of a

<sup>&</sup>lt;sup>1</sup> Tex. Gov't Code §§ 2001.001-.903.

portion of Pure's water service area, and the amendment of Undine's water CCN number 13260 to add uncertificated and for dual certification with a portion of Tempe Water Supply Corporation's CCN number 11579 will serve the public interest and is necessary for the service accommodation, convenience, or safety of the public, as required by TWC §§ 13.246(b) and 13.301(d).

- 10. Undine must record a certified copy of the certificate granted and maps approved by this Notice of Approval, along with a boundary description of its service area, in the real property records of Liberty, Polk, San Jacinto, and Tyler counties within 31 days of receiving this Notice of Approval and submit to the Commission evidence of the recording, as required by TWC § 13.257(r) and (s).
- 11. The requirements for informal disposition under 16 TAC § 22.35 have been met in this proceeding.

#### III. Ordering Paragraphs

In accordance with these findings of fact and conclusions of law, the Commission issues the following orders.

- 1. The Commission approves the sale and transfer of Pure's public water system and a portion of the water service area under CCN number 12072 to Undine to be held under water CCN number 13260 and the decertification of a portion of Pure's water service area to the extent provided in this Notice of Approval.
- 2. The Commission amends Undine's water CCN number 13260 to reflect the transfer of the service area from Pure, the addition of the requested uncertificated area, and the dual certification with a portion of Tempe Water Supply Corporation's water CCN number 11579, as described in this Notice of Approval and shown on the map attached to this Notice of Approval.
- 3. The Commission cancels water CCN number 12072.
- 4. The Commission approves the maps, certificate, and tariff attached to this Notice of Approval.
- 5. Undine must serve every customer and applicant for service within the approved area under water CCN number 13260 that requests water service and meets the terms of Undine's water service, and such service must be continuous and adequate.

- 6. Undine must comply with the recording requirements in TWC § 13.257(r) and (s) for the areas in Liberty, Polk, San Jacinto, and Tyler counties affected by the application and must file evidence of recording in this docket no later than 45 days after receipt of this Notice of Approval.
- 7. The Commission denies all other motions and any other requests for general or specific relief, if not expressly granted.

Signed at Austin, Texas the	day of	, 2021.		
	PU	JBLIC UTILITY	Y COMMISSION	OF TEXAS
	Al	)MINISTRATIV	VE LAW JUDGE	

## Undine Texas, LLC Portion of Water CCN No. 13260 PUC Docket No. 50017 Transferred all of Pure Utilities, LC, CCN No. 12072 in Liberty County



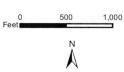


Public Utility Commission of Texas 1701 N. Congress Ave Austin, TX 78701

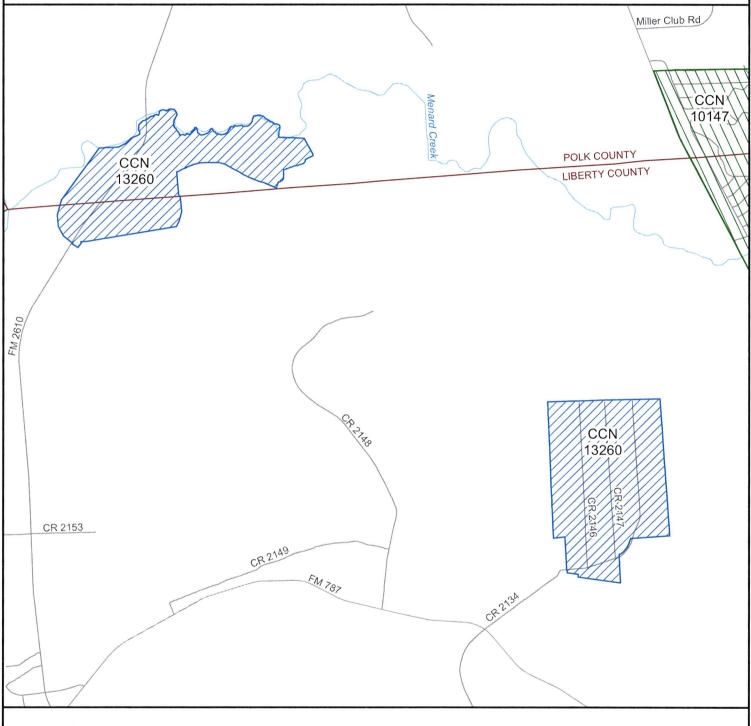
#### **Water CCN**

13260 - Undine Texas LLC

12892 - T & W Water Service Company



Map by: Komal Patel Date created: December 29, 2020 Project Path: n:\finalmapping\ 50017UndineTxMap1.mxd Map 1 of 12 Undine Texas, LLC
Portion of Water CCN No. 13260
PUC Docket No. 50017
Amended CCN No. 13260 and
Transferred all of Pure Utilities, LC, CCN No. 12072 in Liberty and Polk Counties





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

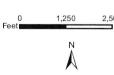
#### **Water CCN**



13260 - Undine Texas LLC

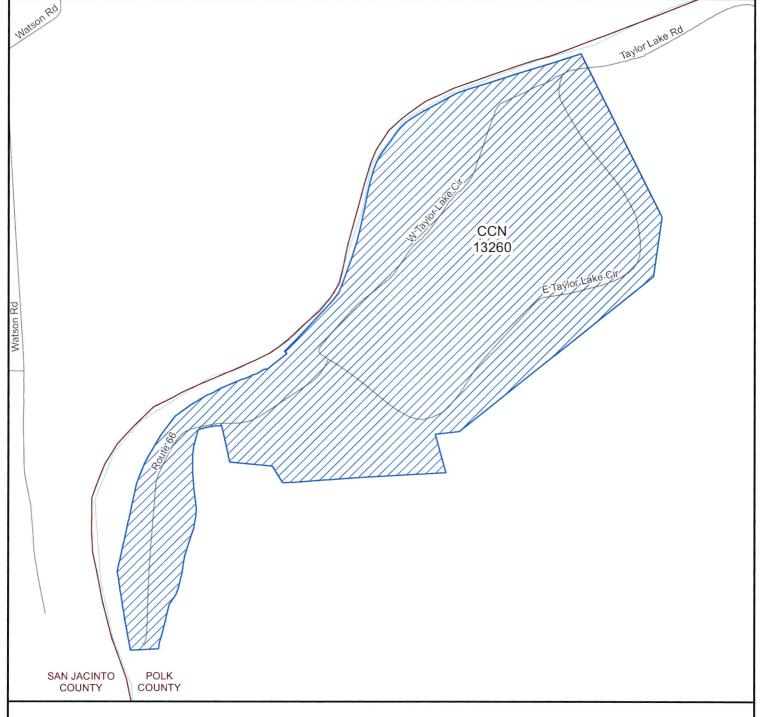


10147 - Lake Livingston Water Supply & Sewer Service



Map by: Komal Patel Date created: December 29, 2020 Project Path: n:\finalmapping\ 50017UndineTXMap2.mxd Map 2 of 12

#### Undine Texas, LLC Portion of Water CCN No. 13260 PUC Docket No. 50017 Amended CCN No. 13260 and Transferred all of Pure Utilities, LC, CCN No. 12072 in Polk County



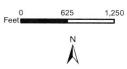


Public Utility Commission of Texas 1701 N. Congress Ave Austin, TX 78701

#### **Water CCN**

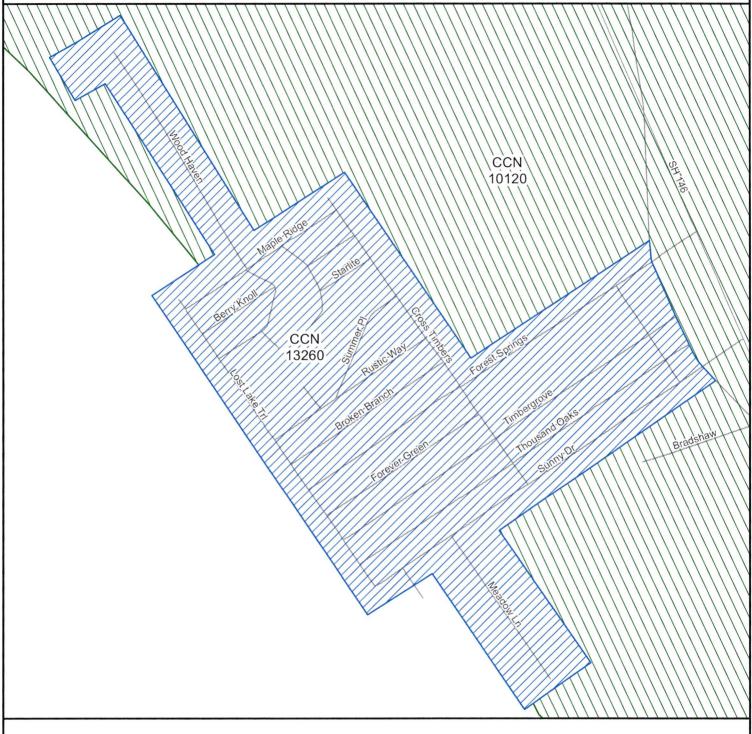


13260 - Undine Texas LLC



Map by: Komal Patel Date created: December 29, 2020 Project Path: n:\finalmapping\ 50017UndineTXMap3.mxd Map 3 of 12

## Undine Texas, LLC Portion of Water CCN No. 13260 PUC Docket No. 50017 Transferred all of Pure Utilities, LC, CCN No. 12072 in Polk County





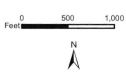
Public Utility Commission of Texas 1701 N. Congress Ave Austin, TX 78701

#### **Water CCN**



13260 - Undine Texas LLC

10120 - Providence WSC



Map by: Komal Patel Date created: December 29, 2020 Project Path: n:\finalmapping\ 50017UndineTXMap4.mxd Map 4 of 12

# Undine Texas, LLC Portion of Water CCN No. 13260 PUC Docket No. 50017 Amended CCN No. 13260 and Transferred all of Pure Utilities, LC, CCN No. 12072 in Polk County



