



Control Number: 50388



Item Number: 11

Addendum StartPage: 0



DOCKET NO. 50388

**APPLICATION OF SJWTX, INC. DBA
CANYON LAKE WATER SERVICE
COMPANY, AQUA TEXAS, INC. AND
AQUA DEVELOPMENT, INC. FOR
APPROVAL OF A SERVICE AREA
CONTRACT UNDER TEXAS WATER
CODE § 13.248 AND TO AMEND
CERTIFICATES OF CONVENIENCE AND
NECESSITY IN COMAL COUNTY**

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**PUBLIC UTILITY COMMISSION
OF TEXAS**



COMMISSION STAFF'S FINAL RECOMMENDATION

COMES NOW the Staff (Staff) of the Public Utility Commission of Texas (Commission), representing the public interest, and files this Commission Staff's Final Recommendation. In support, Staff would show the following:

I. BACKGROUND

On December 20, 2019, SJWTX, Inc. dba Canyon Lake Water Service Company (CLWSC), Aqua Texas, Inc. (Aqua), and Aqua Development, Inc. (Aqua Development) (collectively, Applicants) filed an application for approval of a service area contract under Texas Water Code (TWC) § 13.248 and to amend water and sewer Certificates of Convenience and Necessity (CCNs) in Comal County, Texas. On May 28, 2020, Aqua and CLWSC filed supplemental information. On June 4, 2020, each of the Applicants filed consent its form.

Order No. 3, issued May 1, 2020, established June 11, 2020 as the deadline for Staff to file a final recommendation on the application. Therefore, this pleading is timely filed.

II. FINAL RECOMMENDATION

As detailed in the attached memorandum of Nabaraj Pokharel of the Commission's Infrastructure Division (Attachment A), Staff has reviewed the application and recommends that it be approved. Staff's review indicated that the application meets the applicable requirements of TWC Chapter 13 and 16 TAC Chapter 24. Applicants will not transfer assets or facilities under the terms of the agreement, and there are no existing customers in the areas to be transferred. The total water and sewer service area to be transferred from Aqua to CLWSC consists of approximately 154 acres and the total water and sewer service area to be transferred to Aqua Texas,

Inc. from CLWSC is approximately 91 acres. The maps, certificates, and tariffs that would result from the approved transaction are included as Attachments B, C, and D.

Staff further recommends that the Applicants file a certified copy of each CCN map, along with a written description of the CCN service areas, in the county clerk's office of Comal County pursuant to TWC § 13.257(r)-(s).

III. CONCLUSION

For the reasons discussed above, Staff respectfully recommends approval of the application.

Dated: June 11, 2020

Respectfully submitted,

PUBLIC UTILITY COMMISSION OF TEXAS LEGAL DIVISION

Rachelle Nicolette Robles
Division Director

Eleanor D'Ambrosio
Managing Attorney

/s/ Merritt Lander
Merritt Lander
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1701 N. Congress Avenue
P.O. Box 13326
Austin, Texas 78711-3326
(512) 936-7290
(512) 936-7268 (facsimile)
Merritt.Lander@puc.texas.gov

DOCKET NO. 50388

CERTIFICATE OF SERVICE

I hereby certify that, unless otherwise ordered by the presiding officer, a true and correct copy of the foregoing document was transmitted by electronic mail to the parties of record on June 11, 2020 in accordance with the Order Suspending Rules issued in Docket No. 50664.

/s/ Merritt Lander
Merritt Lander

Attachment A

PUC Interoffice Memorandum

To: Merritt Lander, Attorney
Legal Division

From: Nabaraj Pokharel, Engineering Specialist
Infrastructure Division

Date: June 8, 2020

Subject: **Docket No. 50388:** *Application of SJWTX, Inc. DBA Canyon Lake Water Service Company, Aqua Texas, Inc. and Aqua Development, Inc. for Approval of a Service Area Contract Under Texas Water Code § 13.248 and to Amend a Certificate of Convenience and Necessity in Comal County*

On December 20, 2019, SJWTX, Inc. d/b/a Canyon Lake Water Service Company (“CLWSC”), Aqua Texas, Inc. (“Aqua Texas”), and Aqua Development, Inc. (“Aqua Development”) (collectively, Applicants) filed a petition for approval of a contract designating Certificate of Convenience and Necessity (CCN) service areas under Texas Water Code (TWC) § 13.248. Initially, the Applicants sought to amend CLWSC’s water CCN No. 10692 and sewer CCN No. 20877, and either Aqua Texas’s water CCN No. 13254 and a new sewer CCN No. that had yet to be assigned or Aqua Development’s water CCN No. 12902 and sewer CCN No. 20867 in Comal County, Texas. The outcome of Docket No. 48769 determined that the Applicants appropriately seek amendment of CLWSC’s water and sewer CCN Nos. 10692 and 20877 and Aqua Texas’s water CCN No. 13254 and new sewer CCN No. 21116.¹ The Applicants’ TWC § 13.248 service area contract is being reviewed in accordance with 16 Texas Administrative Code (TAC) § 24.253.

Applicants will not transfer assets or facilities under the terms of the agreement, and there are no existing customers in the areas to be transferred. The total water and sewer service area to be transferred from Aqua Texas. to CLWSC consists of approximately 154 acres and the total water and sewer service area to be transferred to Aqua Texas from CLWSC is approximately 91 acres. Aqua Texas and CLWSC are the only utilities affected by the transfer and the resulting CCN amendments will not substantially affect any landowner in the areas to be transferred. In addition, the environmental integrity of the transferred areas will not be impacted. As current CCN holders, Aqua Texas and CLWSC possess the financial, managerial, and technical capability to provide continuous and adequate service within the areas to be transferred.

Notice was not required for this application because there are no affected customers in the area subject to the transfer.

¹ Aqua Texas and Aqua Development, along with Aqua Utilities, Inc., have filed an application for a sale, transfer, merger in Docket No. 48769. Through the transaction proposed in that docket, the service area that is the subject of the service area contract in this proceeding is transferred from Aqua Development to Aqua Texas’s service area under water CCN No. 13254 and a newly assigned sewer CCN No. 21116. In Order No. 12 issued on August 22, 2019, the administrative law judge approved the transaction proposed in Docket No. 48769 to proceed, and the only remaining step left to process that docket is the issuance a Notice of Approval.

The application meets all the statutory requirements of TWC Chapter 13 and 16 Texas Administrative Code Chapter 24 rules and regulations. Staff recommends approval of the application.

The Applicants filed their consent to the attached maps, certificates, and tariffs on June 4, 2020. Based on the above information, Staff recommends that:

- The application be approved, and an order be issued; and
- The attached maps and certificates be provided to the Applicants.

Attachment B

Aqua Texas, Inc.
 Portion of Water CCN No. 13254
 PUC Docket No. 50388
 13.248 Agreement Amended CCN No. 13254 and
 Decertified a Portion of SJWTX, Inc., CCN No. 10692 in Comal County



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

Water CCN

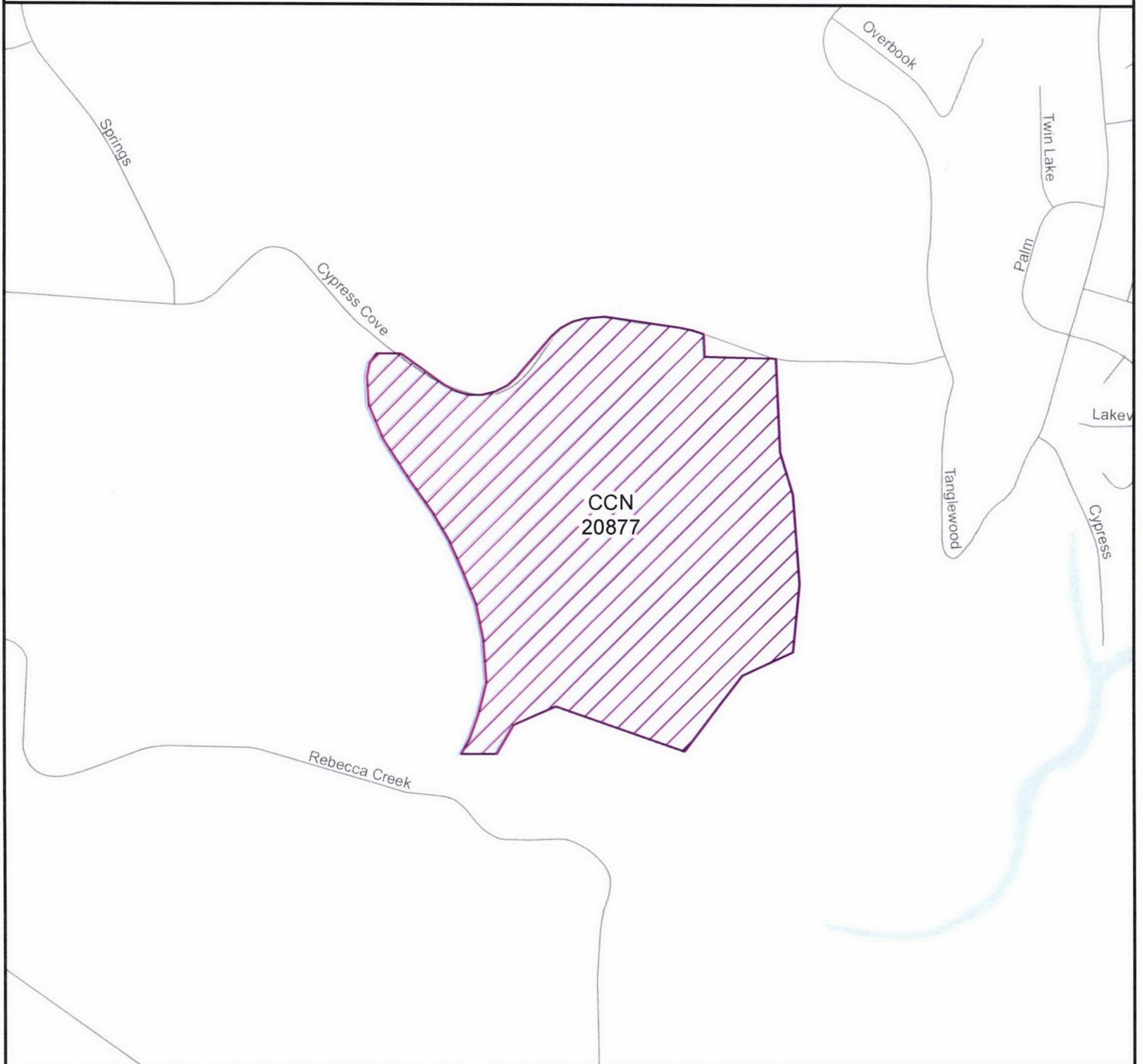
-  13254 - Aqua Texas Inc
-  10692 - SJWTX INC

0 400 800
 Feet




Map by: Komal Patel
 Date created: May 6, 2020
 Project Path: n:\finalmapping\
 44641CityofEdinburg.mxd

SJWTX, Inc.
Portion of Sewer CCN No. 20877
PUC Docket No. 50388
13.248 Agreement Amended CCN No. 20877 and
Decertified a Portion of Aqua Texas, Inc., CCN No. 21116 in Comal County



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

Sewer CCN

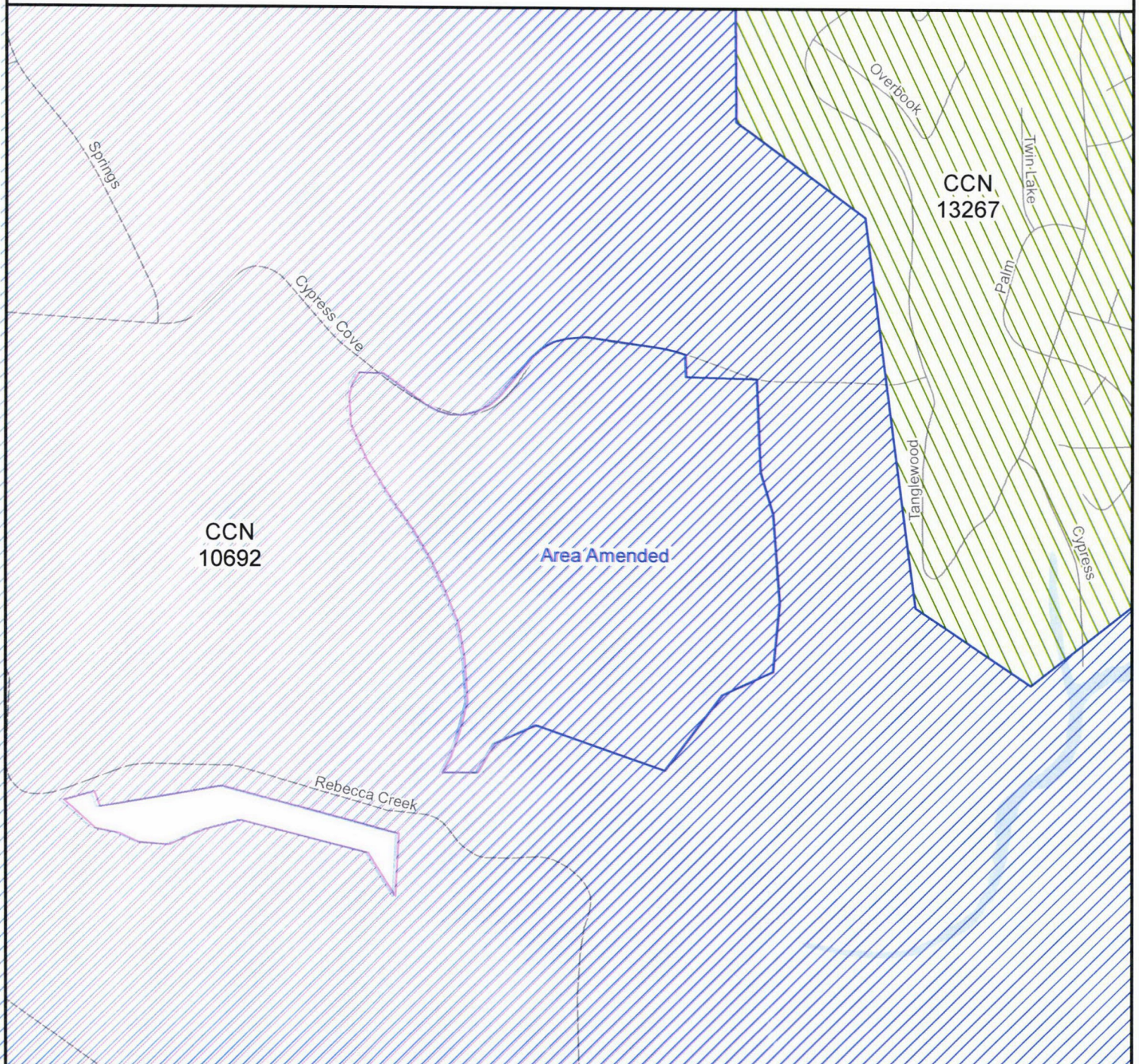
 20877 - SJWTX Inc

0 500 1,000
Feet



Map by: Komal Patel
Date created: May 6, 2020
Project Path: n:\finalmapping\
44641CityofEdinburg.mxd

SJWTX, Inc.
Portion of Water CCN No. 10692
PUC Docket No. 50388
13.248 Agreement Amended CCN No. 10692 and
Decertified a Portion of Aqua Texas, Inc., CCN No. 13254 in Comal County



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

Water CCN

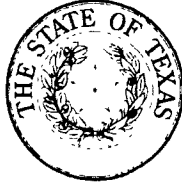
-  10692 - SJWTX INC
-  13267 - Cypress Cove WSC

0 500 1,000
Feet



Map by: Komal Patel
Date created: May 7, 2020
Project Path: n:\finalmapping\
50388SJWTXWater.mxd

Attachment C



Public Utility Commission of Texas

By These Presents Be It Known To All That

Aqua Texas, Inc.

having obtained certification to provide sewer 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, Aqua Texas, Inc. is entitled to this

Certificate of Convenience and Necessity No. 21116

to provide continuous and adequate sewer utility service to that service area or those service areas in Bastrop, Burnet, Hays, Travis, and Williamson Counties as by final Order or Orders duly entered by this Commission, which Order or Orders resulting from Docket No. 50388 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 Aqua Texas, Inc. 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 _____ 2020.



Public Utility Commission of Texas

By These Presents Be It Known To All That

Aqua Texas, Inc.

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, Aqua Texas, Inc. is entitled to this

Certificate of Convenience and Necessity No. 13254

to provide continuous and adequate water utility service to that service area or those service areas in Bandera, Bexar, Blanco, Burnet, Comal, Gillespie, Hays, Kendall, Kerr, Kimble, Live Oak, Llano, Medina, Nueces, Travis, Williamson, and Wilson Counties as by final Order or Orders duly entered by this Commission, which Order or Orders resulting from Docket No. 50388 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 Aqua Texas, Inc. 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 _____ 2020.



Public Utility Commission of Texas

By These Presents Be It Known To All That

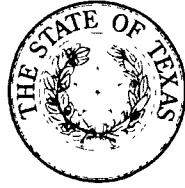
Canyon Lake Water Service Company

having obtained certification to provide sewer 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, Canyon Lake Water Service Company is entitled to this

Certificate of Convenience and Necessity No. 20877

to provide continuous and adequate sewer utility service to that service area or those service areas in Comal County as by final Order or Orders duly entered by this Commission, which Order or Orders resulting from Docket No. 50388 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 Canyon Lake Water Service Company 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 _____ 2020.



Public Utility Commission of Texas

By These Presents Be It Known To All That

Canyon Lake Water Service Company

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, Canyon Lake Water Service Company is entitled to this

Certificate of Convenience and Necessity No. 10692

to provide continuous and adequate water utility service to that service area or those service areas in Blanco, Comal, Hays and, and Travis Counties as by final Order or Orders duly entered by this Commission, which Order or Orders resulting from Docket No. 50388 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 Canyon Lake Water Service Company 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 _____ 2020.

Attachment D



**SEWER UTILITY TARIFF
Southwest Region
Docket Number: 50388**

Aqua Texas, Inc.
(Southwest Region)
(Utility Name)

1106 Clayton Lane, Suite 400W
(Business Address)

Austin, Texas 78723
(City, State, Zip Code)

(512) 990-4400
(Area Code/Telephone)

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

21116

This tariff is effective in the following counties:

Please See Table – Southwest Region

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

City of Granite Shoals, Village of Wimberley & City of Woodcreek

The rates set or approved by the city for the systems entirely within its corporate boundary are not presented in this tariff. Those rates are not under the original jurisdiction of the PUC and will have to be obtained from the city or utility. The rates charged within the Village of Wimberly and the City of Woodcreek were established through a settlement agreement. Those rates will have to be obtained from the city or the utility.

This tariff is effective in the following subdivisions and public wastewater systems:

Please See Table – Southwest Region

TABLE OF CONTENTS

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

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APPENDIX A – APPLICATION FOR STANDARD RESIDENTIAL SERVICE/ SERVICE AGREEMENT

Docket Number 50388

APPENDIX B – CONDITIONS FOR NON-RESIDENTIAL SEWER SERVICE

Table – Southwest Region			
System Name	Subdivisions/Area Served	Permit No.	County
B & W Gathering	B & W Gathering	WQ0011332-001	Burnet
Lakeside Utility	Barton Creek Lakeside, Lakecliff on Lake Travis, Travis Lakeside, Shady Creek, McDaniels Tract, Red Bluff Estates	WQ0013477-001 R13477-001	Burnet/Travis
Briar Creek Wastewater Treatment Facility	Briarcreek Manor, Briarcreek Subdivision	WQ0014061-001	Travis
Leander Hills	Sandy Creek Ranches, Leander Hills	WQ0013337-001	Travis
Sunset Oaks	Sunset Oaks	WQ0015293-001	Hays
Woodcreek	Woodcreek, Woodcreek Phase I, Woodcreek Phase II, Wimberley	WQ0013989-001	Hays

The areas within Aqua's service area under CCN No. 21116 that are currently referred to as SW Sewer Area 1 (Bastrop County), and SW Sewer Area 2 (Hays County) are undeveloped and are not served by a specific WQ Discharge Permit at this time. The area currently referred to as Boggy Creek (Williamson County) is undeveloped and is served by WQ0014148-001. The area currently referred to as GoForth WWTP (Hays County) is undeveloped and is served by WQ013293-001. New customers in these areas will be subject to all rates and policies contained in this tariff.