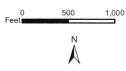


Public Utility Commission of Texas 1701 N. Congress Ave Austin, TX 78701

#### **Water CCN**

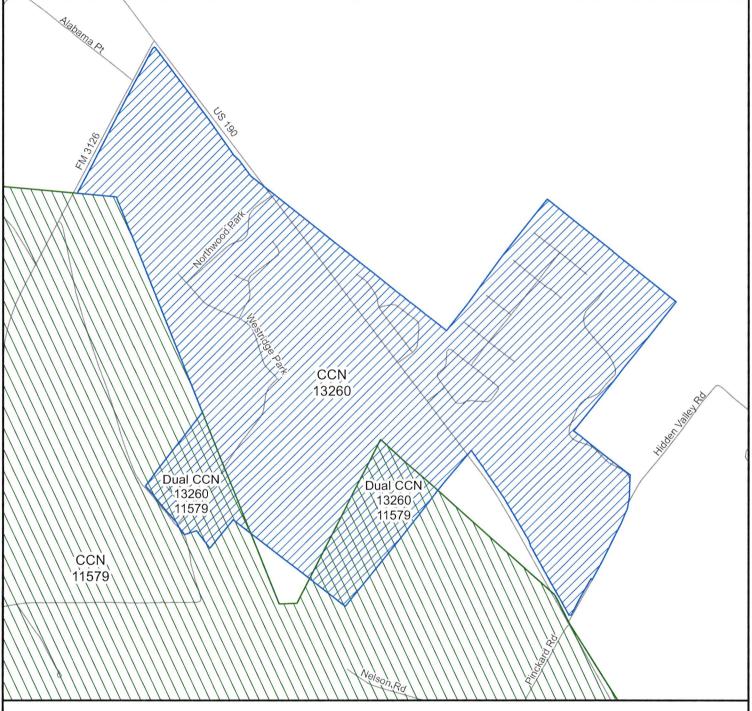


13260 - Undine Texas LLC



Map by: Komal Patel Date created: December 29, 2020 Project Path: n:\finalmapping\ 50017UndineTXMap5.mxd Map 5 of 12

# Undine Texas, LLC Portion of Water CCN No. 13260 PUC Docket No. 50017 Amended CCN No. 13260 and Transferred all of Pure Utilities, LC, CCN No. 12072 in Polk County





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

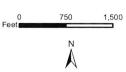
#### **Water CCN**



13260 - Undine Texas LLC



√ 11579 - Tempe WSC 1



Map by: Komal Patel Date created: December 29, 2020 Project Path: n:\finalmapping 50017UndineTXMap6.mxd Map 6 of 12

## Undine Texas, LLC Portion of Water CCN No. 13260 PUC Docket No. 50017 Transferred all of Pure Utilities, LC, CCN No. 12072 in Polk County





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

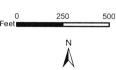
#### **Water CCN**



13260 - Undine Texas LLC

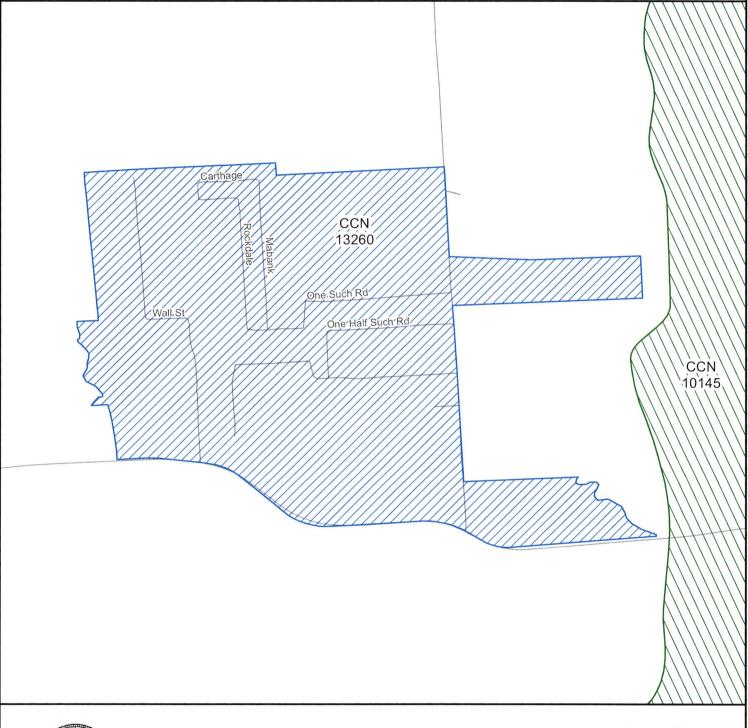


10147 - Lake Livingston Water Supply & Sewer Service



Map by: Komal Patel Date created: December 29, 2020 Project Path: n:\finalmapping\ 50017UndineTXMap7.mxd Map 7 of 12

#### Undine Texas, LLC Portion of Water CCN No. 13260 PUC Docket No. 50017 Amended CCN No. 13260 and Transferred all of Pure Utilities, LC, CCN No. 12072 in Polk County





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

#### **Water CCN**



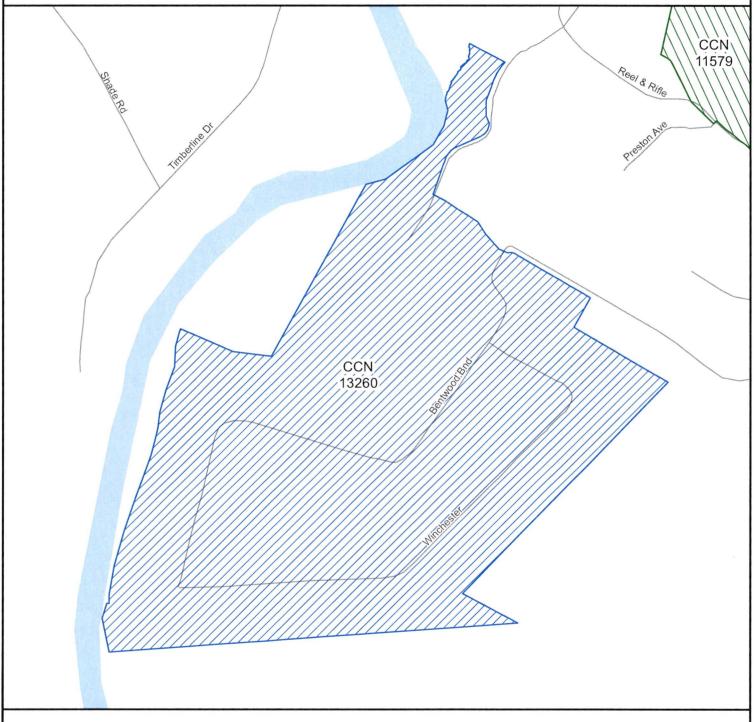
13260 - Undine Texas LLC

10145 - Leggett WSC



Map by: Komal Patel Date created: December 29, 2020 Project Path: n:\finalmapping\ 50017UndineTXMap8.mxd Map 8 of 12

# Undine Texas, LLC Portion of Water CCN No. 13260 PUC Docket No. 50017 Amended CCN No. 13260 and Transferred all of Pure Utilities, LC, CCN No. 12072 in Polk County





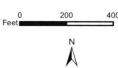
Public Utility Commission of Texas 1701 N. Congress Ave Austin, TX 78701

#### **Water CCN**



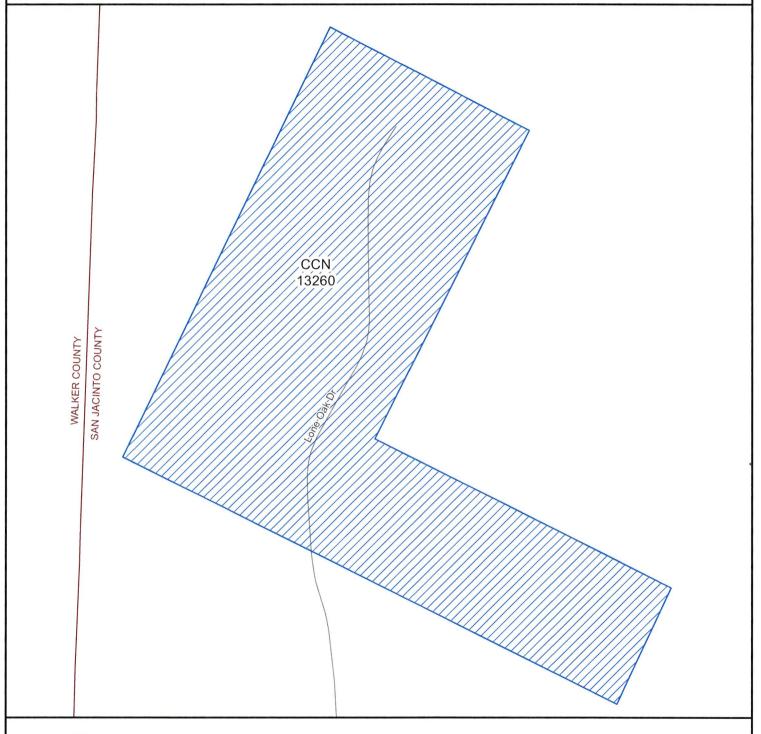
13260 - Undine Texas LLC

√ 11579 - Tempe WSC 1



Map by: Komal Patel Date created: December 29, 2020 Project Path: n:\finalmapping\ 50017UndineTXMap9.mxd Map 9 of 12

## Undine Texas, LLC Portion of Water CCN No. 13260 PUC Docket No. 50017 Transferred all of Pure Utilities, LC, CCN No. 12072 in San Jacinto County