SECTION 1.0 -- RATE SCHEDULE

Section 1.01 - Rates

<u>Meter Size</u>	<u>Monthly Flat Rate</u>
5/8" or 3/4"	<u>\$87.97</u>
1"	<u>\$219.92</u>
1½ "	<u>\$439.84</u>
2"	<u>\$703.75</u>
3"	<u>\$1,407.50</u>
4"	<u>\$2,199.22</u>
6"	<u>\$4,398.43</u>
8"	<u>\$7,037.49</u>
10"	<u>\$10,116.55</u>

Briarcreek Manor Rates

Residential Sewer Monthly Base Rate (Flat Charge) \$60.80

Non-Residential Sewer

<u>Meter Size</u>	<u>Monthly Flat Rate</u>
5/8" or 3/4"	<u>\$67.55</u>
1"	<u>\$168.88</u>
1½ "	<u>\$337.76</u>
2"	<u>\$540.42</u>
3"	<u>\$1,013.28</u>
4"	<u>\$1,688.80</u>
6"	<u>\$3,377.60</u>
8"	<u>\$3,377.60</u>
10"	<u>\$3,377.60</u>

Gallonge Charge per 1000 gallons

1 to 20,000 gallons \$2.43
 Per 1,000 gallons thereafter \$2.43

Federal Tax Change Credit Rider: (9.71%) of the monthly retail bill
 (Effective May 1, 2018; *Tariff Control No. 48197*)

Federal Tax Change Credit Rider: (6.97%) of the monthly retail bill
 (Effective January 1, 2019; *Tariff Control No. 48197*)

Non-residential customers who purchase sewer service only and who have no reliable water consumption data available will be charged the applicable monthly fee for their meter size multiplied by 1.69. If a water meter is not available, a meter size will be imputed by the utility based upon the size of the water service pipe.

SECTION 1.0 -- RATE SCHEDULE (Continued)

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

Cash X (If in Person), 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 1.0%

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

Section 1.02 - Miscellaneous Fees

TAP FEE \$650.00

TAP FEE COVERS THE UTILITY'S COSTS FOR MATERIALS AND LABOR TO INSTALL A STANDARD RESIDENTIAL 5/8" or 3/4" METER. AN ADDITIONAL FEE TO COVER UNIQUE COSTS IS PERMITTED IF LISTED ON THIS TARIFF.

TAP FEE (Unique costs) Actual Cost

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

TAP FEE (Large meter) Actual Cost

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

METER RELOCATION FEE Actual Relocation Cost, Not to Exceed Tap Fee

THIS FEE MAY BE CHARGED IF A CUSTOMER REQUESTS THAT AN EXISTING METER BE RELOCATED.

METER TEST FEE \$25.00

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

RECONNECTION FEE

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

- a) Nonpayment of bill (Maximum \$25.00) \$25.00
- b) Customer's request that service be disconnected \$45.00

SEASONAL RECONNECTION FEE

BASE RATE FOR METER SIZE TIMES NUMBER OF MONTHS OFF SYSTEM NOT TO EXCEED SIX MONTHS WHEN LEAVE AND RETURN WITHIN A TWELVE-MONTH PERIOD.

TRANSFER FEE \$45.00

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

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

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

SECTION 1.0 -- RATE SCHEDULE (Continued)

RETURNED CHECK CHARGE\$25.00
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.

FEDERAL TAX CHANGE CREDIT RIDER (FTCCR):
THE FEDERAL TAX CHANGE CREDIT RIDER GIVES EFFECT TO THE TAX CUTS AND JOBS ACT OF 2017, WHICH CHANGED THE FEDERAL CORPORATE TAX RATE FROM 35% TO 21%. BY REDUCING THE COST OF SERVICE PAID BY CUSTOMERS TAKING SERVICE UNDER THIS RATE TARIFF. THE FTCCR WILL PROVIDE CREDITS TO CUSTOMERS TAKING SERVICE UNDER THIS RATE TARIFF.

SECTION 2.0--SERVICE RULES AND REGULATIONS

Section 2.01—Public Utility Commission Rules

The utility will have the most current Public Utility Commission (PUC) Rules, Chapter 24, Water and Sewer Rates, 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 2.02--Application for and Provision of Sewer Service

All applications for service will be made on the utility's standard application or contract form (attached in the Appendix to this tariff) and will be signed by the applicant before sewer service is provided by the utility. A separate application or contract will be made for each service at each separate location.

After the applicant has met all the requirements, conditions and regulations for service, the utility will install service connections, which may include a 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.

Where service has previously been provided, the utility will reconnect the service within one working day after the applicant has met the requirements for reconnection.

The customer will be responsible for furnishing and laying the necessary customer service pipe from the connection location to the place of use.

Section 2.03--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 2.04--Customer Deposits

If a residential applicant cannot establish credit to the satisfaction of the utility, the applicant will be required to pay a deposit as provided for in Section 1.02 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.

SECTION 2.0--SERVICE RULES AND REGULATIONS (Continued)

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.

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

Section 2.05--Meter Requirements, Readings, and Testing

It is not a requirement that the utility use meters to measure the quantity of sewage disposed of by individual customers. One connection is required for each residential, commercial or industrial facility in accordance with the PUC Rules.

Section 2.06--Billing

Bills from the utility will be mailed monthly unless otherwise authorized by the Commission. The due date of the bills for utility service will be at least twenty-one (21) 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. 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.

A late penalty of \$5.00 will be charged on bills received after the due date. Customer payments postmarked by the due date will not incur a late penalty. 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.

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 billing a telephone number (or numbers) which may be reached by a local call by customers. At the utility's option, a toll-free telephone number or the equivalent may be provided.

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 2.07--Service Disconnection

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 31 days from the date of issuance of a bill and if proper notice of termination has been given.

SECTION 2.0--SERVICE RULES AND REGULATIONS (Continued)

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

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

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

Section 2.08--Reconnection of Service

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

Section 2.09--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.

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 2.10--Quality of Service

The utility will plan, furnish, and maintain and operate a treatment and collection facility of sufficient size and capacity to provide a continuous and adequate service for all reasonable consumer uses and to treat sewage and discharge the effluent at the quality required by its discharge permit issued by the Commission. Unless otherwise authorized by the Commission, the utility will maintain facilities as described in the PUC Rules.

Section 2.11--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.

SECTION 2.20 SPECIFIC UTILITY SERVICE RULES AND REGULATIONS

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

The utility adopts the administrative rules of the PUC, as the same may be amended from time to time, as its company specific service rules and regulations. These rules will be kept on file at the company's offices for customer inspection during regular business hours. In the event of a conflict between the PUC's amended rules and the provisions of this tariff, the amended rules shall prevail. Where necessary, any conflicting provision of this tariff shall be deemed to have been superseded by the PUC rule in question to the degree that the Utility may conduct its lawful business in conformance with all requirements of said rule.

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.

Customer shall be liable for any damage or injury to utility-owned property or personnel shown to be caused by the customer, his invitees, his agents, his employees, or others directly under his control.

Limitation on Product/Service Liability. - The utility will not accept liability for any injury or damage to individuals or their property occurring on the customer's premises. The utility makes no representations or warranties (expressed or implied) that customer's appliances will not be damaged by disruptions of or fluctuations in sewer service whatever the cause. The utility will not accept liability for injuries or damages to persons or property due to disruption of sewer service caused by: (1) acts of God, (2) acts of third parties not subject to the control of the utility if the utility has undertaken such preventive measures as are required by PUC or TCEQ rules, (3) electrical power failures in sewer systems not required by TCEQ rule to have auxiliary power supplies, or (4) termination of sewer service pursuant to the utility's tariff and PUC rules.

If the services of a registered professional engineer are required as a result of an application for service received by the Utility for service to that applicant's service extension only, such engineer will be selected by the Utility and the applicant, and the applicant shall bear all expenses incurred therein.

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.

SECTION 2.20 SPECIFIC UTILITY SERVICE RULES AND REGULATIONS (Continued)

Any applicant who places unique or non-standard service demands on the system may be required to provide contributions in aid of construction (as may be allowed by PUC rule) for the actual costs of any additional facilities required to maintain compliance with the TCEQ minimum design criteria for sewer collection, treatment, pumping and discharge.

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 entitled to a written explanation of such costs prior to 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 have 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 or existing customer's property(ies) is located.

Tap fees may be increased by unique costs not normally incurred as may be permitted by 16 TAC § 24.163(b)(1)(C).

The Utility adopts the Uniform Plumbing Code pursuant to 30 TAC § 290.46(i). The piping and other equipment on the premises furnished by the customer will be maintained by the customer at all times in conformity with the requirements of the TCEQ, the Uniform Plumbing Code and with the service rules and regulations of the Utility. The customer will bring out his service line to his property line at the point on the customer's property mutually acceptable to the customer and the Utility subject to such requirements as may exist by PUC rule.

The utility will have the right of access to the customer's premises at all times reasonable for the purpose of installing, testing, inspecting or repairing sewer mains or other equipment used in connection with its provision of sewer 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 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. 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.

Threats to or assaults upon utility personnel shall result in criminal prosecution.

Except in cases where the customer has a contract with the utility for reserve or auxiliary service, no other sewer service will be used by the customer on the same installation in conjunction with the utility's service, either by means of a cross-over valve or any other connection. Customer shall not connect, or allow any other person or party to connect, onto any sewer lines on his premises. Two places shall not be permitted to be supplied with one service pipe where there is a sewer main abutting the premises.

SECTION 2.20 SPECIFIC UTILITY SERVICE RULES AND REGULATIONS (Continued)

No application, agreement or contract for service may be assigned or transferred without the written consent of the utility.

It is agreed and understood that any and all sewer lines and other equipment furnished by the utility (excepting the customer's individual service lines from the point of connection to customer's structures on customer's premises) are and shall remain the sole property of the utility, and nothing contained herein or in a contract/application for service shall be construed to reflect a sale or transfer of any such lines or equipment to any customer. All tap and extension charges shall be for the privilege of connecting to said sewer lines and for installation, not purchase, of said lines.

Service applicants may be required to comply with any pre-condition to receiving service not printed herein as may exist under PUC rule (customer service, health and safety or environmental), USEPA rule, TWDB rule, local regulatory district rule or health department rule. Existing customer shall be required to comply with such rules, including modification of their plumbing and/or consumption patterns, after notice.

The disposal into the utility's sewer collection system of bulk quantities of food or food scraps not previously processed by a grinder or similar garbage disposal unit and grease and oils, except as incidental waste in process or wash water, used in or resulting from food preparation by sewer utility customers engaged in the preparation and/or processing of food for other than domestic consumption for sale to the public shall be prohibited. Specifically included in this prohibition are grease and oils from grease traps to other grease and/or oil storage containers. These substances are defined as "garbage" under Texas Health and Safety and Code § 361.003(12), and are not "sewage" as defined by Texas Water Code § 26.001(7). The utility only provides "sewage" collection and disposal service to the public. This service is limited to the collection, treatment and disposal of waterborne human waste and waste from domestic activities such as washing, bathing, and food preparation. This service does not include the collection, treatment or disposal of waste of such high BOD or TSS characteristics that it cannot reasonably be processed by the utility's state-approved wastewater treatment plant within the parameters of the utility's state and federal wastewater discharge permits. **THIS SERVICE DOES NOT INCLUDE THE COLLECTION AND DISPOSAL OF STORM WATERS OR RUN OFF WATERS, WHICH MAY NOT BE DIVERTED INTO OR DRAINED INTO THE UTILITY'S COLLECTION SYSTEM.**

Pursuant to 16 TAC § 24.165(o), the utility may charge for all labor, material, equipment, and other costs necessary to repair or replace all equipment damaged due to service diversion or the discharge of wastes which the system cannot properly treat. This shall include all repair and clean up costs associated with discharges of grease and oils, except as incidental waste in process or wash water, used in or resulting from food preparation by sewer utility customers engaged in the preparation and/or processing of food for other than domestic consumption or for sale to the public discharged from grease traps or other grease and/or oil storage containers. The utility may charge for all costs necessary to correct service diversion or unauthorized taps where there is no equipment damage, including incidents where service is reconnected without authority.

SECTION 2.20 SPECIFIC UTILITY SERVICE RULES AND REGULATIONS (Continued)

The utility may not charge any additional penalty or charge other than actual costs unless such penalty has been expressly approved by the regulatory authority having rate/tariff jurisdiction and filed in the utility's tariff.

Pursuant to 16 TAC § 24.163(b)(3)(A) and (B), the customer's service line and appurtenances shall be construed in accordance with the laws and regulations of the State of Texas, local plumbing codes, or, in the absence of such local codes, the Uniform Plumbing Code. It shall be the customer's responsibility to maintain the service line and appurtenances in good operating condition, i.e., clear of obstruction, defects, or blockage.

If the utility can provide evidence of excessive infiltration or inflow or failure to provide proper pretreatment, the utility may, with the written approval of the PUC, require the customer to repair the line or eliminate the infiltration or inflow or take such actions necessary to correct the problem. If the customer fails to correct the problem within a reasonable time, the utility may disconnect service after proper notice.

In accordance with the requirements of Utility's Wastewater discharge Permit, any and all repairs and maintenance of Utility's lines, tanks, pumps and equipment located on Customer's premises shall be performed exclusively by the Utility.

Copies of the utility's state and federal wastewater discharge permits shall be available for public inspection and copying in the utility's business office during normal business hours.

Non-residential customers electing the pretreatment option for sewage with non-standard characteristics may be charged those costs set forth in the utility's extension policy if such pretreatment fails or otherwise causes the utility's facilities to violate their waste-water discharge permits.

RESIDENTIAL SINGLE-FAMILY GRINDER / SEWAGE STATIONS

Prior to the installation of a grinder / sewage station, the utility must be given a complete listing of all materials and equipment that will be used.

In order to prevent inflow and infiltration, the materials must comply with standard specifications, approved by the TCEQ and the utility.

After the utility has approved the proposed grinder / sewage station, the construction may begin. Once the work has been completed, the utility will do an inspection of the grinder / sewage station to ensure the complete installation was as specified.

The customer will retain ownership of receiving tanks or lift stations on the customer's property, and all maintenance, repairs and replacement are the customer's responsibility. The customer shall own and maintain the grinder pump and appurtenances.

SECTION 2.20 SPECIFIC UTILITY SERVICE RULES AND REGULATIONS (Continued)

The repairs may be performed by anyone selected by the customer, who is competent to perform such repairs. The utility requires that parts and equipment meet the minimum standards approved by the TCEQ, to insure proper and efficient operation of the sewer system.

MULTI-FAMILY AND COMMERCIAL RECEIVING TANK / LIFT STATIONS

Prior to the installation of a grinder / sewage station, the utility must be given a complete listing of all materials and equipment that will be used, along with the storage for that development.

In order to minimize inflow and infiltration into the collection system, the installation and materials must comply with standard specifications approved by the TCEQ.

After the utility has approved the proposed grinder / sewage station, the construction may begin. Once the work has been completed, the utility will do an inspection of the grinder / sewage station to ensure the complete installation was as specified.

Prior to acceptance of an existing receiving tank or lift station that is being used as an interceptor tank for primary treatment, waste water storage or pump tanks prior to discharge into an alternative or conventional sewage system must be cleaned, inspected, repaired, modified, or replaced if necessary to minimize inflow and infiltration into the collection system.

Existing pumps and tanks must be of adequate size to insure proper pumpage in the event of high flow or if one pump is out of service. If the existing pumps and receiving tanks or lift stations are of inadequate size the utility will not accept liability for backups due to high flows, one pump out of service, rainfall causing inflow or infiltration, power outages, lack of proper storage capacity, etc.

If the collection system that discharges into the receiving tank / lift station has an inflow or infiltration problem and collects rainfall discharge, the owner or P.O.A. will correct it within 90 days of written notice from the utility. If no action is taken to correct the problem within 90 days, the utility may take the responsibility to make corrections at the owner's / P.O.A.'s expense. The utility is not responsible for the collection system that discharges into the receiving tank / lift station.

The owner / P.O.A. shall be responsible for the monthly electric bill.

An adequate easement must encompass the receiving tank / lift station by a 15-foot radius and also a 15-foot access easement to the receiving tank / lift station site. If this easement does not exist, one must be created and filed of record.

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.

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

COST UTILITIES SHALL BEAR. Within its certificate area, the utility will pay the cost of the first 200 feet of any sewer collection 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 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.

Developers may be required to provide contributions in aid of construction in amounts to furnish the system with all facilities necessary to comply with the PUC Rules.

SECTION 3.20--SPECIFIC UTILITY EXTENSION POLICY

This section contains the utility's specific extension policy which complies with the requirements already stated under Section 3.01. It must be reviewed and approved by the Commission and in compliance with PUC Rules to be effective.

Residential customers not covered under Section 3.01 will be charged the equivalent of the costs of extending service to their property from the nearest collection 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 full cost of extending service to and throughout their property, including the cost of all necessary treatment capacity necessary to meet the service demands anticipated to be created by that property.

Developers will 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's minimum design criteria for facilities used in collecting, treating, transmitting, and discharging of wastewater effluent. For purposes of this subsection, a developer is one who subdivides or requests more than two connections on a piece of property. Commercial, industrial, and wholesale customers will be treated as developers.

The utility adopts the administrative rules of the PUC, as amended from time to time, as its company specific extension policy. These rules will be kept on file at the company's business office for customer inspection during normal business hours.

Non-residential customers generating sewage creating unique or non-standard treatment demands which might reasonably be expected to cause the utility's treatment facilities to operate outside their current waste-water discharge permit parameters may be charged the cost of all studies, engineering plans, permit costs, and collection treatment or discharge facilities construction or modification costs necessary to enable the utility to treat said sewage within permit limits acceptable to the TCEQ, EPA and other regulatory agencies. In the alternative, the customer may have the option of pre-treating said sewage in such a manner so that it may not reasonably be expected to cause the utility's facilities to operate outside their permit parameters. In such case, the customer shall be required to pay the utility's costs of evaluating such pretreatment processes and cost of obtaining regulatory approval of such pretreatment processes. In the event of the pretreatment facilities of a customer making this election fail and cause the utility's facilities to operate outside their permit parameters, the customer shall indemnify the utility for all costs incurred for clean ups or environmental remediation and all fines, penalties, and costs imposed by regulatory or judicial enforcement actions relating to such permit violations.

Non-residential sewer customers producing water borne waste significantly different from waste generated by residential customers may be required to provide a suitable sampling point at the property line for testing the customer's waste for chemicals or substances, e.g., grease, oils, solvents, pesticides, etc., which can reasonably be believed to have an injurious effect on the Utility's plant and/or its ability to treat and dispose of such wastes within the parameters of the Utility's permit. Utility shall have reasonable access to the sampling point at all times.

SECTION 3.20--SPECIFIC UTILITY EXTENSION POLICY (Continued)

Any service extension to a subdivision (recorded or unrecorded) may be subject to the provisions and restrictions of 16 TAC 24.163(d) and this tariff. 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 based upon the capacities of collection, transmission, storage, treatment and discharge facilities, compliant with the TCEQ minimum design criteria, which must be committed to such extension. As provided by 16 TAC § 24.163(d)(4), for purposes of this section, commercial, industrial, and wholesale customers shall be treated as developers.

The imposition of additional extension costs or charges as provided by Sections 2.20 and 3.20 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 entitled to 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 have 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. Unless the PUC or other regulatory authority enters interlocutory orders to the contrary, service to the applicant may be delayed until such appeal is resolved.

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 applications forms will be available for applicant pick up 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.