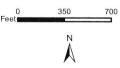




Water CCN



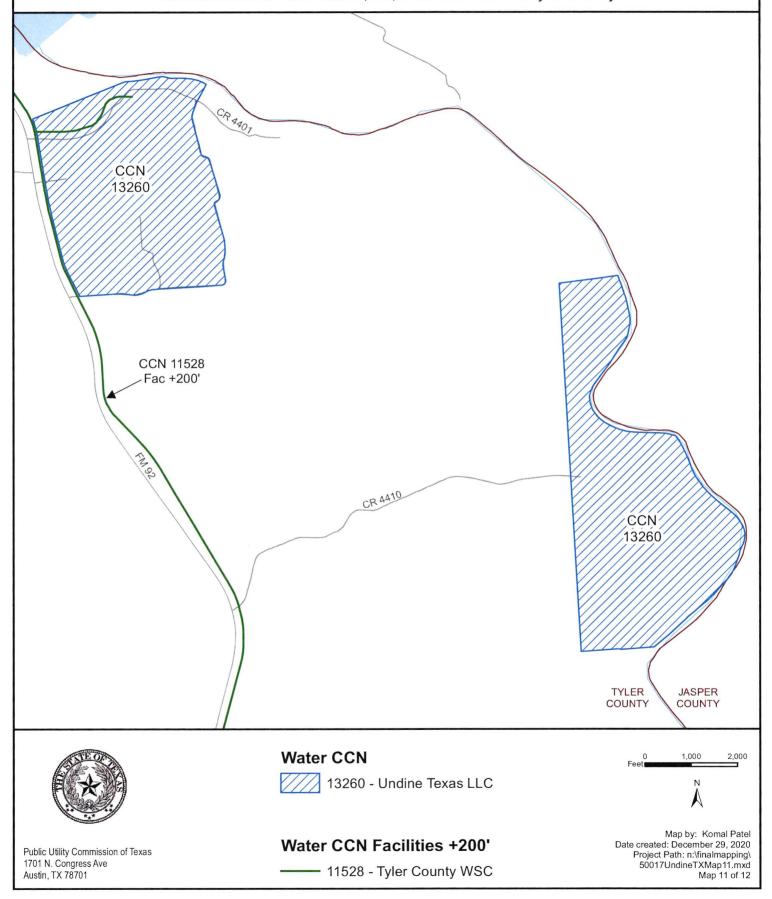
13260 - Undine Texas LLC



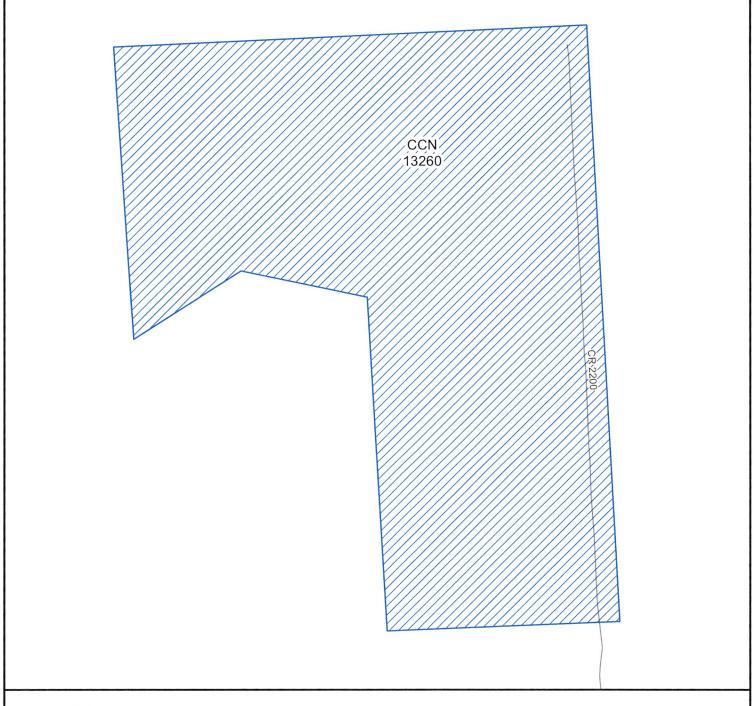
Map by: Komal Patel Date created: December 29, 2020 Project Path: n:\finalmapping\ 50017UndineTXMap10.mxd Map 10 of 12

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

## Undine Texas, LLC Portion of Water CCN No. 13260 PUC Docket No. 50017 Transferred all of Pure Utilities, LC, CCN No. 12072 in Tyler County



## Undine Texas, LLC Portion of Water CCN No. 13260 PUC Docket No. 50017 Transferred all of Pure Utilities, LC, CCN No. 12072 in Tyler County

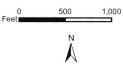




**Water CCN** 



13260 - Undine Texas LLC



Map by: Komal Patel Date created: December 29, 2020 Project Path: n:\finalmapping\ 50017UndineTXMap12.mxd Map 12 of 12



# Public Utility Commission of Texas

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

### **Undine Texas, LLC**

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, Undine Texas, LLC is entitled to this

#### Certificate of Convenience and Necessity No. 13260

to provide continuous and adequate water utility service to that service area or those service areas in Brazoria, Brazos, Burleson, Chambers, Fort Bend, Harris, Johnson, Liberty, Matagorda, Montgomery, Polk, Robertson, San Jacinto, Tarrant, Tyler, and Walker Counties as by final Order or Orders duly entered by this Commission, which Order or Orders resulting from Docket No. 50017 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 Undine Texas, LLC 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	20
issucu at Austin,	i chas, uns	uay or	20 .



#### WATER UTILITY TARIFF Docket No. 50017

<u>Undine Texas, LLC</u> (Utility Name)

17681 Telge Rd. (Business Address)

Cypress, Texas 77429 (City, State, Zip Code)

(713) 574-5953 (Area Code/Telephone)

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

13260

This tariff is effective in the following counties:

Brazoria, Brazos, Burleson, Chambers, Fort Bend, Harris, Johnson, Liberty, Matagorda, Montgomery, Polk, Robertson, San Jacinto, Tarrant, Tyler, and Walker

This utility provides service in the following cities or unincorporated towns (if any):

City of Manvel (Brandi Estates),

City of Iowa Colony (Magnolia Bend formerly Kucera Farms, Spring Crossing, and 288 Business Park)

City of Beach City

Kenefick (Pure Utilities Riverboat Bend Subdivision)

"The rates set or approved by the cities for the systems within its corporate boundary are not presented in this tariff. Those rates are not under the original jurisdiction of the Public Utility Commission of Texas and will have to be obtained from the city or utility."

This tariff is effective in the following subdivisions and public water 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	C
SECTION 2.0 – SERVICE RULES AND POLICIES	
SECTION 3.0 – EXTENSION POLICY	
APPENDIX A – DROUGHT CONTINGENCY PLAN	
APPENDIX B – SAMPLE SERVICE AGREEMENT	
APPENDIX C – APPLICATION FOR SERVICE	

## LIST OF SUBDIVISIONS AND SYSTEMS (Formerly Orbit Systems Inc.)

System Name	PWS ID No.	County
723 Utility/Riverside Ranch Subdivision	0790425	Fort Bend
Angle Acres Water System	0200244	Brazoria
Bayou Colony Subdivision	0200358	Brazoria
Beechwood Subdivision	0200245	Brazoria
Bernard Oaks Subdivision	0200338	Brazoria
Blue Sage Gardens Subdivision	0200323	Brazoria
Brandi Estates *	0200325	Brazoria
Briar Meadows	0200410	Brazoria
Colony Cove	0200324	Brazoria
Colony Trails	0200604	Brazoria
Coronado Country	0200275	Brazoria
Country Acres Estates	0200274	Brazoria
Country Meadows	0200273	Brazoria
Crystal Lake Estates	0790510	Fort Bend
Demi-John Place Water System	0200185	Brazoria
Demi-John Island Water System	0200234	Brazoria
Larkspur Subdivision	0200339	Brazoria
Lee Ridge	0200506	Brazoria
Los Robles Subdivision, formerly	0200639	Brazoria
Brazos Oaks Subdivision		
Mark V Estates	0200432	Brazoria
Mooreland	0200094	Brazoria
Quail Valley Ranches Sec. IV	0200592	Brazoria
Riverside Estates	0200058	Brazoria
Rosharon Road Estates	0200346	Brazoria
Ryan Long I	0200110	Brazoria
Ryan Long II	0200108	Brazoria
San Bernard River Estates	0200460	Brazoria
Sandy Meadows Estates	0200335	Brazoria
Snug Harbor	0200053	Brazoria
Spanish Bit Plantation	1610102	Matagorda
Tejas Lakes Subdivision	0790504	Fort Bend
Village Lakes	0200638	Brazoria
Wilco Water/Holiday Beach	0200083	Brazoria
Wolf Glen	0200370	Brazoria

<sup>\*</sup>Brandi Estates subject to City of Manvel's jurisdiction

## LIST OF SUBDIVISIONS AND SYSTEMS (Formerly Community Utility Company)

System Name	PWS ID No.	County
Forest Manor Subdivision	1010264	Harris
Heathergate Estates	1011302	Harris
Sweetgum Estates	1700113	Montgomery

## LIST OF SUBDIVISIONS AND SYSTEMS (Formerly Consumers Water, Inc.)

System Name	PWS ID No.	County
Greengate Acres	1010132	Harris
Huffman Heights	1010700	Harris
Highland Mobile Home Subdivision	1010285	Harris
Highland Ridge	1010157	Harris
Joy Village	1700021	Montgomery
Lakewood Colony	1700029	Montgomery
Meadowlake Estates	1010287	Harris
Pioneer Trails	1700114	Montgomery
Peach Creek Oaks	1700051	Montgomery
Porter Terrace	1700161	Montgomery
Spring Forest	1700033	Montgomery
Springmont	1010255	Harris
Tall Cedars Mobile Home	1010219	Harris
Subdivision		
Urban Acres Subdivision	1010252	Harris

## LIST OF SUBDIVISIONS AND SYSTEMS (Formerly Suburban Utility Company)

System Name	PWS ID No.	County
Beaumont Place	1010098	Harris
Castlewood Subdivision	1010111	Harris
Cypress Bend Subdivision	1010119	Harris
Reservoir Acres Subdivision	1010197	Harris

## LIST OF SUBDIVISIONS AND SYSTEMS (Formerly Gulf Coast Utility Company, Inc.)

Subdivision Name	PWS ID No.	County
Cold River Ranch Subdivision,	0200403	Brazoria
Southwood Estates*		
Magnolia Bend (formerly Kucera	0200665	Brazoria
Farms) Subdivision*		
Spring Crossing Subdivision / 288	0200666	Brazoria
Business Park*		

<sup>\*</sup> Magnolia Bend Rates subject to City of Iowa Colony's jurisdiction

## LIST OF SUBDIVISIONS AND SYSTEMS (Formerly Chuck Bell dba Chuck Bell Water Systems, LLC)

Subdivision Name	PWS ID No.	County
Bear Creek Estates	2200336	Tarrant
Bell Manor Subdivision	1260080	Johnson
Buffalo Creek	1260084	Johnson
Crowley II Acre Subdivision, Stonefield Subdivision	1260012	Johnson
John Dame	1260090	Johnson
Martin Creek Estates	1260122	Johnson
Rock Creek Estates	1260082	Johnson
Sanders View Subdivision	1260086	Johnson

## LIST OF SUBDIVISIONS AND SYSTEMS (Formerly Nerro Supply, LLC)

Subdivision Name	PWS ID No.	County
Allendale Water System	1700187	Montgomery
*Bayridge Water System	0360028	Chambers
Hillgreen Water Company	1700539	Montgomery
Loch Ness Cove Water System	1700148	Montgomery
Lost Lake	0360108	Chambers
*Oaks at Houston Point	0360126	Chambers
River Club Water Company	1700185	Montgomery
Woodhaven Estates	1700481	Montgomery
Wildwood Shores	2360078	Walker

<sup>\*</sup>Bayridge Water system and Oaks at Houston Point are within the city limits of the City of Beach City.