The Utility shall serve each qualified service applicant within its certificated 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 herein or by PUC rules.

The Utility is not required to extend service to any applicant outside of its certificated service area and will only do so, at the Utility's sole option, under terms and conditions mutually agreeable to the Utility and the applicant and upon extension of the Utility's certificated service area boundaries by the PUC. Service applicants may be required to bear the cost of the service area amendment.

SECTION 3.20--SPECIFIC UTILITY EXTENSION POLICY (Continued)

A "qualified service applicant" is an applicant who has: (1) met all of the Utility's requirements of service contained in this tariff and/or PUC rules, (2) has made all payments for tap fees and extension charges, (3) has provided all necessary easements and rights-of-way necessary to provide service to the requested location, including staking said easements or rights-of-way where necessary, and (4) has executed a customer service application for each location to which service is being requested.

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. The tap request must be accompanied with a plat, map, diagram 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 connection is to be installed, along the applicant's property line. The actual point of connection must be readily accessible to Utility personnel for inspection, servicing and testing while being reasonably secure from damage by vehicles and mowers. If the Utility has more than one main adjacent to the service applicant's property, the tap or service connection will be made to the Utility's near service main with adequate capacity to service the applicant's full potential service demand.

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, applicant may refer the matter to the PUC for resolution. Unless otherwise ordered by the PUC, the tap or service connection will not be made until the location dispute is resolved.

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. The Developer shall be required to obtain all necessary easements and rights-of-way required to extend the Utility's existing service facilities from their nearest point with adequate service capacity (as prescribed by PUC rules and local service conditions) to and throughout the Developer's property. The easements shall be sufficient to allow the construction, installation, repair, maintenance, testing, and replacement of any and all utility plant necessary to provide continuous and adequate service to each and every potential service location within the property at full occupancy. Unless otherwise restricted by law, sewage treatment, holding tank sites, lift station sites shall convey with all permanent easements and buffers required by TCEQ rules. Unless otherwise agreed to by the Utility, pipeline right-of-way easements must be at least 15 feet wide to allow adequate room to facilitate backhoe and other heavy equipment operation and meters.

Easements must be provided for all storage, treatment, pressurization and disposal sites which are sufficient to construct and maintain all weather roads as prescribed by TCEQ rules. All easements shall be evidenced, at Developer's expense, by recorded county-approved subdivision plat or by specific assignment supported by metes and bounds survey from a surveyor licensed by the State of Texas.

SECTION 3.20--SPECIFIC UTILITY EXTENSION POLICY (Continued)

Prior to the extension of utility service to developers (as defined by PUC rules) or new subdivisions, the Developer shall comply with the following:

(a) The Developer shall make a written request for service to property that is to be subdivided and developed. The Developer shall submit to the Utility a proposed plat on a scale of one inch (1") to two hundred feet (200') for review and determination of required easements, utility plant, and plant location. If sewer service is requested, the plat must contain elevation data. A reconcilable deposit in an amount set by the Utility may be required to cover preliminary engineering, legal and copy cost to be incurred by the Utility in reviewing and planning to meet this service request. The plat and/or accompanying information shall identify the type, location and number of houses and other planned structures that will be requiring utility service. If other than residential structures are to be located on the property, all other types of anticipated businesses and their service demands shall be identified with specificity. All areas requiring special irrigation and/or other unique water demands must be identified.

To the extent reasonably possible, this information must be precise so that adequate facilities can be designed and constructed to meet all future service demands without hazard to the public, other utility customers and/or the environment.

(b) After the requirements of easements and rights-of-way have been determined, a red line copy will be returned by the Utility to the Developer for final plat preparation.

(c) Copies of all proposed plats and plans must be submitted to the Utility prior to their submission to the county for approval to ensure that they are compatible with the adequate long-term utility needs of potential service customers. Copies will be returned after review by the Utility so that necessary changes may be incorporated into the Developer's final submitted plat(s) and plans.

(d) The Utility shall be provided with three (3) certified copies of the final plat(s) approved by the County Commissioners Court. At this time, the Utility will begin engineering the facilities necessary to serve the property. Plans and specifications will be prepared and submitted to the TCEQ by the Utility if required by law. If further plat or plans changes are necessary to accommodate the specific service needs of the property and the anticipated customer demands, the Developer will be so notified. Plat amendments must be obtained by the Developer.

The Developer shall be notified when all required TCEQ or other governmental approvals or permits have been received. No construction of utility plant which requires prior TCEQ plans approval shall be commenced until that approval has been received by the Utility and any conditions imposed by the TCEQ in association with its approvals have been satisfied.

SECTION 3.20--SPECIFIC UTILITY EXTENSION POLICY (Continued)

(e) The Developer shall be required to post bond or escrow the funds necessary to construct all required utility plant, except individual sewer connections, required to serve the property. Construction shall not commence until funds are available. If the construction is to be done in coordination with the phased development of the property, funds must be provided in advance which are sufficient to complete each phase. No phase or facilities for any phase shall be constructed prior to the bonding or escrowing of all funds associated with that phase.

(f) At the sole option of the Utility, the Developer may be required to execute a Developer Extension Contract setting forth all terms and conditions of extending service to their property including all contributions-in-aid of construction and developer reimbursements, if any.

(g) The Utility may require the Developer to commence construction of subdivision improvements within three (3) months of utility plans approval or the Utility may abate its construction activities until full development construction begins. If the Developer stops construction of subdivision improvements for any purpose, the Utility may abate its construction for a similar period.

(h) As soon as the roads are rough cut and prior to paving, extension lines will need to be constructed at each road crossing. The Developer must notify the Utility sufficiently in advance of this development stage to allow for the necessary utility construction without disruption to other service operations of the Utility. Failure to provide adequate advance notice and cooperation in the construction of necessary utility plant may result in additional delays in obtaining service to the property. The Developer shall be required to pay for all additional costs of road boring or other remedial construction necessary to install adequate utility plant throughout the affected property.

Within its certificated area, the Utility shall bear the cost of the first 200 feet of any water main or sewer collection line necessary to extend service to an individual residential service applicant within a platted subdivision unless the Utility can document:

(a) 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; or,

(b) that the Developer defaulted on the terms and conditions of a written agreement or contract existing between the utility and the developer or the terms of this tariff regarding payment for services, extensions, or other requirements; or in the event the Developer declared bankruptcy and was therefore unable to meet obligations; and,

SECTION 3.20--SPECIFIC UTILITY EXTENSION POLICY (Continued)

(c) that the residential service applicant purchased the property from the Developer after the Developer was notified of the need to provide facilities to the utility. A residential service applicant may be charged the remaining costs of extending service to his property; provided, however, that the residential service applicant may only be required to pay the cost equivalent to the cost of extending the nearest water main or wastewater collection line, whether or not that line has adequate capacity to serve that residential service applicant.

The following criteria shall be considered to determine the residential service applicant's cost for extending service:

- (a) The residential service applicant shall not be required to pay for costs of main extensions greater than 2" in diameter for pressure wastewater collection lines and 6" in diameter for gravity wastewater lines.
- (b) Exceptions may be granted by the PUC if:
 - (1) 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;
 - (2) larger minimum line sizes are required under subdivision platting requirements or applicable building codes.
- (c) 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.

For purposes of determining the costs that service applicants shall pay, commercial customers with service demands greater than residential customer demands in the certificated area, industrial, and wholesale customers shall be treated as developers.

APPENDIX A -- APPLICATION FOR STANDARD RESIDENTIAL SERVICE/ SERVICE
AGREEMENT
(Utility Must Attach Blank Copy)

APPENDIX B -- CONDITIONS FOR NON-RESIDENTIAL SEWER SERVICE
(Utility Must Attach Blank Copy)



WATER UTILITY TARIFF

Docket Number: 50388

Aqua Texas, Inc. (Southwest Region)
(Utility Name)

1106 Clayton Lane, Suite 400W
(Business Address)

Austin, Texas 78723
(City, State, Zip Code)

(512) 990-4400
(Area Code/Telephone)

This tariff is effective for utility operations under the following Certificate of Convenience and Necessity:
13254

This tariff is effective in the following counties:
See attached Tables – Southwest Region

The following is a list of cities where Aqua Texas – Southwest Region provides water service:
City of Austin, City of Boerne, City of Cedar Park, City of Ingram, City of Kerrville, City of Kyle, and City of Woodcreek

The rates set or approved by the city for the systems entirely within its corporate boundary are not presented in this tariff. Those rates are not under the original jurisdiction of the PUC and may be obtained from the city or utility. This tariff applies to outside city customers of systems that provide service inside and outside of a city's corporate boundary. However, rates applicable inside and outside the City of Ingram to Ingram Water Supply water system (PWS ID No. 1330011) customers are presented in this tariff.

This tariff is effective in the following subdivisions and public water systems:
See attached Tables– Southwest Region

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Table A – Southwest Region			
System Name	Subdivision/ Area Served	PWS ID	County
Lakewood Water	Lakewood Water Lakewood Park	0100047	Bandera
San Julian Creek Estates	San Julian Creek Estates	0100052	Bandera
Elmwood Estates	Elmwood Estates	0100053	Bandera
Comanche Cliffs	Comanche Cliffs	0100065	Bandera
Estates Utility Co. Stonegate	Stonegate	0150431	Bexar
Gruene River Development	Gruene River	0460185	Comal
Chaparral Water System Hays	Bliss Spillar	1050029	Hays
Woodcreek Utility Co. 1	Wimberley Woodcreek Woodcreek Phase I	1050037	Hays
Woodcreek Utility Co. 2	Wimberley Woodcreek Woodcreek Phase II	1050039	Hays
Leisurewoods Water	Leisurewoods	1050043	Hays
Southwest Territory	Southwest Territory	1050058	Hays and Travis
Meadow Woods Water Supply	Meadow Woods Arroyo Ranch Dove Hollow Estates Quail Meadows Subdivision	1050077	Hays
Granite Creek WSC	Granite Creek Blanco River Crossing	1050080	Hays
Copper Hills Water System	Copper Hills	1050082	Hays
Oak Meadows	Oak Meadows	1050100	Hays
Sierra West Subdivision	Sierra West Subdivision	1050134	Hays
SW Water Area 1	No Current Customers	TBA	Hays
SW Water Area 2	No Current Customers	TBA	Hays
Stonegate Water System	Stonegate Water System	1300032	Kendall
Walnut Hills	Walnut Hills	1300034	Kendall
Ten West Ranches	Ten West Ranches	1300036	Kendall
Kendall Pointe	Kendall Pointe	1300041	Kendall
Center Point Taylor System	Center Point Taylor	1330010	Kerr
Erlund Subdivision	Erlund Subdivision Belaire Estates Clear Spring Ranch Estates Kerrville South Ranches No.1 Loudair Hill Subdivision Mountain Top Ranchettes Mountain View Estates Tierra Grande	1330036	Kerr

Table A – Southwest Region (Cont.)			
System Name	Subdivision/ Area Served	PWS ID	County
Oak Forest South Water Supply	Oak Forest South Burney Oaks Fawn Run Quail Run Estates	1330091	Kerr
Nickerson Farm Water System	Nickerson Farm	1330097	Kerr
Sleepy Hollow	Sleepy Hollow	1330101	Kerr
Pecan Valley	Pecan Valley	1330107	Kerr
Center Point North Water System	Center Point North	1330111	Kerr
Four Seasons	Four Seasons, Castle Estates, Dewberry Hollow, Estates of Turtle Creek, Lamb Creek, Wood Creek, Woodland Trail Estates	1330113	Kerr
Horseshoe Oaks Subdivision Water System	Horseshoe Oaks Subdivision	1330118	Kerr
Northwest Hills Subdivision	Northwest Hills Subdivision	1330124	Kerr
Bear Paw Water System	Bear Paw Highlands Ranch	1330126	Kerr
Park Place Subdivision	Park Place Park Place Subdivision	1330127	Kerr
Real Oaks Subdivision	Real Oaks Subdivision	1330139	Kerr
Cherry Ridge Water	Cherry Ridge	1330147	Kerr
Falling Water Subdivision	Falling Water Subdivision Reserve at Falling Water	1330154	Kerr and Kendall
Saddlewood Subdivision	Saddlewood Subdivision	1330155	Kerr
Cypress Springs	Cypress Springs	1330156	Kerr
Lake Vista Utility Co.	Lake Vista	1490017	Live Oak
Country View Estates	Country View Estates Big Valley	1630026	Medina
Valentine Ranch	Valentine Ranch	1630040	Medina
Golden Acres Water Co.	Golden Acres	1780019	Nueces
Rivercrest Water System	Rivercrest	2270041	Travis
Bear Creek Park	Bear Creek Park	2270043	Travis
Sandy Creek Ranches Subdivision	Sandy Creek Ranches Subdivision The Bluffs of Sandy Creek	2270054	Travis
Onion Creek Meadows	Onion Creek Meadows	2270059	Travis
Mooreland Subdivision	Mooreland Subdivision	2270114	Travis
Hill Country Northwest Cherry Hollow	South Cherry Hollow Estates	2270173	Travis
Shady Hollow Estates WSC	Shady Hollow Estates	2270212	Travis
Barton Creek Lakeside	Barton Creek, Shady Creek, Lakeside Subdivision, McDaniels Tract, Red Bluff Estates	2270282	Travis and Burnet
Lakecliff on Lake Travis	Lakecliff on Lake Travis Travis Lakeside	2270327	Travis
Canyon Ridge Springs	Canyon Ridge Springs	2270342	Travis and Burnet
Table A – Southwest Region (Cont.)			

System Name	Subdivision/ Area Served	PWS ID	County
Briarcreek Subdivision	Briarcreek Manor Briarcreek Subdivision	2270354	Travis
South San Gabriel Ranches	South San Gabriel Ranches	2460026	Williamson
Tal Tex	Tal Tex, Tonkawa Village, Great Oaks Subdivision	2460064	Williamson
Eagle Creek Ranch	Eagle Creek Ranch The Estates at Eagle Creek	2470022*	Wilson

* Also utilizes TPDES Permit No. WQ0014626-001

The areas within Aqua's service area under CCN No. 13254 that are currently referred to as Ambleside (Gillespie County), SW Water Area 1 (Hays County), SW Water Area 2 (Hays County), SW Water Area 3 (Kendall County), and SW Water Area 4 (Kerr County) are undeveloped and are not served by a specific PWS at this time. New customers in these areas will be charged the rates shown on all tariff pages applicable to Table A.

Table B – Southwest Region (newly acquired)			
System Name	Subdivision/ Area Served	PWS ID	County
Stone Mountain Subdivision	Stone Mountain	0270134	Burnet
Rio Ancho Subdivision	Rio Ancho	0270141	Burnet and Williamson
Canyon Springs Water	Canyon Springs King Cove	0460022	Comal
Harper Road Estates	Harper Road Estates	0860005	Gillespie
Northwest Hills Water Supply	Northwest Hills	0860086	Gillespie
Deerwood Subdivision	Deerwood Subdivision	0860098	Gillespie
West Oak Heights	West Oak Heights	0860100	Gillespie
Cardinal Valley Water System	Cardinal Valley	1050068	Hays and Blanco
Mountain Crest Water	Mountain Crest	1050111	Hays
Guadalupe Heights Utility	Guadalupe Heights	1330009	Kerr
Westcreek Estates Water System	Westcreek Estates	1330028	Kerr
Loma Vista Water System	Loma Vista Shady Grove Spanish Oaks Estates Wood Hill Estates Wood Ridge Estates	1330041	Kerr
Aqua Vista Utilities	Aqua Vista	1330062	Kerr
Pecan Utilities Oak Ridge Subdivision	Pecan Utilities Oak Ridge Estates Subdivision	1500043	Llano
Indian Springs Subdivision	Indian Springs Subdivision	2270210	Travis
San Gabriel River Ranches	San Gabriel River Ranches Hidden Creek Estates	2460046	Williamson

Table C – Southwest Region (separate rate pages)

System Name	Subdivision/ Area Served	PWS ID	County
Canyon Lake Mobile Home Estates	Canyon Lake Mobile Home Estates, Deer Meadows, Canyon Lake Mobile Home Estates North Unit 1, Canyon Lake Mobile Home Estates North Unit 2, Cranes Mill Landing Unit 1, Villas at Cranes Mill Marina	0460063	Comal
Scenic Heights	Scenic Heights, Scenic Heights Subdivision Unit 1, Scenic Heights Subdivision Unit 2, Scenic Heights Subdivision Unit 3	0460060	Comal
Harper Water System	Harper Water System	0860106	Gillespie
Ingram Water Supply	Cardinal Acres, Cypress Falls, Greenwood Forest, Highpointe, Ingram Hills, Midway, Westwood Oaks, White Oaks, Windmill Communities Subdivision, City of Ingram	1330011	Kerr
Royal Oaks Water	Royal Oak	1330013	Kerr
London Water System	London Water System	1340019	Kimble
Dancing Bear	Dancing Bear Subdivision	1630045	Medina
Nighthawk WSC	Garden Valley, Green Grove	2270190	Travis
Brushy Bend Park	Brushy Bend Park Subdivision	2460050	Williamson

SECTION 1.0 -- RATE SCHEDULE

Section 1.01 - Rates

<u>Meter Size</u>	<u>Monthly Minimum Charge</u>	<u>Gallage Charge</u>
5/8" x 3/4"	<u>\$44.85</u> (Includes 0 gallons)	<u>\$2.85</u> per 1,000 gallons up to 5,000 gallons
1"	<u>\$112.13</u>	<u>\$4.00</u> per 1,000 gallons from 5,001 to 10,000 gallons
1½"	<u>\$224.25</u>	<u>\$5.50</u> per 1,000 gallons from 10,001 to 20,000 gallons
2"	<u>\$358.80</u>	<u>\$6.75</u> per 1,000 gallons thereafter
3"	<u>\$717.60</u>	
4"	<u>\$1,121.25</u>	
6"	<u>\$2242.50</u>	
8"	<u>\$3,588.00</u>	
10"	<u>\$5,157.75</u>	
12"	<u>\$9,642.75</u>	

Monthly Minimum Charge for any meter size larger than 12" will be calculated using American Water Works Association (AWWA) approved meter equivalency factors.

Regional Pass-Through Gallage Charge:\$1.6188 per 1,000 gallons
(***Tariff Control No. 50573***)

Federal Tax Change Credit Rider: (7.33%) of the monthly retail bill
(Effective May 1, 2018; ***Tariff Control No. 48197***)

Federal Tax Change Credit Rider: (5.26%) of the monthly retail bill
(Effective January 1, 2019; ***Tariff Control No. 48197***)

SECTION 1.0 -- RATE SCHEDULE

Section 1.01 - Rates

Monthly Minimum Charges by Meter Size (Includes 0 gallons)

Meter Size	Year 1 Beginning 1/1/2013	Year 2 Beginning 1/1/2014	Year 3 Beginning 1/1/2015	Year 4 Beginning 1/1/16 until changed
5/8" x 3/4"	\$42.13	\$42.13	\$42.13	\$44.85
1"	\$105.33	\$105.33	\$105.33	\$112.13
1½ "	\$210.65	\$210.65	\$210.65	\$224.25
2"	\$337.04	\$337.04	\$337.04	\$358.80
3"	\$674.08	\$674.08	\$674.08	\$717.60
4"	\$1,053.25	\$1,053.25	\$1,053.25	\$1,121.25
6"	\$2,106.50	\$2,106.50	\$2,106.50	\$2,242.50
8"	\$3,370.40	\$3,370.40	\$3,370.40	\$3,588.00
10"	\$4,844.95	\$4,844.95	\$4,844.95	\$5,157.75
12"	\$9,057.95	\$9,057.95	\$9,057.95	\$9,642.75

Gallonge Charge

Year 1 through 3 (1/1/2013 through 12/31/15)

\$3.10 per 1,000 gallons up to 20,000 gallons

\$4.10 per 1,000 gallons thereafter.

No Regional Pass-Through Gallonge Charge for Year 1 through Year 3.

Year 4 (Beginning 1/1/2016) until changed

\$3.00 per 1,000 gallons up to 5,000 gallons

\$3.35 per 1,000 gallons from 5,001 to 10,000 gallons

\$3.50 per 1,000 gallons from 10,001 to 20,000 gallons

\$6.75 per 1,000 gallons thereafter

Regional Pass-Through Gallonge Charge:\$1.6188 per 1,000 gallons
(*Tariff Control No. 50573*)

Monthly Minimum Charge for any meter size larger than 12" will be calculated using American Water Works Association (AWWA) approved meter equivalency factors.

Federal Tax Change Credit Rider:.....(7.33%) of the monthly retail bill
(Effective May 1, 2018; *Tariff Control No. 48197*)

Federal Tax Change Credit Rider:.....(5.26%) of the monthly retail bill
(Effective January 1, 2019; *Tariff Control No. 48197*)

Docket Number 50388

SECTION 1.0 -- RATE SCHEDULE (Continued)

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

Cash X (If in person at designated locations), Check X, Money Order X, Credit Card X,
Other (specify) Electronic Billing and Payment (See Section 2.06 Billing)

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 CASH, CREDIT CARD, OR ELECTRONIC PAYMENTS FOR UTILITY BILLS MAY REQUIRE PAYMENT OF AN ADDITIONAL CONVENIENCE CHARGE FOR THIS SERVICE.

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

Section 1.02 - Miscellaneous Fees

TAP FEE \$900.00
TAP FEE COVERS THE UTILITY'S COSTS FOR MATERIALS AND LABOR TO INSTALL A STANDARD RESIDENTIAL 5/8" x 3/4" METER. AN ADDITIONAL FEE TO COVER UNIQUE COSTS IS PERMITTED IF LISTED ON THIS TARIFF.

TAP FEE (Unique costs) Actual Cost
FOR EXAMPLE, A ROAD BORE FOR CUSTOMERS OUTSIDE A SUBDIVISION IS A UNIQUE COST. UNIQUE COSTS WILL BE DETERMINED ON A CASE-BY-CASE BASIS.

TAP FEE (Larger meter) Actual Cost
THIS TAP FEE IS BASED ON THE UTILITY'S ACTUAL COST FOR MATERIALS AND LABOR FOR METERS LARGER THAN STANDARD 5/8" x 3/4" METERS. UNIQUE COSTS, SUCH AS ROAD BORES, WILL BE CHARGED IN ADDITION TO THIS TAP FEE AT THEIR ACTUAL COST OF INSTALLATION.

RECONNECTION FEE

THE RECONNECTION 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 \$75.00

TRANSFER FEE \$50.00
THE TRANSFER FEE WILL BE CHARGED FOR CHANGING AN ACCOUNT NAME AT THE SAME SERVICE LOCATION WHERE THE SERVICE IS NOT DISCONNECTED.

LATE CHARGE 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 \$25.00
RETURNED CHECK CHARGES MUST BE BASED ON THE UTILITY'S DOCUMENTABLE COST.

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

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

SECTION 1.0 -- RATE SCHEDULE (Continued)

METER TEST FEE	<u>\$25.00</u>
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.	
METER/SERVICE RELOCATION FEE (Customer's Request)	<u>Actual Cost</u>
THIS FEE MAY BE CHARGED IF A CUSTOMER REQUESTS THAT AN EXISTING METER BE RELOCATED.	
STANDARD METER INSTALLATION FEE	<u>\$150.00</u>
TO BE CHARGED WHEN UNMETERED SERVICE EXISTS ON THE SYSTEM THAT SHOULD BE METERED TO BE IN COMPLIANCE WITH THE UTILITY'S TARIFF BUT THE CONVERSION OF THE SERVICE WOULD NOT REQUIRE A FULL TAP AND ALL OF ITS COSTS. THIS FEE WILL BE A SHARING OF COSTS BETWEEN THE CUSTOMER AND THE UTILITY. THE CUSTOMER MAY HAVE THE OPTION OF PAYING THE FEE OVER NO MORE THAN THREE (3) MONTHS.	
CUSTOMER SERVICE INSPECTION FEE	<u>\$100.00</u>
SERVICE APPLICANTS MAY CHOOSE TO HAVE CUSTOMER SERVICE INSPECTIONS REQUIRED BY 30 TAC § 290.46(j) PERFORMED BY ANY STATE LICENSED INSPECTOR OF THEIR CHOICE. UNLESS THE SERVICE APPLICANT CHOOSES TO ARRANGE FOR AND PAY FOR THE INSPECTION INDEPENDENTLY, THE UTILITY MAY CHARGE SERVICE APPLICANTS THE CUSTOMER SERVICE INSPECTION FEE AT THE TIME THEY APPLY FOR SERVICE. IF A RE-INSPECTION IS REQUIRED TO BRING PLUMBING INTO COMPLIANCE WITH APPLICABLE REQUIREMENTS OR IF AN EXTRA INSPECTION APPOINTMENT IS REQUIRED BECAUSE A CUSTOMER DOES NOT PERMIT PERFORMANCE OF AN INSPECTION AT A PREVIOUSLY AGREED UPON APPOINTMENT TIME, THE CUSTOMER MAY CHOOSE TO HAVE ANY STATE LICENSED INSPECTOR OF THEIR CHOICE PERFORM THE INSPECTION. IF THE CUSTOMER CHOOSES TO HAVE THE UTILITY PERFORM THE INSPECTION OR RE-INSPECTION, THE CUSTOMER WILL BE CHARGED \$100.00 FOR EACH REQUIRED INSPECTION, RE-INSPECTION OR AGREED UPON INSPECTION APPOINTMENT AND WILL PAY THE UTILITY THE TOTAL AMOUNT OWED AT THE TIME AN INSPECTION OR RE-INSPECTION IS PERFORMED. THE UTILITY MAY, AT ITS OPTION, INCLUDE THE ADDITIONAL CHARGE OR CHARGES ON THE NEXT MONTH'S UTILITY BILL RATHER THAN REQUIRING PAYMENT AT THE TIME OF THE INSPECTION OR RE-INSPECTION. THE UTILITY MAY USE UTILITY EMPLOYEES OR MAY HAVE THE INSPECTION PERFORMED BY A LICENSED THIRD PARTY CONTRACTOR.	

SECTION 1.0 -- RATE SCHEDULE (Continued)

ILLEGAL RECONNECTION, LOCK REMOVAL OR DAMAGE FEE \$85.00

IN ORDER TO REIMBURSE THE UTILITY WITHOUT BURDENING OTHER CUSTOMERS WITH HIGHER RATES FOR THE ADDITIONAL COST OF SERVICE TRIPS TO DISCONNECT A CUSTOMER/ACCOUNT HOLDER WHO HAS BEEN DISCONNECTED FOR NONPAYMENT AND TO PAY FOR THE COST OF BROKEN OR CUT LOCKS AND SERVICE TIME. THIS FEE SHALL BE ASSESSED TO THE ACCOUNT HOLDER OF ANY DELINQUENT ACCOUNT THAT HAS BEEN DISCONNECTED FOR NONPAYMENT BY VALVING OFF, LOCKING OR REMOVING THE METER WHEN SERVICE TO THE PREMISES IS SUBSEQUENTLY RECONNECTED BY NON-UTILITY PERSONNEL BY CUTTING OR REMOVING THE LOCK, REOPENING THE VALVE, OR REMOVING OR BYPASSING THE METER WITHOUT AUTHORIZATION BY THE UTILITY. THIS FEE MAY BE CHARGED EACH TIME AN EVENT OCCURS AND SERVICE WILL NOT BE RECONNECTED UNTIL THIS FEE IS PAID IN ADDITION TO ANY OTHER BALANCES AND RECONNECT FEES. THIS FEE SHALL NOT BE CHARGED IF A FEE FOR A DAMAGED METER IS CHARGED OR IF THE ACCOUNT HOLDER OR HIS/HER REPRESENTATIVE INFORMS THE UTILITY WITHIN 24 HOURS AFTER DISCOVERING THAT SERVICE HAS BEEN RESTORED WITHOUT AUTHORIZATION OF THE UTILITY: (1) THAT SERVICE WAS RECONNECTED WITHOUT THE ACCOUNT HOLDER'S PERMISSION; AND (2) THE ACCOUNT HOLDER AGREES TO PAY FOR ALL WATER USED.

DAMAGED METER AND APPURTENANCES FEE Actual cost

THIS FEE SHALL BE ASSESSED TO THE ACCOUNT HOLDER OF ANY DELINQUENT ACCOUNT THAT HAS BEEN DISCONNECTED FOR NONPAYMENT BY VALVING OFF OR LOCKING THE METER WHEN THE METER AND/OR METER APPURTENANCES, SUCH AS AN AMR UNIT OR CURB STOP, ARE DAMAGED IN ORDER TO RESTORE WATER SERVICE TO THE ACCOUNT HOLDER'S ORIGINAL PLACE OF SERVICE REQUIRING THE UTILITY TO REPAIR OR REPLACE THEM. THE ACCOUNT HOLDER SHALL BE CHARGED THE FULL COST OF REPAIRING AND/OR REPLACING ALL DAMAGED PARTS AS THE UTILITY DEEMS NECESSARY, INCLUDING LABOR AND VEHICLE COSTS. THIS WILL INCLUDE REPLACEMENT OF VALVES OR CURB STOPS THAT HAVE HAD THEIR LOCKING EYES BROKEN OFF THE FLANGES.

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.

SECTION 1.0 -- RATE SCHEDULE (Continued)

REGIONAL 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, AQUA TEXAS SHALL BE AUTHORIZED TO INCREASE ITS APPROVED LINE ITEM CHARGES PER 1,000 GALLONS USED (GALLONAGE CHARGE & REGIONAL PASS-THROUGH GALLONAGE CHARGE) BY THE AMOUNT OF THE REGIONAL TEMPORARY WATER RATE INCREASE ("RTWR") CALCULATED ACCORDING TO THE FORMULA:

$$RTWR = (((PRR)(CGC)(R))/(1-R))*((APV)/(RPV))$$

Where:

- RTWR = Regional Temporary Water Rate increase per 1,000 gallons
- CGC = current total volume charge per 1,000 gallons used (Gallorage Charge + Regional Pass-Through gallorage charge)
- R = water use reduction expressed as a decimal fraction (the pumping restriction)
- PRR = percentage of revenues to be recovered expressed as a decimal fraction, for this tariff PRR shall equal 0.5.
- APV = Annual Pumped and/or Purchased volume from the most recent rate application for the system or systems where the temporary restrictions are imposed; or the most recent 12 months if more than 3 years have passed since the most recent rate application was filed; and
- RPV = Annual Pumped and Purchased volume for Region from the most recent rate application; or the most recent 12 months if more than 3 years have passed since the most recent rate application was filed

To implement the Regional Temporary Water Rate, Aqua Texas must comply with all notice and other requirements of 16 TAC § 24.25(j).

REGIONAL PASS-THROUGH GALLONAGE CHARGE ADJUSTMENT: **See Attached Appendix C**

FEDERAL TAX CHANGE CREDIT RIDER (FTCCR):

The Federal Tax Change Credit Rider gives effect to the Tax Cuts and Jobs Act of 2017, which changed the federal corporate tax rate from 35% to 21%, by reducing the cost of service paid by customers taking service under this rate tariff. The FTCCR will provide credits to customers taking service under this rate tariff.

SECTION 1.0 - RATE SCHEDULE

Section 1.01 - Rates

<u>Meter Size</u>	<u>Monthly Minimum Charge</u>	<u>Gallage Charge</u>
5/8" or 3/4"	<u>\$30.00</u> (Includes 2,000 gallons)	<u>\$3.50</u> per 1000 gallons, 2,001 – 10,000 gallons
1"	<u>\$65.00</u>	<u>\$4.50</u> per 1000 gallons, 10,001 – 30,000 gallons
1½"	<u>\$135.00</u>	<u>\$5.50</u> per 1000 gallons, 30,001 – 50,000 gallons
2"	<u>\$219.00</u>	<u>\$6.50</u> per 1000 gallons, 50,001 – excess gallons
3"	<u>\$415.00</u>	

Federal Tax Change Credit Rider: (7.33%) of the monthly retail bill
(Effective May 1, 2018; ***Tariff Control No. 48197***)

Federal Tax Change Credit Rider: (5.26%) of the monthly retail bill
(Effective January 1, 2019; ***Tariff Control No. 48197***)

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 1.0%

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

Section 1.02 - Miscellaneous Fees

TAP FEE \$700.00

TAP FEE COVERS THE UTILITY'S COSTS FOR MATERIALS AND LABOR TO INSTALL A STANDARD RESIDENTIAL 5/8" or 3/4" METER. AN ADDITIONAL FEE TO COVER UNIQUE COSTS IS PERMITTED IF LISTED ON THIS TARIFF. \$350.00 IF A ROAD BORE IS REQUIRED.

TAP FEE (Unique costs) Actual Cost

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

TAP FEE (Large meter) Actual Cost

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

METER RELOCATION FEE Actual Relocation Cost, Not to Exceed Tap Fee

THIS FEE MAY BE CHARGED IF A CUSTOMER REQUESTS THAT AN EXISTING METER BE RELOCATED.

METER TEST FEE \$25.00

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

SECTION 1.0 - RATE SCHEDULE (Continued)

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\$0.00

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)\$5.00

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

RETURNED CHECK CHARGE\$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.

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:

$$\begin{array}{lll} \text{AG} & = & \text{G+B/(1-L), where} \\ \text{AG} & = & \text{adjusted gallonage charge, rounded to the nearest one cent;} \\ \text{G} & = & \text{approved gallonage charge (per 1,000 gallons)} \\ \text{B} & = & \text{change in purchased water/district gallonage charge (per 1,000 gallons);} \\ \text{L} & = & \text{system average line loss for preceding 12 months not to exceed 0.15} \end{array}$$

FEDERAL TAX CHANGE CREDIT RIDER (FTCCR):

The Federal Tax Change Credit Rider gives effect to the Tax Cuts and Jobs Act of 2017, which changed the federal corporate tax rate from 35% to 21%, by reducing the cost of service paid by customers taking service under this rate tariff. The FTCCR will provide credits to customers taking service under this rate tariff.

SECTION 1.0 -- RATE SCHEDULE

Section 1.01 - Rates

Residential/Non Residential

METER SIZE	MONTHLY BASE RATE (INCLUDES 2000 GALLONS)	GALLONAGE CHARGE PER 1,000 GALLONS
5/8" x 3/4"	\$49.00	\$3.50 2001-5000
1"	\$105.00	\$4.50 5001-15,000
1½"	\$199.00	\$6.50 15,001-25,000
2"	\$313.00	\$7.50 25,001 and above
3"	\$614.00	

School District

METER SIZE	MONTHLY BASE RATE (INCLUDES 0 GALLONS)	GALLONAGE CHARGE PER 1,000 GALLONS
5/8" x 3/4"	\$45.00	\$4.50
1"	\$129.00	
1½"	\$235.00	
2"	\$357.00	
3"	\$715.00	

Multi Unit Residential

METER SIZE	MONTHLY BASE RATE (INCLUDES 0 GALLONS)	GALLONAGE CHARGE PER 1,000 GALLONS
5/8" x 3/4"	\$256.00	\$3.50 0-5000
1"	\$640.00	\$4.50 5001-10,000
1½"	\$1,280.00	\$6.50 10,001-25,000
2"	\$2,047.00	\$7.50 25,001 and above
3"	\$4,095.00	

Federal Tax Change Credit Rider: (7.33%) of the monthly retail bill
(Effective May 1, 2018; **Tariff Control No. 48197**)

Federal Tax Change Credit Rider: (5.26%) of the monthly retail bill
(Effective January 1, 2019; **Tariff Control No. 48197**)

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

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

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

Docket Number 50388

SECTION 1.0 -- RATE SCHEDULE (Continued)

Section 1.02 - Miscellaneous Fees

TAP FEE\$800.00
TAP FEE COVERS THE UTILITY'S COSTS FOR MATERIALS AND LABOR TO INSTALL A STANDARD RESIDENTIAL 5/8" or 3/4" METER. AN ADDITIONAL FEE TO COVER UNIQUE COSTS IS PERMITTED IF LISTED ON THIS TARIFF.

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

TAP FEE (Large meter)Actual Cost
TAP FEE IS THE UTILITY'S ACTUAL COST FOR MATERIALS AND LABOR FOR METER SIZE INSTALLED.

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

METER TEST FEE\$25.00
THIS FEE WHICH SHOULD REFLECT THE UTILITY'S COST MAY BE CHARGED IF A CUSTOMER REQUESTS A SECOND METER TEST WITHIN A TWO-YEAR PERIOD AND THE TEST INDICATES THAT THE METER IS RECORDING ACCURATELY. THE FEE MAY NOT EXCEED \$25.

RECONNECTION FEE

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

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

SEASONAL RECONNECTION FEE

BASE RATE FOR METER SIZE TIMES NUMBER OF MONTHS OFF SYSTEM, NOT TO EXCEED SIX (6) MONTHS WHEN CUSTOMER LEAVES AND RETURNS WITHIN A TWELVE (12) MONTH PERIOD.

TRANSFER FEE\$30.00
THE TRANSFER FEE WILL BE CHARGED FOR CHANGING AN ACCOUNT NAME AT THE SAME SERVICE LOCATION WHEN THE SERVICE IS NOT DISCONNECTED.

LATE CHARGE (EITHER \$5.00 OR 10% OF THE BILL)\$5.00
PUC RULES ALLOW A ONE-TIME PENALTY TO BE CHARGED ON DELINQUENT BILLS. A LATE CHARGE MAY NOT BE APPLIED TO ANY BALANCE TO WHICH THE PENALTY WAS APPLIED IN A PREVIOUS BILLING.

RETURNED CHECK CHARGE\$25.00
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

SECTION 1.0 -- RATE SCHEDULE (Continued)

STANDARD METER INSTALLATION FEE\$100.00
TO BE CHARGE WHEN UNMETERED SERVICE EXISTS ON THE SYSTEM THAT SHOULD BE METERED TO BE IN COMPLIANCE WITH THE UTILITY’S TARIFF BUT THE CONVERSION OF THE SERVICE WOULD NOT REQUIRE A FULL TAP AND ALL OF ITS COSTS. THIS FEE WILL BE A SHARING OF COSTS BETWEEN THE CUSTOMER AND THE UTILITY. THE CUSTOMER MAY HAVE THE OPTION OF PAYING THE FEE OVER NO MORE THAN THREE (3) MONTHS.

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.

FEDERAL TAX CHANGE CREDIT RIDER (FTCCR):
THE FEDERAL TAX CHANGE CREDIT RIDER GIVES EFFECT TO THE TAX CUTS AND JOBS ACT OF 2017, WHICH CHANGED THE FEDERAL CORPORATE TAX RATE FROM 35% TO 21%. BY REDUCING THE COST OF SERVICE PAID BY CUSTOMERS TAKING SERVICE UNDER THIS RATE TARIFF. THE FTCCR WILL PROVIDE CREDITS TO CUSTOMERS TAKING SERVICE UNDER THIS RATE TARIFF.