## LIST OF SUBDIVISIONS AND SYSTEMS (Formerly Nerro Supply Investors, LLC)

Subdivision Name	PWS ID No.	County
Hazy Hollow East Estates	1700013	Montgomery
High Meadows Industrial Park		
Shady Brook Acres	1700031	Montgomery
Spring Creek Valley Estates	1010213	Harris

## LIST OF SUBDIVISIONS AND SYSTEMS (Formerly Brazos Valley Septic & Water, Inc.)

Subdivision Name	PWS ID No.	County
Apache Hills	0260019	Burleson
Benchley Oaks	0210039	Brazos
Lakeview North	0260010	Burleson
Lakeway Manor	1980017	Robertson
Lakewood Estates	0210042	Brazos
Little Oak Forest	0260037	Burleson
Marshal Oaks	0260010	Burleson
Oak Forest	1980017	Robertson
Smetana Forest	0210010	Brazos
Somerville Place	0260010, 0260021	Burleson
Whispering Woods	0260032	Burleson

# LIST OF SUBDIVISIONS AND SYSTEMS (Formerly Pure Utilities, L.C.)

System Name	PWS ID No.	County
Ace Acres	N/A	Polk
Bar D	1460076	Liberty
Barlow Lakes	2290015	Tyler
BE&O (Texas Water Supply)	1870131	Polk
Bentwood Bend	1870154	Polk
Commodore Cape	1870026	Polk
Forest Springs	1870059	Polk
Lakeside Village	1870095	Polk
Mont Neches	2290027	Tyler
Riverboat Bend Subdivision	1460088	Liberty
Six Lakes	1460015	Liberty
Spring Creek	1870149	Polk
Tanglewood Forest	2040054	San Jacinto
Taylor Lake Estates	1870064	Polk
Town Bluff	2290043	Tyler
West Leggett Development	1870131	Polk
Westwood Estates (Texas Water Supply)	1870131	Polk
Whitetail Ridge	2290012	Tyler

#### SECTION 1.0 -- RATE SCHEDULE

#### Section 1.01 – Rates

Rate Year 1 Effective Date: August 1, 2020

Meter Size	Monthly Base Rate	Gallonage Charge
5/8"	\$37.81 (Includes 0 gallons)	\$2.02 per 1000 gallons from 0 to 6,000 gallons
3/4"	<u>\$56.72</u>	\$2.94 per 1,000 gallons from 6,001 to 15,000 gallons
<u>1"</u>	<u>\$94.53</u>	25 per 1,000 gallons from 15,001 gallons to 25,000 gallons
11/2"	<u>\$189.05</u>	\$7.79 per 1,000 gallons from 25,001+ gallons
<u>2"</u>	<u>\$302.48</u>	
<u>3"</u>	<u>\$567.15</u>	
<u>4"</u>	<u>\$983.06</u>	
Other (Unmetered)	<u>\$60.50</u>	

Rate Year 2 Effective Date: August 1, 2021

Meter Size	Monthly Base Rate	Gallonage Charge
5/8"	\$44.37 (Includes 0 gallons)	\$2.21 per 1000 gallons from 0 to 6,000 gallons
3/4"	<u>\$66.56</u>	\$3.13 per 1,000 gallons from 6,001 to 15,000 gallons
<u>1"</u>	<u>\$110.93</u>	14 per 1,000 gallons from 15,001 gallons to 25,000 gallons
$1^{1}/2"$	<u>\$221.85</u>	\$7.98 per 1,000 gallons from 25,001+ gallons
<u>2"</u>	<u>\$354.96</u>	
<u>3"</u>	<u>\$665.55</u>	
<u>4"</u>	<b>\$1,153.62</b>	
Other (Unmetered)	\$70.99	

Rate Year 3 Effective Date: August 1, 2022

Meter Size	Monthly Base Rate	Gallonage Charge
5/8"	\$50.93 (Includes 0 gallons	\$2.41 per 1000 gallons from 0 to 6,000 gallons
3/4"	<u>\$76.40</u>	\$3.33 per 1,000 gallons from 6,001 to 15,000 gallons
<u>1"</u>	<u>\$127.33</u> <u>\$5</u>	.64 per 1,000 gallons from 15,001 gallons to 25,000 gallons
$\frac{1^{1}/2''}{2^{1}}$	<u>\$254.65</u>	\$8.18 per 1,000 gallons from 25,001+ gallons
<u>2"</u>	<u>\$407.44</u>	
<u>3"</u>	<u>\$763.95</u>	
<u>4"</u>	\$1,324.18	
Other (Unmetered)	<u>\$81.49</u>	

### **Rate Case Expenses**

#### **Additional Pass Through Charges**

#### All Former Orbit Systems, Inc. Customers (see list on pages 1-4)

Brazoria County Groundwater Conservation District Production Fee .... \$0.03 per 1,000 gallons of water usage

#### 723 Utility/Riverside Ranch Subdivision Only

#### Forest Manor and Heathergate Subdivisions Only

City of Houston Groundwater Reduction Plan (GRP) Fee ....... \$1.53 per 1,000 gallons of water usage \$0.894 / (1 - 0.15) = \$1.53 *Tariff Control No. 50071*)

#### Sweetgum Forest, Sweetgum Estates Customers Only

Aqua Texas, Inc. Regional Pass Through Gallonage Charge .......... \$7.66 per 1,000 gallons of water usage \$5.01 / (1 - 0.345546) = \$7.66 (*Tariff Control No. 50072*)

#### Porter Terrace Customers Only

#### Spring Forest Customers Only

#### Greengate Acres Customers Only

North Harris County Regional Water Authority (NHCRWA)....... \$5.86 per 1,000 gallons of water usage \$3.85 / 1 - 0.3435) = \$5.86 (*Tariff Control No. 49570*)

#### Springmont Customers Only

North Harris County Regional Water Authority (NHCRWA).......  $\underline{\$6.20}$  per 1,000 gallons of water usage \$3.85 / (1 - 0.3789) = \$6.20 (*Tariff Control No. 49570*)

#### Huffman Heights Customers Only

City of Houston Groundwater Reduction Plan (GRP) Fee .......... \$1.23 per 1,000 gallons of water usage \$0.945 / (1 - 0.2315) = \$1.23 (*Tariff Control No. 49570*)

#### **Urban Acres Customers Only**

City of Houston Groundwater Reduction Plan (GRP) Fee ..........  $\frac{$1.47}{1.000}$  per 1,000 gallons of water usage  $\frac{$0.945}{1.000} = \frac{$1.47}{1.000}$  (Tariff Control No. 49570)

#### Meadowlake Estates Subdivision Customers Only

City of Houston Groundwater Reduction Plan (GRP) Fee .......... \$4.06 per 1,000 gallons of water usage \$2.52 / (1 - 0.3789) = \$4.06 (*Tariff Control No. 49570*)

#### Pioneer Trails Subdivision Customers Only:

Crystal Springs Wholesale Purchase Water Fee.......  $\underline{\$23.95}$  per connection (*Tariff Control No. 46849*) plus  $\underline{\$8.38}$  per 1,000 gallons of water usage \$5.206 / (1 - 0.3789) = \$8.38

(Tariff Control No. 49570)

#### Cypress Bend Subdivision Customers Only:

North Harris County Regional Water Authority (NHCRWA)....... \$5.47 per 1,000 gallons of water usage \$3.85 / (1 - 0.296) = \$5.47 (*Tariff Control No. 49346*)

#### Castlewood Subdivision Customers Only:

#### Beaumont Place Subdivision Customers Only:

#### Bell Manor Subdivision Customers Only:

Purchased Water Fees for Johnson County Special Utility District...\$2.51 per 1,000 gallons of water usage

#### Bear Creek Estates Subdivision Customers Only

Northern Trinity Groundwater Conservation District Water Production Fee... $\underline{\$0.15}$  per 1,000 gallons of water usage \$0.125 / (1 - 0.15) = \$0.15 (*Tariff Control No. 48031*)

# All former Chuck Bell Water Systems, LLC Customers only except Bear Creek Estates in Tarrant County

Prairielands Groundwater Conservation District Water Production Fee...\$0.24 per 1,000 gallons of water usage

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

Cash X, Check X, Money Order X, Credit Card X, Other (specify) Online Payment or Automatic Bank Draft

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.

UNAFFILIATED THIRD PARTIES WHO ACCEPT AND PROCESS CREDIT CARD, AND ELECTRONIC PAYMENTS FOR UTILITY BILLS MAY REQUIRE PAYMENT OF AN ADDITIONAL CONVENIENCE CHARGE FOR THIS SERVICE.

#### Section 1.02 - Miscellaneous Fees

TAP FEE (Unique costs) <u>Actual Cost</u>
FOR EXAMPLE, A ROAD BORE FOR CUSTOMERS OUTSIDE OF SUBDIVISIONS OR RESIDENTIAL AREAS.

#### METER TEST FEE

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.

#### **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	\$50.00
c) After hours reconnection	\$50.00

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

LATE CHARGE (EITHER \$5.00 OR 10% OF THE BILL)......\$5.00 or 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 \$30.00

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

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

COMMERCIAL & NON-RESIDENTIAL DEPOSIT...... 1/6TH OF ESTIMATED ANNUAL BILL

#### GOVERNMENTAL TESTING, INSPECTION AND COSTS SURCHARGE:

WHEN AUTHORIZED IN WRITING BY PUC AND AFTER NOTICE TO CUSTOMERS, THE UTILITY MAY INCREASE RATES TO RECOVER INCREASED COSTS FOR INSPECTION FEES AND WATER TESTING. [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.

#### PASS THROUGH ADJUSTMENT CLAUSE:

The utility may pass on only to those customers served by a system subject to the jurisdiction of any Regional Water Authority and/or any Groundwater Reduction Plan, any increase or decrease in its Underground Water District Pumpage Fee or Purchased Water Fee, thirty (30) days after noticing of any change to all affected customers and filing notice with the PUC as required by 16 TAC § 24.25(b)(2)(F). The charge per customer shall be calculated as follows:

 $(A \times B) / C + L [(A \times B) / C] = increase or decrease to existing gallonage rate,$ 

#### Where:

A = utility's annualized change in cost of water subjected to district's fee

B = average number of gallons

C = 1,000 gallons

L = percentage systemwide line loss for the preceding 12 months, not to exceed 15%

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

Changes in fees imposed by any non-affiliated third party water supplier or underground water district having jurisdiction over the Utility shall be passed through as an adjustment to the water gallonage charge according to the following formula:

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 purchased water/district gallonage charge (per 1,000 gallons);

L=system average line loss for preceding 12 months not to exceed 0.15

FRANCHISE FEE ASSESSMENT. Franchise fees levied by a municipality may be passed through to those customers inside the city generating the revenues upon which the franchise fee is calculated. Implementation of this pass through clause shall be subject to the notice and approval process of the city having original jurisdiction over these fees. Franchise fees may not be passed through or allocated to utility customers outside the municipality.

EASEMENTS. Pursuant to 16 TAC § 24.161(d), easements from customers may be required as a precondition of service when:

(1) Where recorded public utility easements on the service applicant's property do not exist or public road right-of-way easements are not available to access the property of a service applicant, the public utility may require the service applicant or land owner to grant a permanent recorded public easement dedicated to the public utility to construct, install, maintain, inspect and test water and/or sewer facilities necessary to serve the applicant.

As a condition of service to a new subdivision, public utilities may require developers to provide permanent recorded public utility easements to and throughout the subdivision sufficient to construct, install, maintain, inspect, and test water and/or sewer facilities necessary to serve the subdivision's anticipated service demands upon full occupancy.

#### Undine Texas, LLC

Water Tariff Page No. 15

Allendale Water System, Bayridge Water System, Hillgreen Water Company, Loch Ness Cove Water System, Lost Lake, Oaks at Houston Point, River Club Water Company, Woodhaven Estates Formerly Nerro Supply, LLC

#### SECTION 1.0 -- RATE SCHEDULE

#### Section 1.01 - Rates

Meter Size	Monthly Minimum Charge	Gallonage Charge
5/8" or 3/4"	\$40.78 (Includes $0$ gallons)	\$2.50 per 1000 gallons thereafter
1"	<u>\$101.95</u>	
$1\frac{1}{2}$	<u>\$203.90</u>	*PLUS
2"	<u>\$326.24</u>	Pass through fees below
3"	\$1,019.50	_

#### Pass Through Fee:

\*The gallonage charge will be increased for customers in the River Club/River Ridge subdivision for Pass Through fees related to the San Jacinto River Authority (SJRA) and Lone Star Groundwater Conservation District (LSGCD).

San Jacinto River Authority (SJRA).....\*\*\\$\frac{\\$3.21}{20}\$ per 1000 gallons (The pass through fees are adjusted for line loss) (Tariff Control No. 49776)

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

Cash  $\underline{X}$ , Check  $\underline{X}$ , Money Order  $\underline{X}$ , Credit Card , Other (specify) \_\_\_\_\_\_ THE UTILITY SEPTEMBER REQUIRE EXACT CHANGE FOR PAYMENTS AND SEPTEMBER REFUSE TO ACCEPT PAYMENTS MADE USING MORE THAN \$1.00 IN SMALL COINS. A WRITTEN RECEIPT WILL BE GIVEN FOR CASH PAYMENTS.

#### Section 1.02 - Miscellaneous Fees

TAP FEE (Large meter) <u>Actual Cost</u>

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

# Undine Texas, LLC

Allendale Water System, Bayridge Water System,
Hillgreen Water Company, Loch Ness Cove Water System,
Lost Lake, Oaks at Houston Point,
River Club Water Company, Woodhaven Estates
Formerly Nerro Supply, LLC

CONSTRUCTION IS NECESSARY TO PROVIDE SERVICE.

# SECTION 1.0 -- RATE SCHEDULE (Continued)

METER RELOCATION FEE
METER TEST FEE
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)
b) Customer's request that service be disconnected \$50.00  TRANSFER FEE \$50.00  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)
RETURNED CHECK CHARGE\$50.00 RETURNED CHECK CHARGES MUST BE BASED ON THE UTILITY'S DOCUMENTABLE COST.
CUSTOMER DEPOSIT RESIDENTIAL (Maximum \$50)
COMMERCIAL & NON-RESIDENTIAL DEPOSIT 1/6TH OF ESTIMATED ANNUAL BILL
GOVERNMENTAL TESTING, INSPECTION AND COSTS SURCHARGE:  WHEN AUTHORIZED IN WRITING BY PUC AND AFTER NOTICE TO CUSTOMERS, THE UTILITY MAY INCREASE RATES TO RECOVER INCREASED COSTS FOR INSPECTION FEES AND WATER TESTING. [16 TAC § 24.25(b)(2)(G)]
LINE EXTENSION AND CONSTRUCTION CHARGES:  REFER TO SECTION 3.0EXTENSION POLICY FOR TERMS, CONDITIONS, AND CHARGES WHEN NEW

Allendale Water System, Bayridge Water System Hillgreen Water Company, Loch Ness Cove Water System, Lost Lake, Oaks at Houston Point, River Club Water Company, Woodhaven Estates Formerly Nerro Supply, LLC

SECTION 1.0 -- RATE SCHEDULE (Continued)

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

Changes in fees imposed by any non-affiliated third party water supplier or underground water district having jurisdiction over the Utility shall be passed through as an adjustment to the water gallonage charge according to the following formula:

R = G/(1-L), where:

R = Utility's new proposed pass-through rate, rounded to nearest one cent

G = approved per 1,000 gallon gallonage charge

L = system average line loss for preceding 12 months, not to exceed 0.15

To implement or modify the Purchased Water District Fee, the utility must comply with all notice and other requirements of 16 TAC § 24.25(b)(2)(F).

### Undine Texas, LLC

# Wildwood Shores

Formerly Nerro Supply, LLC

### SECTION 1.0 -- RATE SCHEDULE

# Section 1.01 - Rates

Meter Size 5/8" or 3/4"	Monthly Minimum Charge \$20.00 (Includes 10,000 gallons)	<u>Gallonage Charge</u> \$3.00 per 1000 gallons, 1 <sup>st</sup> 10,000 gallons \$5.00 per 1000 gallons thereafter	
FORM OF PAYMENT: The utility will accept the following forms of payment:  Cash X, Check X, Money Order X, Credit Card , Other (specify)  THE UTILITY SEPTEMBER REQUIRE EXACT CHANGE FOR PAYMENTS AND SEPTEMBER REFUSE TO ACCEPT PAYMENTS MADE USING MORE THAN \$1.00 IN SMALL COINS. A WRITTEN RECEIPT WILL BE GIVEN FOR CASH PAYMENTS.			
PUC RULES RE	SESSMENTQUIRE THE UTILITY TO COLLECT A FE IT THE FEE TO TCEQ.	E OF ONE PERCENT OF THE RETAIL MONTHLY	
	ERS THE UTILITY'S COSTS FOR MATER 5/8" or 3/4" METER. AN ADDITIONAL FE		
TAP FEE (Unique co	osts) A ROAD BORE FOR CUSTOMERS OUTSI	DE OF SUBDIVISIONS OR RESIDENTIAL AREAS.	
		Actual Cost ALS AND LABOR FOR METER SIZE INSTALLED.	
		I Relocation Cost, Not to Exceed Tap Fee er requests that an existing meter be	
THIS FEE WHIC REQUESTS A SI	CH SHOULD REFLECT THE UTILITY'S CO		

#### Undine Texas, LLC

#### Wildwood Shores

Formerly Nerro Supply, LLC

#### SECTION 1.0 -- RATE SCHEDULE (Continued)

#### RECONNECTION FEE

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

- a) Non-payment of bill (Maximum \$25.00)......\$25.00
- b) Customer's request that service be disconnected ......\$10.00

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

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

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

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

COMMERCIAL & NON-RESIDENTIAL DEPOSIT ...... 1/6TH OF ESTIMATED ANNUAL BILL

#### GOVERNMENTAL TESTING, INSPECTION AND COSTS SURCHARGE:

WHEN AUTHORIZED IN WRITING BY PUC AND AFTER NOTICE TO CUSTOMERS, THE UTILITY MAY INCREASE RATES TO RECOVER INCREASED COSTS FOR INSPECTION FEES AND WATER TESTING. [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.

# Hazy Hollow East Estates, High Meadows Industrial Park, Shady Brook Acres, Spring Creek Valley Estates

Formerly Nerro Supply Investors, Inc.

### SECTION 1.0 -- RATE SCHEDULE

### Section 1.01 - Rates

Spring Creek Valley Meter Size 5/8" or 3/4"			Gallonage Charge 1,000 gallons over the minimum RWA Fee for ALL gallons used.
*North Harris County Regional Water Authority Water Use Fee: \$5.00 per 1,000 for all gallons used <i>Tariff Control No. 50636</i>			
•	states, High Meadows Industri	al Park, Sl	hady Brook Acres (Montgomery
County) Meter Size 5/8" or 3/4"	Monthly Minimum Charge \$36.71 (includes 1000 gallons)	*Plu	Gallonage Charge 1,000 gallons over the minimum s LSGCD & SJRA fees for ALL ons used.
*Lone Star Groundwater Conservation District Water Use Fee: \$\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\			
*San Jacinto River A  Tariff Control No. 49	uthority Fee for Hazy Hollow Ea 9775		only: 21 per 1,000 for all gallons used
FORM OF PAYMENT: The utility will accept the following forms of payment:  Cash X, Check X, Money Order X, Credit Card, Other (specify)  THE UTILITY MAY REQUIRE EXACT CHANGE FOR PAYMENTS AND MAY REFUSE TO ACCEPT PAYMENTS MADE USING MORE THAN \$1.00 IN SMALL COINS. A WRITTEN RECEIPT WILL BE GIVEN FOR CASH PAYMENTS.			
REGULATORY ASSESSMENT			
Section 1.02 - Miscellaneous Fees			
TAP FEE			
TAP FEE (Unique co	osts) DAD BORE FOR CUSTOMERS OUTSIDE	OF SUBDIV	
TAP FEE (Large meter)			

Docket No. 50017

# Hazy Hollow East Estates, High Meadows Industrial Park, Shady Brook Acres, Spring Creek Valley Estates

Formerly Nerro Supply Investors, Inc.

# SECTION 1.0 – RATE SCHEDULE (Continued)

METER RELOCATION FEE
METER TEST FEE
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)
TRANSFER FEE
LATE CHARGE (EITHER \$5.00 OR 10% OF THE BILL)
RETURNED CHECK CHARGE
CUSTOMER DEPOSIT RESIDENTIAL (Maximum \$50)
COMMERCIAL & NON-RESIDENTIAL DEPOSIT <u>1/6TH OF ESTIMATED ANNUAL BILL</u>
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 3.0EXTENSION POLICY FOR TERMS, CONDITIONS, AND CHARGES WHEN NEW CONSTRUCTION IS NECESSARY TO PROVIDE SERVICE.

# Hazy Hollow East Estates, High Meadows Industrial Park, Shady Brook Acres, Spring Creek Valley Estates

Formerly Nerro Supply Investors, Inc.

#### SECTION 1.0 – RATE SCHEDULE (Continued)

### Pass Through Provision:

For Utilities subject to changes in costs imposed by any non-affiliated provider of purchased water or sewer or a groundwater conservation district having jurisdiction over the Utility, these increases (decreases) shall be passed through as an adjustment to the gallonage charge according to the formula:

$$R = G / (1 - L)$$

Where:

R = the proposed pass-through rate;

G = the new gallonage charge (per 1,000 gallons) by source supplier;

L = the actual line loss for the preceding 12 months, not to exceed 0.15

Apache Hills, Benchly Oaks, Lakeview North, Lakeway Manor, Lakewood Estates, Little Oak Forest, Marshal Oaks, Oak Forest, Smetana Forest, Somerville Place, Whispering Woods

Formerly Brazos Valley Septic & Water, Inc.

#### SECTION 1.0 -- RATE SCHEDULE

Section 1.01 - Rates

Meter Size	Monthly Minimum Charge	Gallonage Charge
5/8" or 3/4"	\$32.58 (Includes 0 gallons) \$2	.00 per 1000 gallons up to 12, 000 gallons
1"	<u>\$81.45</u>	<u>00</u> per 1000 gallons, 12,001 gallons and up
11/2	<u>\$162.90</u>	
2"	<u>\$260.64</u>	
3"	\$488.70	
4"	<u>\$814.50</u>	

#### Pass Through Fee:

An additional charge per 1,000 gallons of water usage for Brazos Valley Groundwater Conservation District (BVGCD) production fees applies to the following subdivisions: Benchley Oaks, Lakewood Estates, Smetana Forest, Lakeway Manor, and Oak Forest

*BVGCD Production Fee	<u>\$0.05</u>
(Tariff Control No. 49535)	per 1,000 gallons of water usage

\*Undine receives a 1.0% credit for the amount pumped annually from BVGCD that is less than 100,000,000 gallons. The resulting approved pass-through fee is: \$0.0325 divided by (1- 0.15) equals \$0.04 per thousand gallons up to 100,000,000 gallons pumped per year; and \$0.05 per thousand gallons, thereafter.

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

Cash X, Check X, Money Order X, Credit Card , Other (specify) THE UTILITY MAY REQUIRE EXACT CHANGE FOR PAYMENTS AND MAY REFUSE TO ACCEPT PAYMENTS MADE USING MORE THAN \$1.00 IN SMALL COINS. A WRITTEN RECEIPT WILL BE GIVEN FOR CASH PAYMENTS.