SECTION 1.0 -- RATE SCHEDULE

Section 1.01 - Rates

Residential Water

MONTHLY BASE RATE BY METER SIZE (INCLUDES 0 GALLONS)	May 1, 2006- Dec. 31, 2006	Jan. 1, 2007- Dec. 31, 2007	Jan. 1, 2008- Dec. 31, 2008	Jan. 1, 2009- Dec. 31, 2009	Jan. 1, 2010- Dec. 31, 2010	Jan. 1, 2011 until changed
5/8 x 3/4 inch	\$21.69	\$22.77	\$23.91	\$25.10	\$26.36	\$27.67
1 inch	\$54.23	\$56.93	\$59.78	\$62.75	\$65.90	\$69.18
1 1/2 inch	\$108.45	\$113.85	\$119.55	\$125.50	\$131.80	\$138.35
2 inch	\$173.52	\$182.16	\$191.28	\$200.80	\$210.88	\$221.36
3 inch	\$325.35	\$341.55	\$358.65	\$376.50	\$395.40	\$415.05
4 inch	\$542.25	\$569.25	\$597.75	\$627.50	\$659.00	\$691.75
6 inch	\$1,084.50	\$1,138.50	\$1,195.50	\$1,255.00	\$1,318.00	\$1,383.50
8 inch	\$1,735.20	\$1,821.60	\$1,912.80	\$2,008.00	\$2,108.80	2213.6
10 inch	\$2,494.35	\$2,618.55	\$2,749.65	\$2,886.50	\$3,031.40	\$3,182.05
GALLONAGE CHARGE PER 1000 GALLONS						
1 TO 3,000 GALLONS	\$2.08	\$2.18	\$2.27	\$2.36	\$2.45	\$2.55
PER 1000 GALLONS THEREAFTER	\$2.81	\$2.91	\$3.02	\$3.11	\$3.23	\$3.33

Commercial Water

MONTHLY BASE RATE BY METER SIZE (INCLUDES 0 GALLONS)	May 1, 2006- Dec. 31, 2006	Jan. 1, 2007- Dec. 31, 2007	Jan. 1, 2008- Dec. 31, 2008	Jan. 1, 2009- Dec. 31, 2009	Jan. 1, 2010- Dec. 31, 2010	Jan. 1, 2011 until changed
5/8 x 3/4 inch	\$26.69	\$27.77	\$28.91	\$30.10	\$31.36	\$32.67
1 inch	\$66.73	\$69.43	\$72.28	\$75.75	\$78.40	\$81.68
1 1/2 inch	\$133.45	\$138.85	\$144.55	\$150.50	\$156.80	\$163.35
2 inch	\$213.52	\$222.16	\$231.28	\$240.80	\$250.88	\$261.36
3 inch	\$400.35	\$416.55	\$433.65	\$451.50	\$470.40	\$490.05
4 inch	\$667.25	\$694.25	\$722.75	\$752.50	\$784.00	\$816.75
6 inch	\$1,334.50	\$1,388.50	\$1,445.50	\$1,505.00	\$1,568.00	\$1,633.50
8 inch	\$2,135.20	\$2,221.60	\$2,312.80	\$2,408.00	\$2,508.80	\$2, 613.60
10 inch	\$3,069.35	\$3,193.55	\$3,324.65	\$3,461.50	\$3,606.40	\$3,757.05
GALLONAGE CHARGE PER 1000 GALLONS						
1 TO 3,000 GALLONS	\$2.58	\$2.68	\$2.77	\$2.86	\$2.95	\$3.05
PER 1000 GALLONS THEREAFTER	\$3.36	\$3.46	\$3.55	\$3.64	\$3.73	\$3.83

SECTION 1.0 -- RATE SCHEDULE (Continued)

Federal Tax Change Credit Rider: (7.33%) of the monthly retail bill
(Effective May 1, 2018; ***Tariff Control No. 48197***)

Federal Tax Change Credit Rider: (5.26%) of the monthly retail bill
(Effective January 1, 2019; ***Tariff Control No. 48197***)

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

Cash X (If in person at designated locations), Check X, Money Order X, Credit Card X,

Other (specify) Electronic Billing and Payment (See Section 2.06 Billing)

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 CASH, CREDIT CARD, OR ELECTRONIC PAYMENTS FOR UTILITY BILLS MAY REQUIRE PAYMENT OF AN ADDITIONAL CONVENIENCE CHARGE FOR THIS SERVICE.

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

Section 1.02 - Miscellaneous Fees

TAP FEE \$600.00
TAP FEE COVERS THE UTILITY'S COSTS FOR MATERIALS AND LABOR TO INSTALL A STANDARD RESIDENTIAL 5/8" x 3/4" METER. AN ADDITIONAL FEE TO COVER UNIQUE COSTS IS PERMITTED IF LISTED ON THIS TARIFF.

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

TAP FEE (Larger meter) Actual Cost
THIS TAP FEE IS BASED ON THE UTILITY'S ACTUAL COST FOR MATERIALS AND LABOR FOR METERS LARGER THAN STANDARD 5/8" x 3/4" METERS. UNIQUE COSTS, SUCH AS ROAD BORES, WILL BE CHARGED IN ADDITION TO THIS TAP FEE AT THEIR ACTUAL COST OF INSTALLATION.

METER RELOCATION FEE Actual Relocation Cost, Not to Exceed Tap 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.

METER TEST FEE \$25.00
THIS FEE, WHICH SHOULD REFLECT THE UTILITY'S COST, MAY BE CHARGED IF A CUSTOMER REQUESTS A SECOND METER TEST WITHIN A TWO-YEAR PERIOD AND THE TEST INDICATES THAT THE METER IS RECORDING ACCURATELY. THE FEE MAY NOT EXCEED \$25.

SECTION 1.0 -- RATE SCHEDULE (Continued)

RECONNECTION FEE

THE RECONNECTION 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..... \$45.00

SEASONAL RECONNECT FEE

BASE RATE FOR METER SIZE TIMES THE NUMBER OF MONTHS OFF SYSTEM NOT TO EXCEED SIX MONTHS WHEN LEAVE AND RETURN WITHIN A TWELVE MONTH PERIOD.

TRANSFER FEE \$45.00

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

LATE CHARGE 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 \$25.00

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

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

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

METER/SERVICE RELOCATION FEE (Customer's Request) Actual Cost

THIS FEE MAY BE CHARGED IF A CUSTOMER REQUESTS THAT AN EXISTING METER BE RELOCATED.

STANDARD METER INSTALLATION FEE \$150.00

TO BE CHARGED WHEN UNMETERED SERVICE EXISTS ON THE SYSTEM THAT SHOULD BE METERED TO BE IN COMPLIANCE WITH THE UTILITY'S TARIFF BUT THE CONVERSION OF THE SERVICE WOULD NOT REQUIRE A FULL TAP AND ALL OF ITS COSTS. THIS FEE WILL BE A SHARING OF COSTS BETWEEN THE CUSTOMER AND THE UTILITY. THE CUSTOMER MAY HAVE THE OPTION OF PAYING THE FEE OVER NO MORE THAN THREE (3) MONTHS.

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.

SECTION 1.0 -- RATE SCHEDULE (Continued)

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, AQUA TEXAS SHALL BE AUTHORIZED TO INCREASE ITS APPROVED GALLONAGE CHARGE ACCORDING TO THE FORMULA:

$$TGC = \frac{cgc + (pr)(cgc)(r)}{(1.0-r)}$$

Where:

TGC = temporary gallonage charge
cgc = current gallonage
r = water use reduction expressed as a decimal fraction (the pumping restriction)
pr = percentage of revenues to be recovered expressed as a decimal fraction, for this tariff prr shall equal 0.5.

To implement the Regional Temporary Water Rate, Aqua Texas must comply with all notice and other requirements of 16 TAC § 24.25(j).

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 to only the water system(s) affected by the increase or fee as an adjustment to the gallonage charge according to the following formula:

AG = $G + B / (1-L)$
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

CUSTOMER SERVICE INSPECTION FEE..... \$75.00

SERVICE APPLICANTS ARE FREE TO HAVE CUSTOMER SERVICE INSPECTIONS REQUIRED BY TCEQ RULE 290.46(J) PERFORMED BY ANY STATE-LICENSED INSPECTOR OF THEIR CHOICE. THEY ARE ENCOURAGED TO USE A THIRD PARTY INSPECTOR AND NOT AN EMPLOYEE OF THE UTILITY. HOWEVER, IF THEY REQUEST THE UTILITY TO PERFORM THE INSPECTION AND THE UTILITY HAS AN APPROVED INSPECTOR AVAILABLE; IT WILL BE DONE AT A MARKET PRICE SINCE THIS IS NOT A NORMAL FUNCTION OF PUBLIC WATER UTILITY SERVICE. PERFORMING CUSTOMER SERVICE INSPECTIONS MUST TAKE LOWER PRIORITY TO FULFILLING UTILITY SERVICE RESPONSIBILITIES UNDER THE TCEQ'S CHAPTER 290 AND 291 RULES.

SECTION 1.0 -- RATE SCHEDULE (Continued)

LOCK REMOVAL OR DAMAGE FEE.....\$10.00

THIS FEE SHALL BE ASSESSED TO THE ACCOUNT HOLDER OF ANY DELINQUENT ACCOUNT THAT HAS BEEN TERMINATED FOR NON-PAYMENT BY LOCKING THE METER AND THE LOCK HAS SUBSEQUENTLY BEEN REMOVED OR DAMAGED WITHOUT AUTHORIZATION BY THE UTILITY IN ORDER TO RESTORE WATER SERVICE TO THE ACCOUNT HOLDER’S ORIGINAL PLACE OF SERVICE. THIS FEE SHALL NOT BE CHARGED IF THE DAMAGED METER FEE IS CHARGED.

DAMAGED METER AND APPURTENANCES FEE Actual cost

THIS FEE SHALL BE ASSESSED TO THE ACCOUNT HOLDER OF ANY DELINQUENT ACCOUNT THAT HAS BEEN TERMINATED FOR NON-PAYMENT BY LOCKING THE METER AND/OR METER APPURTENANCES SUCH AS AN AMR UNIT, OR THE CURB STOP HAS BEEN DAMAGED IN ORDER TO RESTORE WATER SERVICE TO THE ACCOUNT HOLDER’S ORIGINAL PLACE OF SERVICE REQUIRING THE UTILITY TO REPLACE OR REPAIR THEM. THE ACCOUNT HOLDER SHALL BE CHARGED THE FULL COST OF REPAIRING AND/OR REPLACING ALL DAMAGED PARTS, INCLUDING LABOR AND VEHICLE COSTS. THIS WILL INCLUDE REPLACEMENT OF METERS THAT HAVE HAD THEIR LOCKING EYES BROKEN OFF THE FLANGES.

FEDERAL TAX CHANGE CREDIT RIDER (FTCCR):

THE FEDERAL TAX CHANGE CREDIT RIDER GIVES EFFECT TO THE TAX CUTS AND JOBS ACT OF 2017, WHICH CHANGED THE FEDERAL CORPORATE TAX RATE FROM 35% TO 21%, BY REDUCING THE COST OF SERVICE PAID BY CUSTOMERS TAKING SERVICE UNDER THIS RATE TARIFF. THE FTCCR WILL PROVIDE CREDITS TO CUSTOMERS TAKING SERVICE UNDER THIS RATE TARIFF.

SECTION 1.0 - RATE SCHEDULE

Section 1.01 - Rates

<u>Meter Size</u>	<u>Monthly Minimum Charge</u>	<u>Gallonage Charge</u>
5/8" or 3/4"	<u>\$30.00</u> (Includes 2,000 gallons)	<u>\$2.50</u> per 1,000 gallons 2001-10,000
1"	<u>\$40.50</u> (Including 2,000 gallons)	<u>\$2.75</u> per 1,000 gallons 10,001 thereafter
1 1/2"	<u>\$70.88</u> (Including 2,000 gallons)	

Federal Tax Change Credit Rider: (7.33%) of the monthly retail bill
(Effective May 1, 2018; *Tariff Control No. 48197*)

Federal Tax Change Credit Rider: (5.26%) of the monthly retail bill
(Effective January 1, 2019; *Tariff Control No. 48197*)

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

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

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

Section 1.02 - Miscellaneous Fees

TAP FEE N/A
TAP FEE COVERS THE UTILITY'S COSTS FOR MATERIALS AND LABOR TO INSTALL A STANDARD
RESIDENTIAL 5/8" or 3/4" METER. AN ADDITIONAL FEE TO COVER UNIQUE COSTS IS PERMITTED IF LISTED
ON THIS TARIFF.

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 \$35.00

TRANSFER FEE N/A
THE TRANSFER FEE WILL BE CHARGED FOR CHANGING AN ACCOUNT NAME AT THE SAME SERVICE
LOCATION WHERE THE SERVICE IS NOT DISCONNECTED.

LATE CHARGE (EITHER \$5.00 OR 10% OF THE BILL) \$5.00
PUC RULES ALLOW A ONE-TIME PENALTY TO BE CHARGED ON DELINQUENT BILLS. A LATE CHARGE
MAY NOT BE APPLIED TO ANY BALANCE TO WHICH THE PENALTY WAS APPLIED IN A PREVIOUS BILLING.

RETURNED CHECK CHARGE \$15.00
RETURNED CHECK CHARGES MUST BE BASED ON THE UTILITY'S DOCUMENTABLE COST.

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

SECTION 1.0 - RATE SCHEDULE (Continued)

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.

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.

FEDERAL TAX CHANGE CREDIT RIDER (FTCCR):

THE FEDERAL TAX CHANGE CREDIT RIDER GIVES EFFECT TO THE TAX CUTS AND JOBS ACT OF 2017, WHICH CHANGED THE FEDERAL CORPORATE TAX RATE FROM 35% TO 21%, BY REDUCING THE COST OF SERVICE PAID BY CUSTOMERS TAKING SERVICE UNDER THIS RATE TARIFF. THE FTCCR WILL PROVIDE CREDITS TO CUSTOMERS TAKING SERVICE UNDER THIS RATE TARIFF.

SECTION 1.0 -- RATE SCHEDULE

Section 1.01 - Rates

<u>Meter Size</u>	<u>Monthly Minimum Charge</u>	<u>Gallage Charge</u>
5/8" x 3/4"	<u>\$28.00</u> (Includes 0 gallons)	
3/4"	<u>\$33.00</u>	<u>\$2.00</u> per 1000 gallons, 1 st 6,000 gallons
1"	<u>\$46.76</u>	<u>\$2.75</u> per 1000 gallons, next 14,000 gallons
1½"	<u>\$93.24</u>	<u>\$3.25</u> per 1000 gallons thereafter
2"	<u>\$149.24</u>	
3"	<u>\$224.00</u>	
4"	<u>\$280.00</u>	
6"	<u>\$466.76</u>	

Federal Tax Change Credit Rider: (7.33%) of the monthly retail bill
(Effective May 1, 2018; ***Tariff Control No. 48197***)

Federal Tax Change Credit Rider: (5.26%) of the monthly retail bill
(Effective January 1, 2019; ***Tariff Control No. 48197***)

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

TAP FEE \$500.00
TAP FEE COVERS THE UTILITY'S COSTS FOR MATERIALS AND LABOR TO INSTALL A STANDARD RESIDENTIAL 5/8" or 3/4" METER. AN ADDITIONAL FEE TO COVER UNIQUE COSTS IS PERMITTED IF LISTED ON THIS TARIFF.

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

TAP FEE (Large meter) Actual Cost
TAP FEE IS THE UTILITY'S ACTUAL COST FOR MATERIALS AND LABOR FOR METER SIZE INSTALLED.

NON-RESIDENTIAL TAP FEE Actual Cost
TAP FEE IS BASED ON THE AVERAGE OF THE UTILITY'S ACTUAL COST FOR MATERIALS AND LABOR FOR NON-RESIDENTIAL CONNECTIONS.

SECTION 1.0 -- RATE SCHEDULE (Continued)

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.

METER CONVERSION FEE.....Actual Cost

TO CHANGE LOCATION OR INCREASE THE SIZE OF THE METER AT THE CUSTOMER'S REQUEST.

Section 1.02 - Miscellaneous Fees

RECONNECTION FEE

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

a) Non-payment of bill (Maximum \$25.00).....\$25.00

b) Customer's request that service be disconnected\$40.00

TRANSFER FEE\$40.00

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

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

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

RETURNED CHECK CHARGE\$25.00

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.

FEDERAL TAX CHANGE CREDIT RIDER (FTCCR):

THE FEDERAL TAX CHANGE CREDIT RIDER GIVES EFFECT TO THE TAX CUTS AND JOBS ACT OF 2017, WHICH CHANGED THE FEDERAL CORPORATE TAX RATE FROM 35% TO 21%. BY REDUCING THE COST OF SERVICE PAID BY CUSTOMERS TAKING SERVICE UNDER THIS RATE TARIFF. THE FTCCR WILL PROVIDE CREDITS TO CUSTOMERS TAKING SERVICE UNDER THIS RATE TARIFF.

SECTION 1.0 - RATE SCHEDULE

Section 1.01 - Rates

<u>Meter Size</u>	<u>Monthly Minimum Charge</u>	<u>Gallage Charge</u>
5/8" or 3/4"	<u>\$30.00</u> (Includes 2,000 gallons)	<u>\$4.34</u> per 1,000 gallons

Federal Tax Change Credit Rider: (7.33%) of the monthly retail bill
(Effective May 1, 2018; ***Tariff Control No. 48197***)

Federal Tax Change Credit Rider: (5.26%) of the monthly retail bill
(Effective January 1, 2019; ***Tariff Control No. 48197***)

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

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

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

Section 1.02 - Miscellaneous Fees

TAP FEE \$200.00
TAP FEE COVERS THE UTILITY'S COSTS FOR MATERIALS AND LABOR TO INSTALL A STANDARD
RESIDENTIAL 5/8" or 3/4" METER. AN ADDITIONAL FEE TO COVER UNIQUE COSTS IS PERMITTED IF LISTED
ON THIS TARIFF.

TAP FEE (Large meter) Actual Cost
TAP FEE IS THE UTILITY'S ACTUAL COST FOR MATERIALS AND LABOR FOR METER SIZE INSTALLED.

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

METER TEST FEE \$25.00
THIS FEE WHICH SHOULD REFLECT THE UTILITY'S COST MAY BE CHARGED IF A CUSTOMER REQUESTS
A SECOND METER TEST WITHIN A TWO-YEAR PERIOD AND THE TEST INDICATES THAT THE METER IS
RECORDING ACCURATELY. THE FEE MAY NOT EXCEED \$25.

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 \$25.00

TRANSFER FEE \$10.00
THE TRANSFER FEE WILL BE CHARGED FOR CHANGING AN ACCOUNT NAME AT THE SAME SERVICE
LOCATION WHERE 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.

SECTION 1.0 - RATE SCHEDULE (Continued)

RETURNED CHECK CHARGE.....\$15.00
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.

Section 1.04 – Purchased Water Adjustment Provision

The minimum bill and gallonage rate set forth in Section 1.01 are based upon a cost of wholesale water purchased from the City of Austin at a rate of \$49.21 for the first 2,000 gallons and \$2.26 for each additional 1,000 gallons. The gallonage rate in Section 1.01 (2.60 per 1,000 gallons) may be increased or decreased to reflect changes in the cost of water purchased from the City of Austin in accordance with the following procedures:

1. The current rate of \$2.60 per 1,000 gallons will be increased or decreased when the City of Austin adjusts its current gallonage rate. For example:
 - If the City of Austin's gallonage rate increases by \$.04 per 1,000 gallons to \$2.30/1,000 gallons, the new gallonage rate for the Aqua Utilities, Inc. dba Aqua Texas, Inc.'s customers will also increase by \$.04 to \$2.64/1,000 gallons.
 - If the City of Austin's gallonage rate decreases by \$.04 per 1,000 gallons to \$2.22/1,000 gallons, the new gallonage rate for the Aqua Utilities, Inc. dba Aqua Texas, Inc.'s customers will also decrease by \$.04 to \$2.56/1,000 gallons.
2. The utility shall notify its customers and the Public Utility Commission of Texas in writing of the proposed change prior to the effective date of implementation of the changed rates. Notice to the customers, which may be in the form of a billing insert, shall contain the effective date of the change, the present rates, the new rates, and the change in charges to the Utility for purchased water. The notice shall also include the following language: "This tariff change is being implemented in accordance with the Utility's approved purchased water adjustment provision. The cost of these charges to the Utility's customers will not exceed the increased or decreased cost of purchased, water."
3. Notice to the Public Utility Commission of Texas shall include a copy of the notice sent to customers, proof that the cost of purchased water has changed by the stated amount, and the calculations and assumptions used to determine the new rates.

FEDERAL TAX CHANGE CREDIT RIDER (FTCCR):

The Federal Tax Change Credit Rider gives effect to the Tax Cuts and Jobs Act of 2017, which changed the federal corporate tax rate from 35% to 21%, by reducing the cost of service paid by customers taking service under this rate tariff. The FTCCR will provide credits to customers taking service under this rate tariff.