#### Section 1.02 - Miscellaneous Fees

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.

#### Undine Texas, LLC

Water Utility Tariff Page No. 24

Apache Hills, Benchly Oaks, Lakeview North, Lakeway Manor, Lakewood Estates, Little Oak Forest, Marshal Oaks, Oak Forest, Smetana Forest, Somerville Place, Whispering Woods

Formerly Brazos Valley Septic & Water, Inc.

#### SECTION 1.0 -- RATE SCHEDULE (Continued)

#### RECONNECTION FEE

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

- a) Non-payment of bill (Maximum \$25.00) ......<u>\$25.00</u>
- b) Customer's request that service be disconnected......<u>\$45.00</u>

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

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

COMMERCIAL & NON-RESIDENTIAL DEPOSIT ...... 1/6TH OF ESTIMATED ANNUAL BILL

#### GOVERNMENTAL TESTING, INSPECTION AND COSTS SURCHARGE

WHEN AUTHORIZED IN WRITING BY PUC AND AFTER NOTICE TO CUSTOMERS, THE UTILITY MAY INCREASE RATES TO RECOVER INCREASED COSTS FOR INSPECTION FEES AND WATER TESTING [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.

#### Undine Texas, LLC

Apache Hills, Benchly Oaks, Lakeview North, Lakeway Manor, Lakewood Estates, Little Oak Forest, Marshal Oaks, Oak Forest, Smetana Forest, Somerville Place, Whispering Woods

Formerly Brazos Valley Septic & Water, Inc.

#### SECTION 1.0 -- RATE SCHEDULE (Continued)

#### PURCHASED WATER DISTRICT FEE PASS THROUGH CLAUSE:

Changes in fees imposed by any wholesale water supplier and/or any ground water district having jurisdiction over the Utility shall be passed through as an adjustment to the water gallonage charge according to the formula:

R = G/(1-L), where:

R = Utility's new proposed pass-through rate, rounded to nearest one cent

G = approved per 1,000 gallon gallonage charge

L = system average line loss for preceding 12 months, not to exceed 0.15

To implement or modify the Purchased Water District Fee, the utility must comply with all notice and other requirements of 16 TAC § 24.25(b)(2)(F).

#### TEMPORARY WATER RATE:

Unless otherwise superseded by PUC order or rule, if the Utility is ordered by a court or governmental body of competent jurisdiction to reduce its pumpage, production or water sales, the Utility shall be authorized to increase its gallonage charge according to the formula:

$$TGC = cgc + (\underline{prr})(\underline{cgc})(\underline{r})$$

$$(1.0 - \underline{r})$$

Where:

TGC = temporary gallonage charge cgc = current gallonage charge

r = water use reduction expressed as a decimal fraction (the pumping restrictions)
prr = percentage of revenues to be recovered expressed as a decimal fraction (i.e.
100% =1.0), for this tariff, prr shall equal 0.5.

To implement the Temporary Water Rate, the Utility must comply with all notice and other requirements of 16 TAC § 24.25(b)(2)(F).

# Undine Texas, LLC Pure Utilities

# SECTION 1.0 -- RATE SCHEDULE

Meter Size	Monthly Minimum Charge	Gallonage Charge
5/8" or 3/4"	\$35.19 (Includes 2,000 gallons)	\$3.54 per 1000 gallons
1"	\$ <u>77.34</u>	
1½"	\$ <u>147.60</u>	
2"	\$ <u>231.91</u>	
3"	\$ <u>428.63</u>	
Cash X, Ch	YMENT: The utility will accept the following neck $\underline{X}$ , Money Order $\underline{X}$ , Credit Card LITY MAY REQUIRE EXACT CHANGE FOR PAYMED TO MADE USING MORE THAN \$1.00 IN SMALL COINS. YMENTS.	, Other (specify) MENTS AND MAY REFUSE TO ACCEPT
REGULATORY TCEQ RUI BILL.	Y ASSESSMENT LES REQUIRE THE UTILITY TO COLLECT A FEE OF C	
<u>Section 1.02 - N</u>	Miscellaneous Fees	
TAP FEE		\$350.00
TAP FEE RESIDENT	COVERS THE UTILITY'S COSTS FOR MATERIALS AT A STATE OF ST	AND LABOR TO INSTALL A STANDARD
TAP FEE (Unic	que costs) MPLE, A ROAD BORE FOR CUSTOMERS OUTSIDE OF S	Actual Cost SUBDIVISIONS OR RESIDENTIAL AREAS.
	ge meter) IS THE UTILITY'S ACTUAL COST FOR MATERIALS AN	
METER RELO	CATION FEE	cation Cost, Not to Exceed Tap Fee T AN EXISTING METER BE RELOCATED.
THIS FEE A SECONI	FEE	BE CHARGED IF A CUSTOMER REQUESTS
RECONNECTI	ON FEE	
THE RECO BEEN DIS 2.0 OF THI	ONNECT FEE MUST BE PAID BEFORE SERVICE CAN B CONNECTED FOR THE FOLLOWING REASONS (OR O' IS TARIFF):	THER REASONS LISTED UNDER SECTION
a) Non-	-payment of bill (Maximum \$25.00)	<u>\$25.00</u>
b) Cust	omer's request that service be disconnected	<u>\$25.00</u>

TRANS	FER FEE
T	THE TRANSFER FEE WILL BE CHARGED FOR CHANGING AN ACCOUNT NAME AT THE SAME SERVICE OCATION WHEN THE SERVICE IS NOT DISCONNECTED.
T M	CHARGE (EITHER \$5.00 OR 10% OF THE BILL)
	NED CHECK CHARGE\$25.00 RETURNED CHECK CHARGES MUST BE BASED ON THE UTILITYES DOCUMENTABLE COST.
CUSTO	MER DEPOSIT RESIDENTIAL (Maximum \$50)
COMMI	ERCIAL & NON-RESIDENTIAL DEPOSIT1/6TH OF ESTIMATED ANNUAL BILL
W 11	NMENTAL TESTING, INSPECTION AND COSTS SURCHARGE: WHEN AUTHORIZED IN WRITING BY TCEQ AND AFTER NOTICE TO CUSTOMERS, THE UTILITY MAY NCREASE RATES TO RECOVER INCREASED COSTS FOR INSPECTION FEES AND WATER TESTING. [30 'AC 291.21(K)(2)]
	XTENSION AND CONSTRUCTION CHARGES: LEFER TO SECTION 3.0EXTENSION POLICY FOR TERMS, CONDITIONS, AND CHARGES WHEN NEW

CONSTRUCTION IS NECESSARY TO PROVIDE SERVICE.

#### SECTION 2.0 – SERVICE RULES AND POLICIES

The utility will have the most current Public Utility Commission of Texas (PUC) Rules, Chapter 24, available at its office for reference purposes. The Rules and this tariff shall be available for public inspection and reproduction at a reasonable cost. The latest Rules or Commission approved changes to the Rules supersede any rules or requirements in this tariff.

#### Section 2.01 - Application for Water Service

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

#### Section 2.02 - Refusal of Service

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

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

### (A) Customer Deposits

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

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

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

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

#### (B) Tap or Reconnect Fees

A new customer requesting service at a location where service has not previously been provided must pay a tap fee as provided in Section 1. A customer requesting service where service has previously been provided must pay a reconnect fee as provided in Section 1.

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

Fees in addition to the regular tap fee may be charged if listed specifically in Section 1 to cover unique costs not normally incurred as permitted by 16 TAC § 24.163(a)(1)(C). For example, a road bore for customers outside a subdivision or residential area could be considered a unique cost.

#### (C) Easement Requirement

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

#### Section 2.04 - Utility Response to Applications for Service

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

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

#### Section 2.05 - Customer Responsibility

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

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

#### Section 2.06 - Customer Service Inspections

Applicants for new service connections or facilities which have undergone extensive plumbing modifications are required to furnish the utility a completed customer service inspection certificate. The inspection certificate shall certify that the establishment is in compliance with the Texas Commission on Environmental Quality (TCEQ) Rules and Regulations for Public Water Systems, 30 TAC § 290.46(j). The Utility is not required to perform these inspections for the applicant/customer, but will assist the applicant/customer in locating and obtaining the services of a certified inspector.

#### Section 2.07 - Back Flow Prevention Devices

All non-residential customers requiring a greater than 1" meter or any customer with irrigation or firefighting systems, must install back flow prevention devices which have been approved by the utility or its consulting engineers on each of their customer service lines.

The back flow assembly shall be tested upon installation by a recognized prevention assembly tester and certified to be operation within specifications. Back flow prevention assemblies which are installed to provide protection against high health hazards must be tested and certified to be operating within specifications at least annually by a recognized back flow prevention device tester. The maintenance and testing of the back flow assembly shall occur at the customer's expense.

No water connection shall be made to any establishment where an actual or potential contamination or system hazard exists without an approved air gap or mechanical backflow prevention assembly. The air gap or back flow assembly shall be installed in accordance with the American Water works Association (AWWA) standards C510, C511 and AWWA Manual M14 or the University of Southern California Manual of Cross-Connection Control, current edition. The back flow assembly installation by a licensed plumber shall occur at the customer's expense.

#### Section 2.08 - Access to Customer's Premises

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

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

#### Section 2.09 - Meter Requirements, Readings, and Testing

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

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

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

#### Section 2.10 - Billing

#### (A) Regular Billing

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

#### (B) Late Fees

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

#### (C) Information on Bill

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

#### (D) Prorated Bills

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

#### Section 2.11- Payments

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

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

#### Section 2.12 - Service Disconnection

#### (A) With Notice

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

The utility is encouraged to offer a deferred payment plan to a customer who cannot pay an outstanding bill in full and is willing to pay the balance in reasonable installments. However, a customer's utility service may be disconnected if a bill has not been paid or a deferred payment agreement entered into within 26 days from the date of issuance of a bill and if proper notice of termination has been given.

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

#### B) Without Notice

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

#### Section 2.13 - Reconnection of Service

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

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

#### Section 2.14 - Service Interruptions

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

#### Section 2.15 - Quality of Service

The utility will plan, furnish, and maintain production, treatment, storage, transmission, and distribution facilities of sufficient size and capacity to provide a continuous and adequate supply of water for all reasonable consumer uses. Unless otherwise authorized by the Commission, the utility will maintain facilities as described in the TCEQ Rules and Regulations for Public Water Systems.

### Section 2.16 - Customer Complaints and Disputes

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

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

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

#### Section 2.17 - Customer Liability

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

#### SECTION 3.0 – EXTENSION POLICY

#### Section 3.01 - Standard Extension Requirements

Line Extension and Construction Charges: No Contribution in Aid of Construction may be required of any customer except as provided for in this approved extension policy.

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

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

Exceptions may be granted by the PUC if:

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

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

The utility shall bear the cost of any over-sizing of water distribution lines or waste water collection lines necessary to serve other potential service applicants in the immediate area.