SECTION 1.0 -- RATE SCHEDULE

Section 1.01 - Rates

<u>Meter Size</u>	<u>Monthly Minimum Charge</u> (Includes 0 gallons all meters)	<u>Gallage Charge</u>
5/8"	<u>\$37.42</u>	<u>\$2.75</u> per 1,000 gallons
1"	<u>\$93.55</u>	Peak Season Volumetric Rates (June-Sept)
1½"	<u>\$187.10</u>	
2"	<u>\$299.36</u>	<u>\$2.10</u> per 1,000 gallons
3"	<u>\$598.72</u>	Off-Peak Season Volumetric Rates (Oct-May)
4"	<u>\$935.50</u>	
6"	<u>\$1,871.00</u>	
8"	<u>\$2,993.60</u>	
10"	<u>\$4,303.30</u>	
12"	<u>\$9,355.00</u>	

Monthly Minimum Charge for any meter size larger than 12" will be calculated using American Water Works Association (AWWA) approved meter equivalency factors.

Federal Tax Change Credit Rider: (7.23%) of the monthly retail bill
(Effective May 1, 2018; ***Tariff Control No. 48197***)

Federal Tax Change Credit Rider: (5.20%) of the monthly retail bill
(Effective January 1, 2019; Tariff Control No. 48197)

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

Cash X (if in person at designated locations), Check X, Money Order X, Credit Card X,
Other Electronic Billing and Payment (See Section 2.06 Billing)

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 CASH, CREDIT CARD, OR ELECTRONIC PAYMENTS FOR UTILITY BILLS MAY REQUIRE AN ADDITIONAL CONVENIENCE CHARGE FOR THIS SERVICE.

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

Section 1.02 – Miscellaneous Fees

TAP FEE \$900.00
TAP FEE IS BASED ON THE AVERAGE OF THE UTILITY'S ACTUAL COST FOR MATERIALS AND LABOR FOR STANDARD RESIDENTIAL CONNECTION OF 5/8" METER PLUS UNIQUE COSTS AS PERMITTED BY PUC RULE AT COST.

TAP FEE (Unique costs) Actual Cost
FOR EXAMPLE, A ROAD BORE FOR CUSTOMERS OUTSIDE OF SUBDIVISIONS OR RESIDENTIAL AREAS. UNIQUE COSTS WILL BE DETERMINED ON A CASE-BY-CASE BASIS.

SECTION 1.0 -- RATE SCHEDULE (Continued)

LARGE METER TAP FEE Actual Cost

TAP FEE IS BASED ON THE UTILITY'S ACTUAL COST FOR MATERIALS AND LABOR FOR METERS LARGER THAN STANDARD 5/8" METERS. UNIQUE COSTS SUCH AS ROAD BORES, WILL BE CHARGED IN ADDITION TO THIS TAP FEE AT THEIR ACTUAL COST OF INSTALLATION.

RECONNECTION FEE

THE RECONNECT FEE WILL BE CHARGED BEFORE SERVICE CAN BE RESTORED TO A CUSTOMER WHO HAS BEEN DISCONNECTED FOR THE FOLLOWING REASONS:

- a) Non-payment of bill (Maximum \$25.00) \$25.00
- b) Customer's request \$75.00

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 10%

A ONE-TIME PENALTY MAY BE MADE ON DELINQUENT BILLS BUT MAY NOT BE APPLIED TO ANY BALANCE TO WHICH THE PENALTY WAS APPLIED IN A PREVIOUS BILLING.

RETURNED CHECK CHARGE \$25.00

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

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

COMMERCIAL AND NON-RESIDENTIAL DEPOSIT 1/6TH EST. ANNUAL BILL

METER TEST FEE (actual cost of testing the meter up to) \$25.00

THIS FEE 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.

METER RELOCATION FEE Actual Relocation Cost

THIS FEE MAY BE CHARGED IF A CUSTOMER REQUESTS RELOCATION OF AN EXISTING METER.

GOVERNMENTAL TESTING, INSPECTION AND COSTS SURCHARGE CLAUSE:

INCREASES IN INSPECTION FEES AND WATER TESTING COSTS IMPOSED BY STATE OR FEDERAL LAW MAY BE PASSED THROUGH AS AN ADJUSTMENT TO THE MONTHLY BASE RATE CHARGE UNDER THE TERMS AND CONDITIONS OF [16 TAC § 24.25(b)(2)(G)] AFTER NOTICE TO CUSTOMERS AND UPON WRITTEN APPROVAL BY THE PUC.

LINE EXTENSION AND CONSTRUCTION CHARGES:

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

SECTION 1.0 -- RATE SCHEDULE (Continued)

REGIONAL 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 approved gallonage charge according to the formula:

$$RTGC = cgc + \frac{(pr)(cgc)(r)}{(1.0-r)}$$

Where:

RTGC = regional temporary gallonage charge

cgc = current gallonage charge

r = water use reduction expressed as a decimal fraction (the pumping restriction)

pr = percentage of revenues to be recovered expressed as a decimal fraction, for this tariff pr 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(j).

FEDERAL TAX CHANGE CREDIT RIDER (FTCCR):

The Federal Tax Change Credit Rider gives effect to the Tax Cuts and Jobs Act of 2017, which changed the federal corporate tax rate from 35% to 21%, by reducing the cost of service paid by customers taking service under this rate tariff. The FTCCR will provide credits to customers taking service under this rate tariff.

SECTION 2.0 - SERVICE RULES AND REGULATIONS

Section 2.01 – Public Utility Commission of Texas Rules

The utility will have the most current Public Utility Commission (PUC) of Texas 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 2.02 - Application for and Provision of 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) and will be signed by the applicant before water service is provided by the utility. A separate application or contract will be made for each service location.

After the applicant has met all the requirements, conditions and regulations for service, the utility will install a 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 ten 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. Notwithstanding any statement in this tariff to the contrary, the utility will serve each qualified applicant for service within the time limits prescribed in 16 TAC § 24.161(a)-(b) as that rule may be amended by the PUC.

Where service has previously been provided, service will be reconnected within three working days after the applicant has met the requirements for reconnection.

The customer will be responsible for furnishing and laying the necessary customer service pipe from the meter location to the place of consumption. Customers may be required to install a customer owned cut-off valve on the customer's side of the meter or connection.

Section 2.03 - 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 a complaint may be filed with the Commission.

Section 2.04 - Customer Deposits

If a residential applicant cannot establish credit to the satisfaction of the utility, the applicant may be required to pay a deposit as provided for in Section 1.02 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.

SECTION 2.0 - SERVICE RULES AND REGULATIONS (Continued)

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

Section 2.05 - Meter Requirements, Reading and Testing

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. One meter is required for each residential, commercial or industrial facility in accordance with the PUC Rules.

Service 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 2.06 - Billing

Bills from the Utility will be mailed monthly unless authorized by the Commission or the customer voluntarily elects to be billed through a paperless electronic billing system which uses standard forms, protocols and conformation processes established and maintained by the utility or unaffiliated third parties providing online billing and payment services that are approved by the Utility. The due date to pay bills for utility service will be at least 21 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 or electronic mailing by the Utility or the Utility's billing service 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 processor 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 work day after the due date.

A late penalty of 10% will be charged on delinquent bills. Customer payments post marked by the due date will not incur a late penalty. 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.

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 telephone number (or numbers) which may be reached by a local call by customers. At the utility's option, a toll-free telephone number or the equivalent may be provided.

SECTION 2.0 - SERVICE RULES AND REGULATIONS (Continued)

Cash Payments at Non-utility payment locations or Credit Card Payments – The Utility may use unaffiliated third parties to accept and process utility bill cash payments at non-utility payment locations or to accept and process utility bill credit card payments. Any charges required by the third party to accept and process such utility bill payments are the responsibility of the customer and are in addition to utility bill amounts.

Electronic Billing and Payment – A customer may voluntarily elect to be billed through a paperless electronic billing system which uses standard forms, protocols and conformation processes established and maintained by the Utility or unaffiliated third parties providing online billing and payment services that are approved by the Utility. Any charges required by the third party to process the electronic bill or payment are the responsibility of the customer and are in addition to utility bill amounts. In administering this electronic billing option, the Utility does not send the customer paper bills. Customers may sign up for electronic billing at www.aquaamerica.com. Required information that otherwise accompanies a paper bill is transmitted to the customer electronically, or an Internet link access to such information is transmitted electronically to the customer. Any applicable disconnection notice continues to be sent to the customer via United States mail. The Utility may utilize unaffiliated third parties to electronically transmit bills to the customer. The Utility is not responsible for any loss resulting from the customer's election to receive bills electronically, including but not limited to, any loss associated with damage to the customer's computer equipment or facilities and any loss associated with a third party's unauthorized use of the customer's information. Either the Utility or customer may, upon thirty (30) days notice to the other party, terminate electronic transmission of bills without any liability to the terminating party resulting from such termination, and without affecting the customer's obligation to pay all amounts due to the Utility. In such event, the Utility will begin to issue paper bills via United States mail to the customer as soon as reasonably practical. The Utility reserves the right to determine whether or not a customer is eligible to be billed through its paperless electronic billing system. A customer that elects electronic billing, who is a combination water and sewer service customer of the Utility, will receive electronic billing for both services.

Third party charges for processing utility bill payments- Any charges required by a third party to accept or process a cash utility bill payment at a non-utility payment location, a credit card utility bill payment, or an electronic utility bill or payment are the responsibility of the customer and are in addition to utility bill amounts.

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 2.07 - Service Disconnection

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 31 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.

SECTION 2.0 - SERVICE RULES AND REGULATIONS (Continued)

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

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

Section 2.08 – Reconnection of Service

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

Section 2.09 - 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.

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

Section 2.10 - 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 PUC Rules or in the TCEQ's "Rules and Regulations for Public Water Systems." The utility will not provide supply for fire prevention, fire flow, or firefighting services as part of standard retail water utility service.

Section 2.11 - 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.

SECTION 2.20 - SPECIFIC UTILITY SERVICE RULES AND REGULATIONS

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

The utility adopts the administrative rules of the PUC, as the same may be amended from time to time, as its company specific service rules and regulations. These rules will be kept on file at the company's offices for customer inspection during regular business hours. In the event of a conflict between the PUC's amended rules and the provisions of this tariff, the amended rules shall prevail. Where necessary, any conflicting provision of this tariff shall be deemed to have been superseded by the PUC rule in question to the degree that the utility may conduct its lawful business in conformance with all requirements of said rule.

All payments for utility service shall be delivered or mailed to the remittance address on the utility bill received or paid using any method described on the utility bill received. Cash payments are only accepted in person at designated payment locations as described in the utility bill received. If the utility or its authorized agent 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.

Customers shall 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 must install customer-owned and maintained cutoff valves on their side of the meter.

No water connection from any public drinking water supply system shall be made to any establishment where an actual or potential contamination or system hazard exists without an air gap separation between the drinking water supply and the source of potential contamination. The containment air gap is sometimes impractical and, instead, reliance must be placed on individual internal air gaps or mechanical backflow prevention devices.

Under these conditions, additional protection shall be required at the meter in the form of a backflow prevention device (in accordance with AWWA Standards C510 and C511, and AWWA Manual M14) on those establishments handling substances deleterious or hazardous to the public health. The water purveyor need not require backflow protection at the water service entrance if an adequate cross-connection control program is in effect that includes an annual inspection and testing by a certified backflow prevention device tester. It will be the responsibility of the water purveyor to ensure that these requirements are met.

Customer shall be liable for any damage or injury to utility-owned property or personnel shown to be caused by the customer, his invitees, his agents, his employees, or others directly under his control.

Limitation on Product/Service Liability. - Public water utilities are required to deliver water to the customer's side of the meter or service connection that meets the potability and pressure standards of the TCEQ. The utility will not accept liability for any injury or damage to individuals or their property occurring on the customer's side of the meter when the water delivered meets these state standards.

SECTION 2.20 - SPECIFIC UTILITY SERVICE RULES AND REGULATIONS (Continued)

The utility makes no representations or warranties (expressed or implied) that customer's appliances will not be damaged by disruptions of or fluctuations in water service whatever the cause. The utility will not accept liability for injuries or damages to persons or property due to disruption of water service caused by: (1) acts of God, (2) acts of third parties not subject to the control of the utility if the utility has undertaken such preventive measures as are required by PUC or TCEQ rules, (3) electrical power failures in water systems not required by TCEQ rule to have auxiliary power supplies, or (4) termination of water service pursuant to the utility's tariff and the PUC's rules. The utility is not required by law and does not provide fire prevention, fire flow, or fire fighting services. The utility therefore does not accept liability for fire-related injuries or damages to persons or property caused or aggravated by the availability (or lack thereof) of water or water pressure (or lack thereof) during fire emergencies. The utility will accept liability for any injury or damage to individuals or their property directly caused by defective utility plant facilities (*e.g.*, leaking water lines or meters) or the repairs to or construction of the utility's facilities.

If the services of a registered professional engineer are required as a result of an application for service received by the utility for service to that applicant's service extension only, such engineer will be selected by the utility and the applicant, and the applicant shall bear all expenses incurred therein.

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. Any applicant who places unique or non-standard service demands on the system may be required to provide contributions in aid of construction (as may be allowed by PUC rule) 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 applicant or existing customer required to pay for any costs not specifically set forth in the rate schedule pages of this tariff shall be entitled to a written explanation of such costs prior to 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 have 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 or existing customer's property(ies) is located.

Tap fees may be increased by unique costs not normally incurred as may be permitted by 16 TAC § 24.163(a)(1)(C).

The utility adopts the Uniform Plumbing Code pursuant to 30 TAC § 290.46(i). The piping and other equipment on the premises furnished by the customer will be maintained by the customer at all times in conformity with the requirements of the TCEQ, the Uniform Plumbing Code and with the service rules and regulations of the utility. The customer will bring out his service line to his property line at the point on the customer's property mutually acceptable to the customer and the utility subject to such requirements as may exist by PUC rule. No meters smaller than those identified in Section 1.0 of this tariff will be connected. No pipe or pipe fitting which contains more than 8.0% lead can be used for the installation or repair of plumbing at any connection which provides water for human use. No solder or flux which contains more than 0.2% lead can be used at any connection which provides water for human use.

The utility will have the right of access to the customer's premises at all times reasonable 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.

SECTION 2.20 - SPECIFIC UTILITY SERVICE RULES AND REGULATIONS (Continued)

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. The customer may require any utility representative, employee, contractor, or agent seeking to make such entry to identify themselves, their affiliation with the utility, and the purpose of their entry.

Threats to or assaults upon utility personnel shall result in criminal prosecution.

Except in cases where the customer has a contract with the utility for reserve or auxiliary service, no other water service will be used by the customer on the same installation in conjunction with the utility's service, either by means of a cross-over valve or any other connection. Customer shall not connect, or allow any other person or party to connect, onto any water lines on his premises. Two places shall not be permitted to be supplied with one service pipe where there is a water main abutting the premises.

No connection shall be allowed which allows water to be returned to the public drinking water supply. No backflow prevention device shall be permitted to be installed in the customer's plumbing without notice to and written permission from the utility. Any backflow prevention devices so installed shall be inspected annually by a licensed backflow prevention device inspector or appropriately licensed plumber and a written report of such inspection delivered to the utility.

No application, agreement or contract for service may be assigned or transferred without the written consent of the utility.

It is agreed and understood that any and all meters, water lines and other equipment furnished by the utility (excepting the customer's individual service lines from the point of connection to customer's structures on customer's premises) are and shall remain the sole property of the utility, and nothing contained herein or in a contract/application for service shall be construed to reflect a sale or transfer of any such meters, lines or equipment to any customer. All tap and extension charges shall be for the privilege of connecting to said water lines and for installation, not purchase, of said meters and lines.

Applicants for service at new consuming facilities or facilities which have undergone extensive plumbing modifications are required to deliver to the utility a certificate that their facilities have been inspected by a state-licensed inspector and that they are in compliance with all applicable plumbing codes and are free of potential hazards to public health and safety. Service may be denied until the certificate is received or any identified violations or hazards are remedied. The utility is not required to perform these inspections for the applicant/customer, but will assist the applicant/customer to locate and obtain the services of a licensed inspector in a timely manner. When potential sources of contamination are identified which, in the opinion of the inspector or the utility, require the installation of a state-approved backflow prevention device, such back flow prevention device shall be installed on the customer's service line or other necessary plumbing facilities by an appropriately licensed plumber/backflow prevention device specialist at the customer's expense. The backflow prevention device shall be maintained by the customer at his expense and inspected annually by a licensed inspector. Copies of the annual inspection report must be provided to the utility. Failure to comply with this requirement may constitute grounds for termination of water service with notice.

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. Access to meters and cutoff valves shall be controlled by the provisions of 16 TAC § 24.169(c).

SECTION 2.20 - SPECIFIC UTILITY SERVICE RULES AND REGULATIONS (Continued)

Where necessary to serve an applicant's property, the utility may require the applicant to provide it a permanent recorded public utility easement on and across the applicant's real property sufficient to provide service to that applicant.

Service applicants may be required to comply with any pre-condition to receiving service not printed herein as may exist under PUC rule (customer service, health and safety, water conservation, or environmental), USEPA rule, TWDB rule, local water or conservation district rule or health department rule. Existing customers shall be required to comply with such rules, including modification of their plumbing and/or consumption patterns, after notice.

Customers must make meters accessible to the Utility and its personnel. If they do not, the Utility may require the removal of the meter to another location according to 16 TAC § 24.169(c) of the PUC's rules. The Utility will give the customer the option of converting to a remote radio read meter at the customer's expense in lieu of bearing the cost of relocating the meter and any Utility water lines necessitated by the customer's actions. If the customer does not accept this option, the customer will be charged for all incurred meter relocation costs. Before relocating the meter, the utility must provide the customer with written notice of its intent to do so.

This notice must include information on the estimated cost of relocating the meter, an explanation of the condition hindering access and what the customer can do to correct that condition, and information on how to contact the utility. The notice must give the customer a reasonable length of time to arrange for utility access so the customer may avoid incurring the relocation cost. A copy of the notice given to the customer shall be filed with the utility's records on the customer's account.

Customers shall not enclose meters with fences or other artificial barriers. If there is a fence in front of a meter, the customer shall install a gate or stile with 300 pound-load bearing capacity to enable meter readers and service crews to obtain ready access to the utility's property.

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.

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 may not be required of individual residential customers for production, storage, treatment or transmission facilities unless otherwise approved by the Commission under this specific extension policy.

COST UTILITY SHALL BEAR. Within its Certificate of Convenience and Necessity (“CCN”) service 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 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.

Developers may be required to provide contributions in aid of construction in amounts to furnish the system with all facilities necessary to comply with the PUC’s Rules.

SECTION 3.20 - SPECIFIC UTILITY EXTENSION POLICY

This section contains the utility's specific extension policy that complies with the requirements already stated under Section 3.01. It must be reviewed and approved by the Commission and in compliance with PUC Rules to be effective.

Residential customers not covered under Section 3.01 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 full 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.

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 tariff, 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.

The utility adopts the administrative rules of the PUC, as amended from time to time, as its company specific extension policy. These rules will be kept on file at the company's business office for customer inspection during normal business hours. In the event of a conflict between the PUC's amended rules and the provisions of this tariff, the amended rules shall prevail. Where necessary, any conflicting provision of this tariff shall be deemed to have been superseded by the PUC rule in question to the degree that the utility may conduct its lawful business in conformance with all requirements of said rule.

When an individual residential applicant requires an extension of a main line beyond 200 feet, the charge to that applicant shall be the actual cost of such extension in excess of 200 feet, plus the applicable tap fee plus such other approved costs as may be provided in this tariff and/or PUC rules.

Residential tap fees may be increased by other unique costs not normally incurred as permitted by PUC rule. Larger meter taps shall be made at actual cost associated with that tap which shall include such extraordinary expenses.