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

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

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

#### SECTION 3.0 – EXTENSION POLICY (Continued)

#### Section 3.02 - Costs Utilities Shall Bear

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

Within its certified area, the utility will pay the cost of the first 200 feet of any water main or distribution line necessary to extend service to an individual residential customer within a platted subdivision. However, if the residential customer requesting service purchased the property after the developer was notified in writing of the need to provide facilities to the utility, the utility may charge for the first 200 feet. The utility must also be able to document that the developer of the subdivision refused to provide facilities compatible with the utility's facilities in accordance with the utility's approved extension policy after receiving a written request from the utility.

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

#### Section 3.03 - Contributions in Aid of Construction

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

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

Any service extension to a subdivision (recorded or unrecorded) may be subject to the provisions and restrictions of 16 TAC § 24.163(d). When a developer wishes to extend the system to prepare to service multiple new connections, the charge shall be the cost of such extension, plus a pro-rata charge for facilities which must be committed to such extension compliant with the TCEQ minimum design criteria. As provided by 16 TAC § 24.163(d)(3), for purposes of this section, commercial, industrial, and wholesale customers shall be treated as developers.

#### SECTION 3.0 – EXTENSION POLICY (Continued)

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

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

### Section 3.04 - Appealing Connection Costs

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

#### Section 3.05 - Applying for Service

The Utility will provide a written service application form to the applicant for each request for service received by the Utility's business offices. A separate application shall be required for each potential service location if more than one service connection is desired by any individual applicant.

Service application forms will be available at the Utility's business office during normal weekday business hours. Service applications will be sent by prepaid first class United States mail to the address provided by the applicant upon request. Completed applications should be returned by hand delivery in case there are questions which might delay fulfilling the service request. Completed service applications may be submitted by mail if hand delivery is not possible.

Where a new tap or service connection is required, the service applicant shall be required to submit a written service application and request that a tap be made. A diagram, map, plat, or written metes and bounds description of precisely where the applicant desires each tap or service connection is to be made and, if necessary, where the meter is to be installed, along the applicant's property line may also be required with the tap request. The actual point of connection and meter installation must be readily accessible to Utility personnel for inspection, servicing, and meter reading while being reasonably secure from damage by vehicles and mowers.

#### SECTION 3.0 – EXTENSION POLICY (Continued)

If the Utility has more than one main adjacent to the service applicant's property, the tap or service connection will be made to the Utility's nearest service main with adequate capacity to service the applicant's full potential service demand. Beyond the initial 200 feet, the customer shall bear only the equivalent cost of extending from the nearest main. If the tap or service connection cannot be made at the applicant's desired location, it will be made at another location mutually acceptable to the applicant and the Utility. If no agreement on location can be made, the applicant may refer the matter to the PUC for resolution.

#### Section 3.06 - Qualified Service Applicant

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

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

### Section 3.07 - Developer Requirements

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

# Undine Texas, LLC

# APPENDIX A – DROUGHT CONTINGENCY PLAN (Utility must attach a copy of TCEQ approved Drought Contingency Plan)

## DROUGHT CONTINGENCY PLAN FOR UNDINE TEXAS, LLC

#### SECTION I: DECLARATION OF POLICY, PURPOSE, AND INTENT

In order to conserve the available water supply and protect the integrity of water supply facilities, with particular regard for domestic water use and sanitation, and to protect and preserve public health, welfare, and safety and minimize the adverse impacts of water supply shortage or other water supply emergency conditions, the Texas Commission on Environmental Quality ("TCEQ") requires that water utilities develop drought contingency plans (see TCEQ rules at Title 30, Part 1, Chapter 288, Subchapter B, Rule 288.20, attached as Appendix A). Undine Texas, LLC ("Undine") hereby adopts the following Drought Contingency Plan ("Plan") setting out the regulations and restrictions on the delivery and consumption of water provided to its customers.

#### SECTION II: APPLICATION

The provisions of this Plan apply to all persons, customers, and property utilizing water provided by Undine in accordance with Undine's Tariff. The terms "person" and "customer" as used in the Plan include individuals, corporations, partnerships, associations, and all other legal entities.

#### SECTION III: PUBLIC INVOLVEMENT

Undine afforded the public an opportunity to provide input into the Plan by notifying its customers, via customers' bills, of the opportunity to review and comment on the Plan. Undine took those comments into account in developing the final Plan.

#### SECTION IV: PUBLIC EDUCATION

Undine will periodically provide its customers with information about the Plan, including information about the conditions under which each stage of the Plan is to be initiated or terminated and the drought response measures to be implemented in each stage. Undine will provide this information through customer billing inserts, direct mail notices, subdivision sign postings, and/or posting on Undine's website.

#### SECTION V: COORDINATION WITH REGIONAL WATER PLANNING GROUP

Pursuant to TCEQ's rules, Undine has provided a copy of the Plan to each of the applicable regional water planning groups for Undine's service areas. Undine will provide a copy of the Plan to any new regional water planning groups for any new system(s) added to Undine's tariff.

#### **SECTION VI: DEFINITIONS**

The following definitions apply to this Plan:

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

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

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

Customer: any person, company, or organization using water supplied by Undine.

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

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

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

<u>Landscape irrigation use:</u> water used for the irrigation and maintenance of landscaped areas, whether publicly or privately owned, including residential and commercial lawns, gardens, golf courses, parks, and rights-of-way and medians.

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

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

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

#### SECTION VII: INITIATION AND TERMINATION OF DROUGHT RESPONSE STAGES

Undine's Sr. Vice President of Operations or his/her designee (the "Operator") will monitor water supply and demand conditions on a daily basis and determine when conditions warrant initiation of each stage of the Plan. The Operator will also determine when conditions warrant removal of a stage of a Plan, which will generally be the third day following the day when conditions fall below those "triggers."

Undine will take the following actions when it initiates or terminates a drought stage:

- Notify customers through subdivision sign postings and/or providing information on its website.
- Notify the TCEQ Executive Director within 5 business days (upon activation of any mandatory provisions of the Plan).

The Operator may decide not to order the termination of a drought response stage or water emergency even though the conditions for termination of the stage are met. Factors that could influence such a decision include, but are not limited to, the time of the year, weather conditions, or the anticipation of potential changed conditions that warrant the continuation of the drought stage.

#### Stage 1 - MILD Water Shortage Conditions

#### **Triggers for Initiation**

The Operator will implement the response target and response actions for Stage 1 annually from May 1 through September 30.

#### Response Target

Achieve a voluntary 10% percent reduction in total water use.

#### **Customer Response Actions**

(a) Voluntarily limit the irrigation of landscaped areas with hose-end sprinklers or automatic irrigation systems pursuant to the following schedule:

STAGE 1 WATERING SCHEDULE			
DAYS OF THE WEEK	STREET NUMBERS		
Sundays and Thursdays	Even Numbers*		
Saturdays and Wednesdays	Odd Numbers*		
*Only between the hours of midnight and watering days.	10:00 a.m. and 8:00 p.m. to midnight on designated		

(b) Voluntarily practice water conservation and minimize or discontinue Non-Essential Water Use.

#### **Utility Measures:**

On or about May 1 of each year, Undine will provide its customers with water conservation educational materials designed to inform its customers on the importance of water conservation and provide strategies to achieve individual water conservation. In addition, Undine will provide a copy of the Plan to its employees and staff and educate them on the Plan. It will work closely with applicable groundwater conservation districts, including providing timely information to them on water levels, water quality, and pumping demands. It will conduct leak surveys as necessary and repair any identified leaks on a timely basis.

#### Stage 2 - MODERATE Water Shortage Conditions

#### Triggers for Initiation

The Operator will implement the response target and response actions for Stage 2 when one or more of the following conditions is met:

- Total well run time for a well equals or exceeds 15 hours for 3 consecutive days; or
- The percent of water treatment and/or production capacity reaches 60% for 3 or more days in a 7-day period.

#### Response Target

Achieve a 20% percent reduction in total water use.

#### Customer Response Actions

The following water use restrictions shall apply to all customers (subject to the enforcement provisions in Section IX):

(a) Irrigation of landscaped areas with hose-end sprinklers or automatic irrigation systems, will be limited to the following schedule:

STAGE 2 WATERING SCHEDULE		
DAYS OF THE WEEK	STREET NUMBERS	
Sundays and Thursdays	Even Numbers*	
Saturdays and Wednesdays	Odd Numbers*	
*Midnight until 10:00 am and 8:00 pm to midnight		

- (b) Use of water to wash any motor vehicle, motorbike, boat, trailer, airplane or other vehicle is prohibited except on designated watering days between the hours of midnight and 10:00 am and between 8:00 pm and midnight. Such washing, when allowed, shall be done with a hand-held bucket or a hand-held hose equipped with a positive shutoff nozzle for quick rises. Vehicle washing may be done at any time on the immediate premises of a commercial car wash or commercial service station. Further, such washing may be exempted from these regulations if the health, safety, and welfare of the public is contingent upon frequent vehicle cleansing, such as garbage trucks and vehicles used to transport food and perishables.
- (c) Use of water to fill, refill, or add to any indoor or outdoor swimming pools, wading pools, or Jacuzzi-type pools is prohibited except on designated watering days between the hours of midnight and 10:00 am and between 8 pm and midnight.
- (d) Operation of any ornamental fountain or pond for aesthetic or scenic purposes is prohibited except where necessary to support aquatic life or where such fountains or ponds are equipped with a recirculation system.
- (e) Use of water from hydrants shall be limited to firefighting, related activities, or other activities necessary to maintain public health, safety, and welfare, except that use of water from designated fire hydrants for construction purposes may be allowed under special permit from Undine.

- (f) Use of water for the irrigation of golf course greens, tees, and fairways is prohibited except on designated watering days between the hours of midnight and 10:00 am and between 8 pm and midnight. However, if the golf course utilizes a water source other than that provided by Undine, the facility shall not be subject to these regulations.
- (g) All restaurants are prohibited from serving water to patrons except upon request of the patron.
- (h) Non-Essential water use is prohibited.

#### **Utility Measures:**

In addition to the measures taken under the previous stage(s), Undine will minimize water main flushing and public landscape irrigation.

#### Stage 3 - SEVERE Water Shortage Condition

#### Triggers for Initiation

The Operator will implement the response target and response actions for Stage 3 when one or more of the following conditions is met:

- o Total well run time for a well equals or exceeds 18 hours for 3 consecutive days; or
- The percent of water treatment and/or production capacity reaches 75% for 3 or more days in a 7-day period.

#### Response Target

Achieve a 30% reduction in total water use.

#### Response Actions

The following water use restrictions shall apply to all customers (subject to the enforcement provisions in Section IX):

- (a) All requirements of Stage 2 shall be in effect during Stage 3.
- (b) Irrigation of landscaped areas will be limited to the following schedule and restrictions:

STAGE 3 WATERING SCHEDULE		
DAYS OF THE WEEK	STREET NUMBERS	
Sundays and Thursdays	Even Numbers*	
Saturdays and Wednesdays Odd Numbers*		
*Midnight until 10:00 am and 8:00 pm to midnight		

Irrigation shall be by means of hand-held hoses, hand-held hose-end, hand-held buckets, drip irrigation, or permanently installed automatic sprinkler systems only. The use of hose-end sprinklers is prohibited at all times.