Any service extension to a subdivision (record ed or unrecorded) may be subject to the provisions and restrictions of 16 TAC §24.163(d) and this tariff. 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 based upon the capacities of production, transmission, storage, pumping and treatment facilities, compliant with the PUC minimum design criteria, which must be committed to such extension. As provided by 16 TAC § 24.163(d)(4), for purposes of this tariff, commercial, industrial, and wholesale customers shall 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.

Unless expressly exempted by PUC rule or order, each point of use (as defined by 16 TAC § 24.3) must be individually metered.

SECTION 3.20 - SPECIFIC UTILITY EXTENSION POLICY (Continued)

The imposition of additional extension costs or charges as provided by Sections 2.20 and 3.20 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 entitled to 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 have 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. Unless the PUC or other regulatory authority enters interlocutory orders to the contrary, service to the applicant may be delayed until such appeal is resolved.

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 applications forms will be available for applicant pick up 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.

The utility shall serve each qualified service applicant within its CCN 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 herein or by PUC rules.

The utility is not required to extend service to any applicant outside of its CCN service area and will only do so, at the utility's sole option, under terms and conditions mutually agreeable to the utility and the applicant and upon extension of the utility's certificated service area boundaries by the PUC. Service applicants may be required to bear the cost of the service area amendment.

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

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. The tap request must be accompanied with a plat, map, diagram 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. 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 3.20 - SPECIFIC UTILITY 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. 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, applicant may refer the matter to the PUC for resolution. Unless otherwise ordered by the PUC, the tap or service connection will not be made until the location dispute is resolved.

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. The developer shall be required to obtain all necessary easements and rights-of-way required to extend the utility's existing service facilities from their nearest point with adequate service capacity (as prescribed by PUC rules and local service conditions) to and throughout the developer's property. The easements shall be sufficient to allow the construction, installation, repair, maintenance, testing, and replacement of any and all utility plant necessary to provide continuous and adequate service to each and every potential service location within the property at full occupancy. Unless otherwise restricted by law, well plant sites shall convey with unrestricted rights to produce water for public drinking water supply.

The developer shall be required to provide the utility with a minimum of a 160-foot radius sanitary control easement or fee simple real property conveyance around the proposed well site acceptable to the PUC for each water well site to be located within the developer's property or otherwise being obtained to serve the developer's property. Unless otherwise agreed to by the utility, pipe line right-of-way easements must be at least 15 feet wide to allow adequate room to facilitate backhoe and other heavy equipment operation and meters. Easements must be provided for all production, storage, treatment, pressurization and disposal sites which are sufficient to construct and maintain all weather roads as prescribed by PUC rules. All easements shall be evidenced, at developer's expense, by recorded county-approved subdivision plat or by specific assignment supported by metes and bounds survey from a surveyor licensed by the State of Texas.

Prior to the extension of utility service to developers (as defined by PUC rules) or new subdivisions, the Developer shall comply with the following:

- (a) The developer shall make a written request for service to property that is to be subdivided and developed. The developer shall submit to the utility a proposed plat on a scale of one inch (1") to two hundred feet (200') for review and determination of required easements, utility plant, and plant location. If sewer service is requested, the plat must contain elevation data. A reconcilable deposit in an amount set by the utility may be required to cover preliminary engineering, legal and copy cost to be incurred by the utility in reviewing and planning to meet this service request. The plat and/or accompanying information shall identify the type, location and number of houses and other planned structures that will be requiring utility service. If other than residential structures are to be located on the property, all other types of anticipated businesses and their service demands shall be identified with specificity. All areas requiring special irrigation and/or other unique water demands must be identified. To the extent reasonably possible, this information must be precise so that adequate facilities can be designed and constructed to meet all future service demands without hazard to the public, other utility customers and/or the environment.
- (b) After the requirements of easements and rights-of-way have been determined, a red line copy will be returned by the utility to the developer for final plat preparation.

SECTION 3.20 - SPECIFIC UTILITY EXTENSION POLICY (Continued)

- (c) Copies of all proposed plats and plans must be submitted to the utility prior to their submission to the county for approval to ensure that they are compatible with the adequate long-term utility needs of potential service customers. Copies will be returned after review by the utility so that necessary changes may be incorporated into the developer's final submitted plat(s) and plans.
- (d) The utility shall be provided with three (3) certified copies of the final plat(s) approved by the County Commissioners Court. At this time, the utility will begin engineering the facilities necessary to serve the property. Plans and specifications will be prepared and submitted to the TCEQ by the utility if required by law. If further plat or plans changes are necessary to accommodate the specific service needs of the property and the anticipated customer demands, the developer will be so notified. Plat amendments must be obtained by the developer. The developer shall be notified when all required TCEQ or other governmental approvals or permits have been received.

No construction of utility plant which requires prior TCEQ plans approval shall be commenced until that approval has been received by the utility and any conditions imposed by the PUC or the TCEQ in association with its approvals have been satisfied.

- (e) The developer shall be required to post bond or escrow the funds necessary to construct all required utility plant, except individual taps, meters and sewer connections, required to serve the property. Construction shall not commence until funds are available. If the construction is to be done in coordination with the phased development of the property, funds must be provided in advance which are sufficient to complete each phase. No phase or facilities for any phase shall be constructed prior to the bonding or escrowing of all funds associated with that phase.
- (f) At the sole option of the utility, the developer may be required to execute a Developer Extension Contract setting forth all terms and conditions of extending service to their property including all contributions-in-aid of construction and developer reimbursements, if any.
- (g) The utility may require the developer to commence construction of subdivision improvements within three (3) months of utility plans approval or the utility may abate its construction activities until full development construction begins. If the developer stops construction of subdivision improvements for any purpose, the utility may abate its construction for a similar period.
- (h) As soon as the roads are rough cut and prior to paving, extension lines will need to be constructed at each road crossing. The developer must notify the utility sufficiently in advance of this development stage to allow for the necessary utility construction without disruption to other service operations of the utility. Failure to provide adequate advance notice and cooperation in the construction of necessary utility plant may result in additional delays in obtaining service to the property. The developer shall be required to pay for all additional costs of road boring or other remedial construction necessary to install adequate utility plant throughout the affected property.
- (i) The developer, not the utility, shall insure that developer's employees, agents, contractors and others under its control coordinate their work or construction throughout the property with the utility to insure the orderly and timely construction of all utility plant necessary to serve the public.

SECTION 3.20 - SPECIFIC UTILITY EXTENSION POLICY (Continued)

Within its CCN service area, the utility shall bear the cost of the first 200 feet of any water main or sewer collection line necessary to extend service to an individual residential service applicant within a platted subdivision unless the utility can document:

- (a) 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; or,
- (b) that the developer defaulted on the terms and conditions of a written agreement or contract existing between the utility and the developer or the terms of this tariff regarding payment for services, extensions, or other requirements; or in the event the developer declared bankruptcy and was therefore unable to meet obligations; and,
- (c) that the residential service applicant purchased the property from the developer after the developer was notified of the need to provide facilities to the utility. A residential service applicant may be charged the remaining costs of extending service to his property; provided, however, that the residential service applicant may only be required to pay the cost equivalent to the cost of extending the nearest water main, whether or not that line has adequate capacity to serve that residential service applicant.

The following criteria shall be considered to determine the residential service applicant's cost for extending service:

- (1) The residential service applicant shall not be required to pay for costs of main extensions greater than 2" in diameter for water distribution.
- (2) Exceptions may be granted by the PUC:
 - (a) 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;
 - (b) larger minimum line sizes are required under subdivision platting requirements or applicable building codes.
- (3) 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.

For purposes of determining the costs that service applicants shall pay, commercial customers with service demands greater than residential customer demands in the certificated 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.

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

APPENDIX B - SAMPLE SERVICE AGREEMENT
(Utility must attach a sample service agreement)

APPENDIX- C
Aqua Texas, Inc. - Southwest Region Water Utility Tariff
Regional Pass-Through Gallonage Charge True- up/Adjustment Provision and Report

The purpose of this true-up/adjustment provision is to true-up and adjust Aqua Texas' authorized Regional Pass-Through Gallonage Charge each year in an effort to provide the best opportunity for regional revenue collected from the charge to align with certain types and amounts of pass-through costs Aqua Texas has incurred in the preceding year for the region using a process that does not require the expense of a full rate proceeding. Additionally, this process is intended to ensure that Aqua Texas balances the collections versus the pass-through costs annually. The types of pass-through costs that form the basis for the Regional Pass-Through Gallonage Charge may be regional costs, fees, rates and charges imposed by governmental entities, water authorities or districts having jurisdiction over Aqua Texas or its operations or by non-affiliated third party water suppliers or water rights holders selling water or water rights to Aqua Texas.

- 1) Regional Pass-Through Gallonage Charge true-up and adjustment calculations shall use historic, actual gallons billed to all regional retail water customers in the previous completed calendar year.
- 2) Amounts referred to in gallons shall be per 1,000 gallons, unless otherwise specified.
- 3) Aqua Texas has provided a list of all expenses (see attached) to be included in the regional pass through costs. The PUC has approved the attached list.
- 4) Aqua Texas shall only collect costs directly associated with the production of water in the pass-through and specifically shall not include impact fees and other fees associated with plant and equipment.
- 5) Normalization shall not be used in any pass through calculations.
- 6) No charges by affiliates (as defined by the Texas Water Code) of Aqua Texas shall be included in the pass through.
- 7) True-up Report to the regulatory authority ("Report"): Between the end of each calendar year and the following February 28, Aqua Texas shall provide a Report that reconciles the total Regional Pass-Through Gallonage Charge revenues billed during the previous completed calendar year within the Southwest region to the total amount of all regional passed-through costs incurred during that year as reflected in the general ledger. The Report shall include the amount paid to each entity for allowed passed through costs, the names of the entities paid by Aqua Texas, and the total of costs incurred requested for the purpose of an adjusted Regional Pass-Through Gallonage Charge. Any supporting documentation shall be attached to the report. Aqua Texas may submit information regarding new district charges in the Report (other than fines or penalties - see 4 above). New district charges associated with newly acquired systems shall not be included unless otherwise approved in a rate determination or proceeding. Aqua Texas will not include new purchase water agreements unless approved in a rate proceeding.

APPENDIX- C (Continued)
Aqua Texas, Inc. - Southwest Region Water Utility Tariff
Regional Pass-Through Gallonage Charge True- up/Adjustment Provision and Report

- 8) The true-up calculation for a completed calendar year Report shall be as follows:
- a) Regional Pass-Through Gallonage Charge revenues billed during completed calendar year..... \$XXXX
 - b) Regional passed-through costs actually incurred during completed calendar year..... \$XXXX
 - c) Difference between a) and b)..... \$XXXX

where, **a) - b) = c)**

Annual Regional Pass-Through Gallonage Charge recalculations shall follow the following formula:

- b) Same as b) above. \$XXXX
- c) Same difference as c) above \$XXXX
- d) Total adjusted regional pass-through costs subject to adjusted Regional Pass-Through Gallonage Charge..... \$XXXX

where, **b) - c) = d)**

Divided by:

Actual historic gallons billed to all regional customers in completed calendar year..... \$XXXX

Equals:

Regional Pass-Through Gallonage Charge as adjusted \$XXXX

where **d) ÷ e) = f)**

Notice of any adjustments to the pass-through will be sent to the PUC or regulatory authority and to the affected customers. Notice to the customers may be in the form of a billing insert and must track the language required in 16 TAC § 24.25(b)(2)(F)(ii).

APPENDIX- C (Continued)
Aqua Texas, Inc. - Southwest Region Water Utility Tariff
Regional Pass-Through Gallonage Charge True- up/Adjustment Provision and Report

- 9) With the Report Aqua Texas files on February 28 setting forth its calculation and supporting documentation for its adjusted Regional Pass-Through Gallonage Charge in accordance with 5) and 6) above, Aqua Texas shall include a tariff page that incorporates the adjusted Regional Pass-Through Gallonage Charge reflected in the Report. Aqua Texas shall implement the adjusted filed rate as follows.
- a) Aqua Texas will bill the adjusted Regional Pass-Through Gallonage Charge for service rendered on or after March 1 each year and thereafter until the rate is modified.
 - b) The first bill received each year incorporating the adjusted Regional Pass-Through Gallonage Charge will be prorated to apply the adjusted charge to service during those days in the billing cycle on or after March 1.
 - c) The PUC or a successor agency with authority to regulate investor-owned utility rates (regulatory authority) shall review the Report and provide the results of its review to Aqua Texas in writing within 45 days after Aqua Texas submits the Report. If no written response is provided to Aqua Texas during that time, the adjusted Regional Pass-Through Gallonage Charge filed with the Report shall stand until modified.
 - d) The PUC may dispute the calculation or supporting documentation as presented in the Report. If so, Aqua Texas and the PUC shall work in good faith to attempt resolution of the dispute.
 - e) The process of implementing the Regional Pass-Through Gallonage Charge True-up/Adjustment and the regulatory authority's review of same is an informal proceeding and not a contested case hearing. However, if a dispute between Aqua Texas and the regulatory authority cannot be resolved through negotiation, only the PUC or Aqua Texas may request a hearing on Regional Pass-Through Gallonage Charge true-ups/adjustments. It shall not be considered a rate case under the Texas Water Code or PUC (or other regulatory authority) rules, and Texas Water Code § 13.187 shall not apply.
 - f) In the event of a dispute or hearing concerning the Regional Pass-Through Gallonage Charge reflected in the tariff page filed with the Report, the filed rate shall be considered effective on an interim basis and previous charges will be adjusted in the next annual true-up, except that adjustments to the pass-through exceeding 50 percent may require immediate refunds or credits as directed by the regulatory authority. If the filed rate is modified pursuant to dispute or hearing resolution, a replacement tariff page shall be filed with the regulatory authority reflecting the modified rate.
 - g) Aqua Texas has agreed to only collect eighty-five percent of the total pass-through amounts for the years 2013, 2014, and 2015 and to resume collecting one hundred percent in 2016 as part of its agreement with the Southwest Region customers to waive the pass-through charge to customers in newly acquired systems referenced in Table B of the tariff until 2016. Aqua Texas will indicate the adjustment in its Reports for 2013 through 2015.

APPENDIX- C (Continued)
Aqua Texas, Inc. - Southwest Region Water Utility Tariff
Regional Pass-Through Gallonage Charge True- up/Adjustment Provision and Report

- h) Notwithstanding the procedures outlined herein, if the Report indicates an increase to Aqua Texas' Regional Pass-through Gallonage Charge is appropriate for the calendar year assessed, Aqua Texas may elect not to implement the increase. Aqua Texas will submit a written notification of such an election with the Report, indicating the amount of foregone pass through revenues. Foregone pass through revenues due to such election shall not be collected.
- i) This pass through provision is not intended to negate any authority granted to the regulatory authority.

Aqua Texas regional pass-through approved entity list

Entities on the list as of 4/5/2013

The regulating commission approved the pass through of costs per contract or permit, existing as of 12/31/2014, for base rates and gallonage charges made by the following entities.

Southwest Region - Water:

City of Austin (Rivercrest Water System)
LCRA (Raw Water) (Rivercrest Water System)
City of Austin (Mooreland Subdivision)
LCRA (Raw Water) (Pecan Utilities Oak Ridge Subdivision)
City of Horseshoe Bay (successor to Lake L.B.J. Municipal Utility District) (Pecan Utilities Oak Ridge Subdivision)
City of Cedar Park
Manville WSC
Nueces WSC
City of Round Rock
Barton Springs/Edwards Aquifer CD
Cow Creek GCD
Edwards Aquifer Authority
Springtown Water
Trinity/Glen Rose



SEWER UTILITY TARIFF
Docket Number: 50388

SJWTX, Inc. dba
Canyon Lake Water Service Company
(Utility Name)

P.O Box 1742
1399 Sattler Road
(Business Address)

Canyon Lake, Texas 78183
(City, State, Zip Code)

(830) 964-2166
(Area Code/Telephone)

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

20877

This tariff is effective in the following county:
Comal

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

Bulverde, Spring Branch

This tariff is effective in the following subdivisions or systems:

Bexar Metropolitan WD, HEB for the Canyon Lake Water Service Company Bulverde Regional Treatment Plant: WQ0014131-001
Fairways at River Crossing Condominiums and US-281/Rolling Creek Road Development: WQ0014637-001
The Hills at Vintage Oaks: ~~WQ0015320-001~~
Star Canyon Subdivision: WQ0015037-001
Rebecca Creek Subdivision

TABLE OF CONTENTS

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

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SECTION 3.0 -- EXTENSION POLICY	9

APPENDIX A -- SAMPLE SERVICE AGREEMENT AND APPLICATION FOR SERVICE

SECTION 1.0 -- RATE SCHEDULE

Section 1.01 - Rates

<u>Meter Size</u>	<u>Monthly Minimum Charge</u>	<u>Gallonge Charge</u>
5/8" or 3/4"		<u>\$45.00</u> (Includes <u>2000</u> gallons) <u>\$6.00</u> per 1,000 gallons over
1"		<u>\$97.50</u>
1½"		<u>\$185.00</u>
2"		<u>\$290.00</u>
3"		<u>\$535.00</u>
4"		<u>\$1060.00</u>
Bulk Wastewater Deliveries <u>\$0.00</u> (Includes <u>0</u> gallons)		<u>\$6.00</u> per 100 gallons

Residential:

Winter month's average: volume charges for single family residence with a 1" meter or less are determined based on average water consumption for winter period which includes the following months: December, January, and February. Residential customer with a separate irrigation only water meter will only be billed their sewage charge on their domestic-use meter volume.

Commercial:

Any place of business with a ¾" or larger water meter: volume charge based UPON the previous month's water consumption for each connection.

New Accounts:

Those residential connections without a history of water consumption shall be charged the lesser of 8,000 gallons per month or actual usage until a winter month's average is established.

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

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 ASSESSMENT1.0%
STATE RULES REQUIRE THE UTILITY TO COLLECT A FEE OF ONE PERCENT OF THE RETAIL MONTHLY BILL.

SECTION 1.0 -- RATE SCHEDULE (Continued)

Section 1.02 – Miscellaneous Fees

TAP FEE- RESIDENTIAL

TAP FEE IS BASED ON THE AVERAGE OF THE UTILITY'S ACTUAL COSTS FOR MATERIALS AND LABOR TO INSTALL A STANDARD RESIDENTIAL 5/8" or 3/4" CONNECTION PLUS UNIQUE COSTS AS PERMITTED BY PUC RULE AT ACTUAL COST.

GRAVITY SEWER \$1,200.00

TAP FEE IS BASED ON THE AVERAGE OF THE UTILITY'S ACTUAL COST FOR MATERIALS AND LABOR FOR A STANDARD RESIDENTIAL CONNECTION PLUS UNIQUE COSTS AS PERMITTED BY TCEQ RULES.

TAP FEE- Large Connection Tap Actual Cost

TAP FEE IS BASED ON THE UTILITY'S ACTUAL COST FOR MATERIALS AND LABOR FOR METERS LARGER THAN STANDARD 5/8" METERS.

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.

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 \$45.00

TRANSFER FEE \$45.00

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

LATE CHARGE (Either \$5.00 or 10% of the bill) 10%

COMMISSION 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 \$25.00

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

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

COMMERCIAL AND NON-RESIDENTIAL DEPOSIT 1/6TH EST. ANNUAL BILL

SECTION 1.0 -- RATE SCHEDULE (Continued)

GOVERNMENTAL TESTING, INSPECTION AND COSTS SURCHARGE CLAUSE:

WHEN AUTHORIZED IN WRITING BY THE COMMISSION AND AFTER NOTICE TO CUSTOMERS, THE UTILITY MAY INCREASE RATES TO RECOVER INCREASED COSTS FOR INSPECTION FEES AND WATER TESTING. [16 TAC 24.21(b)(2)(F)]

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.