- (c) The watering of golf course tees is prohibited unless the golf course utilizes a water source other than that provided by Undine.
- (d) The use of water for construction purposes from designated fire hydrants under special permit is to be discontinued.

#### **Utility Measures:**

Undine provides a copy of the Plan to its employees and staff and educates them on the Plan. It will work closely with applicable groundwater conservation districts, including providing timely information to them on water levels, water quality, and pumping demands. It will conduct leak surveys as necessary and repair any identified leaks on a timely basis.

#### Stage 4 - CRITICAL Water Shortage Conditions

#### Triggers for Initiation

The Operator will implement the response target and response actions for Stage 4 when one or more of the following conditions is met:

- Total well run time for a well equals or exceeds 22 hours for 3 consecutive days; or
- The percent of water treatment and/or production capacity reaches 90% for 3 or more days in a 7-day period.

#### Response Target

Achieve a 40 percent reduction in total water use.

#### Response Actions

The following water use restrictions shall apply to all customers (subject to the enforcement provisions in Section IX):

- (a) All requirements of Stage 3 shall be in effect during Stage 4.
- (b) Irrigation of landscaped areas will be limited to the following schedule and restrictions:

STAGE 4 WATERING SCHEDULE			
DAYS OF THE WEEK	STREET NUMBERS		
Sundays and Thursdays	Even Numbers*		
Saturdays and Wednesdays	Odd Numbers*		
*Between 6:00 am and 10:00 am and 8:00 pm to midnight			

Irrigation shall be by means of hand-held hoses, hand-held buckets, or drip irrigation only. The use of a hose-end sprinkler or permanently installed automatic sprinkler system are prohibited at all times.

- (c) Use of water to wash any motor vehicle, motorbike, boat, trailer, airplane or other vehicle not occurring on the premises of a commercial car wash and commercial service stations and not in the immediate interest of public health, safety, and welfare is prohibited. Further, such vehicle washing at commercial car washes and commercial service stations shall occur only between the hours of 6:00 am and 10:00 am and between 6:00 pm and 10:00 pm
- (d) The filling, refilling, or adding of water to swimming pools, wading pools, and Jacuzzitype pools is prohibited.
- (e) Operation of any ornamental fountain or pond for aesthetic or scenic purposes is prohibited except where necessary to support aquatic life or where such fountains or ponds are equipped with a recirculation system.
- (f) No application, expanded, or increased-in-size water service connections, meters, service lines, pipeline extensions, mains, or water service facilities of any kind shall be approved, and time limits for approval of such applications are hereby suspended for such time as this drought response state or a higher-numbered state shall be in effect.
- (g) In addition, due to the extreme nature of Stage 4, Undine reserves the right to prescribe a monthly consumption limit for customers to ensure it is able to meet the required reduction for the system.

#### **Utility Measures:**

Undine will continue to implement the measures identified in the previous stage(s).

#### Stage 5 - EMERGENCY Water Shortage Conditions

#### Triggers for Initiation

The Operator will implement the response target and response actions for Stage 5 when one or more of the following conditions is met:

- 1. Upon notification by the managing groundwater conservation district or regional surface water authority that the district or authority has declared an exceptional drought;
- 2. Major water line break, pump or other equipment failure, or other failure to the system which causes unprecedented loss of capability to provide water service; or
- 3. Natural or man-made contamination of the water supply source(s).

#### Response Target

Achieve a 50 percent reduction in total water use.

#### Response Actions

The following water use restrictions shall apply to all customers (subject to the enforcement provisions in Section IX):

- (a) All requirements of Stages 2 4 shall be in effect during Stage 5.
- (b) Irrigation of landscaped areas is prohibited.
- (c) Use of water to wash any vehicle, motorbike, boat, trailer, airplane or other vehicle is prohibited.
- (d) In addition, due to the extreme nature of Stage 5, Undine reserves the right to prescribe a monthly consumption limit for customers to ensure it is able to meet the required reduction for the system.

#### **Utility Measures:**

Undine will continue to implement the measures identified in the previous stage(s).

#### SECTION VIII: ENFORCEMENT OF MANDATORY RESTRICTIONS

No person shall knowingly or intentionally allow the use of water from Undine for residential, commercial, industrial, agricultural, governmental, or any other purpose in a manner contrary to any provision of this Plan, or in an amount in excess of that permitted by the drought response stage in effect at the time pursuant to action taken by the Sr. Vice President of Operations or his/her designee, in accordance with provisions of this Plan. Undine will enforce the mandatory water use restrictions set out in the Plan.

- Customers violating a mandatory water use restriction for the first time will be given a written warning of the violation.
- Customers violating a mandatory water use restriction for a second and subsequent times may be issued a fine of not less than \$100 and not more than \$2,000 per incident, with the level of fine determined by the Vice President of Operations or his/her designee based on the repetitive nature of the violation and the severity of the violation.
- Undine may install a flow restrictor in the line of a customer to limit the amount of water allowed to pass through the meter in a 24-hour period consistent with the management water use restriction in response to a customer violating a mandatory water use restriction for a second time. Undine may charge the customer for the cost of installing and removing the flow restrictor, at an amount not to exceed \$50.00 for each installation or removal.
- Undine may cut off water service to a customer for the duration of the water use restriction in response to a customer violating a mandatory water use restriction for a third time. Undine may assess its normal reconnect fee for restoration of service.

#### **SECTION IX: VARIANCES**

The Operator, may, in writing, grant a temporary variance for existing water uses otherwise prohibited under this Plan if the Vice President of Operations determines that failure to grant such variance would cause an emergency condition adversely affecting the health, sanitation, or fire protection for the public or the person requesting such variance and if one or more of the following conditions are met:

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

Customers requesting an exemption from the provisions of this Plan shall file a petition for variance with Undine's Sr. Vice President of Operations or his/her designee will monitor water within five (5) days after the Plan or a particular drought response stage has been invoked. Petitions shall be submitted to the Sr. Vice President of Operations or his/her designee, at 17861 Telge Rd., Cypress, Texas 77429. All petitions for variances shall be reviewed by Undine's Sr. Vice President of Operations or his/her designee, and shall include the following:

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

[END]

### APPENDIX B – SAMPLE SERVICE AGREEMENT From 30 TAC § 290.47(b), Appendix B SERVICE AGREEMENT

- I. PURPOSE. The NAME OF WATER SYSTEM is responsible for protecting the drinking water supply from contamination or pollution which could result from improper private water distribution system construction or configuration. The purpose of this service agreement is to notify each customer of the restrictions which are in place to provide this protection. The utility enforces these restrictions to ensure the public health and welfare. Each customer must sign this agreement before the NAME OF WATER SYSTEM will begin service. In addition, when service to an existing connection has been suspended or terminated, the water system will not re-establish service unless it has a signed copy of this agreement.
- II. RESTRICTIONS. The following unacceptable practices are prohibited by State regulations.
  - A. No direct connection between the public drinking water supply and a potential source of contamination is permitted. Potential sources of contamination shall be isolated from the public water system by an air-gap or an appropriate backflow prevention device.
  - B. No cross-connection between the public drinking water supply and a private water system is permitted. These potential threats to the public drinking water supply shall be eliminated at the service connection by the installation of an air-gap or a reduced pressure-zone backflow prevention device.
  - C. No connection which allows water to be returned to the public drinking water supply is permitted.
  - D. No pipe or pipe fitting which contains more than 8.0% lead may be used for the installation or repair of plumbing at any connection which provides water for human use.
  - E. No solder or flux which contains more than 0.2% lead can be used for the installation or repair of plumbing at any connection which provides water for human use.
- III. SERVICE AGREEMENT. The following are the terms of the service agreement between the NAME OF WATER SYSTEM (the Water System) and NAME OF CUSTOMER (the Customer).
  - A. The Water System will maintain a copy of this agreement as long as the Customer and/or the premises is connected to the Water System.
  - B. The Customer shall allow his property to be inspected for possible cross-connections and other potential contamination hazards. These inspections shall be conducted by the Water System or its designated agent prior to initiating new water service; when there is reason to believe that cross-connections or other potential contamination hazards exist; or after any major changes to the private water distribution facilities. The inspections shall be conducted during the Water System's normal business hours.
  - C. The Water System shall notify the Customer in writing of any cross-connection or other potential contamination hazard which has been identified during the initial inspection or the periodic reinspection.
  - D. The Customer shall immediately remove or adequately isolate any potential cross-connections or other potential contamination hazards on his premises.
  - E. The Customer shall, at his expense, properly install, test, and maintain any backflow prevention device required by the Water System. Copies of all testing and maintenance records shall be provided to the Water System.
- IV. ENFORCEMENT. If the Customer fails to comply with the terms of the Service Agreement, the Water System shall, at its option, either terminate service or properly install, test, and maintain an appropriate backflow prevention device at the service connection. Any expenses associated with the enforcement of this agreement shall be billed to the Customer.

DATE:

# Undine Texas, LLC

# APPENDIX C – APPLICATION FOR SERVICE (Utility Must Attach Blank Copy)



# CONTRACT/APPLICATION FOR WATER SERVICE

Undine Texas, LL P.O. Box 691288 Houston, TX 7726 Email – <u>customer</u> Toll Free - 888-20	9 service@undinellc.com	Lot No.:	
Subdivision:		Date service reques	ted to begin:
Applicant:Service Address:			
Billing Address:			
			:
Гуре of Service:	() Residential (	) Commercial	() Water Service Only
(PUCT) and other applicable responsible for utility bills for request in writing.  By executing this application	( ) Standard ( ( ) Site Built ( r water service, I agree to comply with the Regulatory agencies. I guarantee proor this service address from the date of the I grant Undine Texas, LLC and/or its	empt payment of all utility bills for f service is started until the date of representatives an easement to i	ed regulations of the Public Utility Commission of Texasthe service address printed above. I agree to remains service is terminated voluntarily after I submit such a sinstall, maintain and inspect Utility equipment on (and hall have the right to enter my property for the purpose
of inspecting, maintaining, re Utility's operations or the put to the customer. The applicant may request fi and abide by the requiremer	pairing and replacing utility equipment oblic's safety. Normal cost of maintenance or Undine Texas LLC a copy of the Po	and inspection of any customer plue will be borne by the Utility, while ublic Utility Commission of Texas alls to comply with the terms of this	umbing of water related facilities which may impact the abnormal costs and replacement parts will be charged approved tariff, and agrees to pay the rate in the tariff contract, the utility shall, at its option, terminate
Applicant's Sign	ature:		
() Tan Fee	2 Collected	\$	
( ) Tap Fee Collected ( ) Deposit Collected		\$	
( ) Reconnect/Transfer Fee		\$	
() Total Amount Collected		\$	
() Method of Payment		\$	-
application is accepted		about, but in no case late	r than 14 days from the date this
LIBRATE REDIESEN	IAUVES DIGNATURE		