EQUIPMENT DAMAGE FEE Actual Cost

THE UTILITY MAY CHARGE FOR ALL LABOR, MATERIAL, EQUIPMENT AND ALL OTHER ACTUAL COSTS NECESSARY TO REPAIR OR REPLACE ALL EQUIPMENT DAMAGED DUE TO NEGLIGENCE, METER TAMPERING OR BY PASSING, OR SERVICE DIVERSION. THE UTILITY MAY CHARGE FOR ALL ACTUAL COSTS NECESSARY TO CORRECT SERVICE DIVERSION OR UNAUTHORIZED TAPS WHERE THERE IS NO EQUIPMENT DAMAGE, INCLUDING INCIDENTS WHERE SERVICE IS RECONNECTED WITHOUT AUTHORITY. AN ITEMIZED BILL WILL BE PROVIDED TO THE CUSTOMERS.

CUSTOMER SERVICE INSPECTION FEE \$50.00

ASSESSED AN APPLICANT FOR SERVICE BEFORE PERMANENT CONTINUOUS SERVICE PROVIDED TO NEW CONSTRUCTION, THE CUSTOMER HAS THE OPTION TO HAVE THE INSPECTION COMPLETED BY ANOTHER PROVIDER.

RECEIVING TANK PUMP-OUT FEE

FOR SYSTEMS WITH ON-SITE RECEIVING TANK OR GRINDER STATION WHEN UTILITY DETERMINES THAT PUMP-OUT IS REQUIRED FOR CONTINUOUS SAFE OPERATION.

RESIDENTIALACTUAL COST

COMMERCIALACTUAL COST

SECTION 2.0 - SERVICE RULES AND REGULATIONS

The Utility will have the most current Public Utility Commission of Texas (PUC or Commission) 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 Sewer Service

All applications for service will be made on the utility's standard application or contract form (attached in the Appendix to this tariff), will be signed by the applicant before wastewater service is provided by the utility. A separate application or contract will be made for each service location.

After the applicant has met all the requirements, conditions and regulations for service, the utility will install the service lateral and clean-out and/or will 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.

The customer will be responsible for furnishing and laying the necessary customer service pipe from the connection location to the place of use.

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 Commission 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 – 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 1.0 of this tariff. The Utility will keep records of the deposit and credit interest in accordance with Commission rules.

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

SECTION 2.0 - SERVICE RULES AND REGULATIONS (CONT.)

Refund of deposit

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

Section 2.04 -Meter Requirements, Readings, and Testing

All wastewater service supplied by the utility will be billed based on customer's metered water use measurements. The utility will provide, install, own and maintain meters to measure amounts of water consumed by its customers. One water meter is required for each residential, commercial or industrial facility in accordance with the PUC Rules. One sewer service connection is required for each residential, commercial or industrial facility in the area where the utility provides wastewater services.

It is not a requirement that the utility use separate meters to measure the quantity of sewage disposed of by individual customers. One connection is required for each residential, commercial or industrial facility in accordance with the TCEQ Rules.

Section 2.05 -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. A late penalty of 10% 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.

Each bill will provide all information required by Commission Rules. For each of the systems it operates, the utility will maintain and note on the monthly bill a telephone number (or numbers) that may be reached by a local call by customers. At the utility's option, a toll-free telephone number or the equivalent may be provided.

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 2.0 - SERVICE RULES AND REGULATIONS (Continued)

Section 2.06 -Service Disconnection

Water and wastewater utility service may be disconnected if the sewer service 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 if a deferred payment agreement is not 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 Commission Rules.

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

Section 2.07 -Reconnection of Service

Utility service may also be disconnected without notice for reasons as described in the Commission Rules. Utility personnel must be available to collect payments and to reconnect service on the day of and the day after any disconnection of service unless service was disconnected at the customer's request or due to a hazardous condition.

Service will be reconnected within 36 hours after the past due bill and any other outstanding charges are paid or correction of the conditions that caused service to be disconnected.

Section 2.08 -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.

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 2.0 - SERVICE RULES AND REGULATIONS (Continued)

Section 2.09 -Quality of Service

The utility will plan, furnish, maintain and operate treatment and collection facilities of sufficient size and capacity to provide continuous and adequate service for all reasonable residential and commercial consumer uses and to treat sewage and discharge effluent to the degree required by its discharge permit issued by the Commission. Unless otherwise authorized by the Commission, the utility will maintain facilities as described in the TCEQ Rules.

Section 2.10 -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 that 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.

Section 2.11-Customer Liability

The customer shall be liable for any damage or injury to utility-owned property or personnel shown to be caused by the customer, his invitees, his agents, his employees, or others directly under his control.

SECTION 2.20 SPECIFIC UTILITY SERVICE RULES AND REGULATIONS

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

The utility adopts the administrative rules of the PUC as the same may be amended from time to time, as its company specific service rules and regulations. These rules will be kept on file at the company's offices for customer inspection during regular business hours. In the event of a conflict between the PUC's amended rules and the provisions of this tariff, the amended rules shall prevail. Where necessary, any conflicting provision of this tariff shall be deemed to have been superseded by the PUC rule in question to the degree that the Utility may conduct its lawful business in conformance with all requirements of said rule.

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 payer 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.

Customers shall not be allowed to use the utility's water cutoff valve on the utility's side of the water meter or the utility's cleanouts located on its collection mains. Existing customers may install cleanout installations on their service lateral and are encouraged to do so. All customers must install customer-owned and maintained cleanout valves on their service lateral.

No water connection from any public drinking water supply system shall be made to any establishment where an actual or potential contamination or system hazard exists without an air gap separation between the drinking water supply and the source of potential contamination. The containment air gap is sometimes impractical, and instead, reliance must be placed on individual "internal" air gaps or mechanical backflow prevention devices.

Tap fees may be increased by unique costs not normally incurred as may be permitted by 16 TAC 24.86(b)(1)(C).

The Utility adopts the Uniform Plumbing Code pursuant to TCEQ Rule 290.46(i). The piping and other equipment on the premises furnished by the customer will be maintained by the customer at all times in conformity with the requirements of the TCEQ, the Uniform Plumbing Code and with the service rules and regulations of the Utility. The customer will bring out his service line to his property line at the point on the customer's property mutually acceptable to the customer and the Utility subject to such requirements as may exist by TCEQ Rule.

SECTION 2.20 SPECIFIC UTILITY SERVICE RULES AND REGULATIONS (CONTINUED)

The Utility will have the right of access to the customer's premises at all times reasonable for the purpose of installing, testing, inspecting or repairing sewer mains or other equipment used in connection with its provision of sewer 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, or tariff violations. The customer shall allow the utility and its personnel access to the customer's property to conduct any 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. 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.

Sewer service is provided for the residence or facility physically located at the location of the service. Bulk quantities of sewage generated at locations off the premises of the service location shall not be disposed of in the customer's service line. Customer shall not connect, nor allow any other person or party to connect, onto any sewer on their premises. Two places shall not be permitted to be supplied with one service pipe where there is a sewer main abutting the premises.

Except in cases where the customer has a contract with the utility for reserve or auxiliary service, no other sewer service will be used by the customer on the same installation in conjunction with the utility's service, either by means of a cross-over valve or any other connection.

Section 2.21 -Limitation on Product/Service Liability

Public sewer utilities are required to transport and treat domestic wastewater from approximately the customer's property line and the service connection that meets the water quality standards of the TCEQ. The utility will not accept liability for any injury or damage to individuals or their property occurring on the customer's side of the water meter or sewer service line when the service provided meets state standards. The utility makes no representations or warranties (expressed or implied) that customer's appliances will not be damaged by disruptions of or fluctuations in sewer service whatever the cause. The utility will not accept liability for injuries or damages to persons or property due to disruption of sewer service caused by: (1) acts of God, (2) acts of third parties not subject to the control of the utility if the utility has undertaken such preventive measures as are required by TCEQ rules, (3) electrical power failures in homeowners pressure sewer systems, utility-owned lift stations, and treatment facilities not required by TCEQ rule to have auxiliary power supplies, or (4) termination of water and or sewer service pursuant to the utility's tariff and the PUC's rules.

If the services of a registered professional engineer are required as a result of an application for service received by the Utility for service to that applicant's service extension only, such engineer will be selected by the Utility and the applicant, and the applicant shall bear all expenses incurred therein.

SECTION 2.20 SPECIFIC UTILITY SERVICE RULES AND REGULATIONS (CONTINUED)

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. Any applicant who places unique or non-standard service demands on the system may be required to provide contributions in aid of construction (as may be allowed by PUC rule) for the actual costs of any additional facilities required to maintain compliance with the TCEQ minimum design criteria.

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 entitled to a written explanation of such costs prior to 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 have 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 or existing customer's property(ies) is located.

Section 2.21 - Threats to or assaults upon utility personnel shall result in criminal prosecution.

Section 2.22 - Required Customer Premises Equipment

(A) Pressurized Collection Systems

In areas served by pressurized collection systems, specific Customer Premises Equipment may be required by the Utility to be constructed on the customer's property at the customer's expense that is compatible with the specific collection and treatment system serving the customer's property. Pressurized collection systems may be of two basic forms: (1) Grinder Pump Systems; or (2) Sewer Tank Effluent Pump (STEP) systems. Requirements for either of these types of systems include the following:

Prior to construction or installation of the Customer Premises Equipment, the Utility must be given the opportunity to verify that the Applicant will comply with its rules for Required Customer Premises Equipment. In order to prevent inflow and infiltration, all materials must comply with standard specifications approved by the TCEQ and the Utility.

After the Utility has confirmed compliance with its equipment standard for the Required Customer Premises Equipment, the construction may begin. Once the work has been completed, the Utility will do an inspection of the Customer Premises Equipment to ensure the installation is correct and as specified.

The customer will retain ownership of the Customer Premises Equipment, and all maintenance, repairs and replacement are the customer's responsibility. The Customer will supply its own electric power for the pump and alarm. **Repair and replacement of the Customer Premises Equipment will be at the customer's expense.** Repairs on Customer Premises Equipment must be performed by a qualified plumber certified by the Utility. The Utility requires that parts and equipment meet the minimum standards approved by the TCEQ and the Utility to ensure proper and efficient operation of the sewer system.

SECTION 2.20 SPECIFIC UTILITY SERVICE RULES AND REGULATIONS (CONTINUED)

An adequate easement must encompass the Customer Premises Equipment. An adequate easement must be at least a 15 foot radius and also a 15 foot access easement to the receiving tank lift station site. If this easement does not exist, one must be created and filed of record. The form of any easement must be approved in advance by the Utility.

Pumps and tanks must be of adequate size to ensure proper operation in the event of high flow. If the existing pumps and receiving tanks or lift stations are of inadequate size, the utility will not accept liability for backups due to high flows, rainfall causing inflow or infiltration, power outages, lack of proper storage capacity, etc. The utility is not responsible for the collection system that discharges into the receiving tank / lift station.

(B) Grinder Pump Systems

In certain subdivisions, the Utility will operate utilizing a Grinder Pump sewer system. Prior to the initiation of service to a location that has not previously received service, the customer must install at the customer's expense a receiving tank, grinder pump, service line to the Utility main, and related appurtenances (collectively "Customer Premises Equipment"). The facilities to be installed will typically be a 70 gallon receiving tank, HDPE dual wall corrugated with electric powered one horsepower Grinder Pump, and alarm constructed by approved manufacturer.

The owner shall be responsible for the monthly electric bill.

(C) Septic Tank Effluent Pump Systems (STEP)

In neighborhoods or subdivisions utilizing STEP systems, service shall only be provided after the customer has installed, at the customer's expense, Customer Premises Equipment consisting of the following (sizes are typical for a residential home and may be adjusted for larger residences):

- 1) an approved concrete or fiberglass septic tank (1500 gallon typical)
- 2) a high head stainless steel effluent pump (1/2 horsepower, 10 gpm)
- 3) an effluent filter
- 4) level monitor and alarm

The owner shall be responsible for the monthly electric bill.

(D) Conversion of Existing Septic System to STEP or Grinder Pump System

Existing septic tanks, pump tanks or on-site sewage systems may be converted for use with utility operated STEP or Grinder Pump systems, provided certain requirements are met.

Prior to conversion to a Utility connected sewage system, the Customer Premises Equipment must be cleaned, inspected, repaired, modified, or replaced, if necessary, to minimize inflow and infiltration into the collection system.

SECTION 2.20 SPECIFIC UTILITY SERVICE RULES AND REGULATIONS (CONTINUED)

Section 2.23 -Prohibited Wastes

The disposal into the utility's sewer collection system of bulk quantities of food or food scraps not previously processed by a grinder or similar garbage disposal unit and grease and oils, except as incidental waste in process or wash water, used in or resulting from food preparation by sewer utility customers engaged in the preparation and/or processing of food for other than domestic consumption or for sale to the public shall be prohibited. Specifically included in this prohibition are grease and oils from grease traps or other grease and/or oil storage containers. These substances are defined as "garbage" under Section 361.003(12) of the Solid Waste Disposal Act, Texas Health and Safety Code, and are not "sewage" as defined by Section 26.001(7) of the Texas Water Code. The utility only provides sewage collection and disposal service to the public. This service is limited to the collection, treatment and disposal of waterborne human waste and waste from domestic activities such as washing, bathing, and food preparation. This service does not include the collection, treatment or disposal of waste of such high BOD or TSS characteristics that cannot reasonably be processed by the utility's state-approved waste water treatment plant within the parameters of the utility's state and federal waste water discharge permits. THIS SERVICE DOES NOT INCLUDE THE COLLECTION AND DISPOSAL OF STORM WATERS OR RUN OFF WATERS, AND SUCH STORM WATERS AND RUN OFF WATERS MAY NOT BE DIVERTED INTO OR DRAINED INTO THE UTILITY'S COLLECTION SYSTEM.

If the customer's collection system has an inflow or infiltration problem and collects rainfall discharge, the owner will correct it within 90 days of written notice from the utility. If no action is taken to correct the problem within 90 days, the utility may take the responsibility to make corrections at the owner's expense.

(E) Damages to Equipment

Pursuant to 16 TAC 24.87(o) the utility may charge for all labor, material, equipment, and other costs necessary to repair or replace all equipment damaged due to service diversion or the discharge of wastes that the system cannot properly treat. This shall include all repair and clean-up costs associated with discharges of grease and oils, except as incidental waste in process or wash water, used in or resulting from food preparation by sewer utility customers engaged in the preparation and/or processing of food for other than domestic consumption or for sale to the public discharged from grease traps or other grease and/or oil storage containers. The utility may charge for all costs necessary to correct service diversion or unauthorized taps where there is no equipment damage including incidents where service is reconnected without authority. The utility may not charge any additional penalty or charge other than actual costs unless such penalty has been expressly approved by the regulatory authority having rate/tariff jurisdiction and filed in the utility's tariff.

SECTION 2.20 SPECIFIC UTILITY SERVICE RULES AND REGULATIONS (CONTINUED)

(F) Operations

Pursuant to 16 TAC 24.86(b)(3)(A) and (B), the customer's service line and appurtenances shall be constructed in accordance with the laws and regulations of the State of Texas, local plumbing codes, or, in the absence of such local codes, the Uniform Plumbing Code. It shall be the customer's responsibility to maintain the service line and appurtenances in good operating condition, i.e., clear of obstruction, defects, or blockage. If the utility can provide evidence of excessive infiltration or inflow or failure to provide proper pretreatment, the utility may, with the written approval of the PUC, require the customer to repair the line or eliminate the infiltration or inflow or take such actions necessary to correct the problem. If the customer fails to correct the problem within a reasonable time, the utility may disconnect service after proper notice.

(G) Pretreatment

Non-residential customers electing the pretreatment option for sewage with non-standard characteristics (see Section 3.20 below) may be charged those costs set forth in the utility's extension policy if such pretreatment fails or otherwise causes the utility's facilities to violate their waste-water discharge permits.

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.

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

COST UTILITIES SHALL BEAR: Within its certificate area, the utility will pay the cost of the first 200 feet of any sewer main or collection 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 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.

Developers may be required to provide contributions in aid of construction in amounts to furnish the system with all facilities necessary to comply with the TCEQ's Rules.

Section 3.20 -Specific Utility Extension Policy

This section contains the utility's specific extension policy that complies with the requirements already stated under Section 3.01. It must be reviewed and approved by the Commission and in compliance with PUC and TCEQ Rules to be effective.

Residential customers not covered under Section 3.01 will be charged the equivalent of the costs of extending service to their property from the nearest collection 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 full cost of extending service to and throughout their property, including the cost of all necessary collection and pumping facilities necessary to meet the service demands anticipated to be created by that property.

SECTION 3.0 - EXTENSION POLICY (CONT')

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 collection, transmission, pumping, or treatment of wastewater or TCEQ minimum requirements. For purposes of this subsection, a developer is one who subdivides or requests more than two services on a piece of property. Commercial, industrial, and wholesale customers will be treated as developers.

The utility adopts the administrative rules of the PUC and TCEQ, as amended from time to time, as its company's specific extension policy. These rules will be kept on file at the company's business office for customer inspection during normal business hours. In the event of a conflict between the PUC and TCEQ's amended rules and the provisions of this tariff, the amended rules shall prevail. Where necessary, any conflicting provision of this tariff shall be deemed to have been superseded by the PUC and TCEQ rule in question to the degree that the Utility may conduct its lawful business in conformance with all requirements of said rule.

When an individual residential applicant requires an extension of a main line beyond 200 feet, the charge to that applicant shall be the actual cost of such extension in excess of 200 feet, plus the applicable tap fee plus such other approved costs as may be provided in this tariff and/or PUC rule.

Residential tap fees may be increased by other unique costs not normally incurred as permitted by PUC rule. Larger meter taps shall be made at actual cost associated with that tap, and those costs shall include such extraordinary expenses.

Non-residential customers generating sewage creating unique or non-standard treatment demands that might reasonably be expected to cause the utility's treatment facilities to operate outside their current wastewater discharge permit parameters may be charged the cost of all studies, engineering plans, permit costs, and collection treatment or discharge facilities construction or modification costs necessary to enable the utility to treat said sewage within permit limits acceptable to the TCEQ, EPA and other regulatory agencies. In the alternative, the customer may have the option of pre-treating said sewage in such a manner so that it may not reasonably be expected to cause the utility's facilities to operate outside their permit parameters. In such case, the customer shall be required to pay the utility's costs of evaluating such pretreatment processes and cost of obtaining regulatory approval of such pretreatment processes. In the event of the pretreatment facilities of a customer making this election fail and cause the utility's facilities to operate outside their permit parameters, the customer shall indemnify, the utility for all costs incurred for clean ups or environmental remediation and all fines, penalties, and costs imposed by regulatory or judicial enforcement actions relating to such permit violations.

Non-residential sewer customers producing water borne waste significantly different from waste generated by residential customers may be required to provide a suitable sampling point at the property line for testing the customer's waste from chemicals or substances, e.g., grease, oils, solvents, pesticides, etc. that can reasonably be believed to have an injurious effect on the Utility's plant and/or its ability to treat and dispose of such wastes within the parameters of the Utility's permit. Utility shall have reasonable access to the sampling point at all times.

SECTION 3.0 - EXTENSION POLICY (continued)

Any service extension to a subdivision (recorded or unrecorded) may be subject to the provisions and restrictions of 16 TAC 24.86(d). When a developer wishes to extend the system to prepare to service multiple new connections, the charge shall be the cost of such extension, plus a pro-rata charge for facilities which must be committed to such extension compliant with the TCEQ minimum design criteria. As provided by 16 TAC 24.85(e)(3), for purposes of this section, commercial, industrial, and wholesale customers shall 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 wastewater treatment, collection, pumping, and transmission.

Unless expressly exempted by PUC rule or order, each point of use (as defined by 16 TAC 24.3) must be individually metered.

The imposition of additional extension costs or charges as provided by Sections 2.20 and 3.20 of this tariff shall be subject to appeal as provided in this tariff, PUC rules, TCEQ 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 entitled to 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 have 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. Unless the PUC or other regulatory authority enters interlocutory orders to the contrary, service to the applicant may be delayed until such appeal is resolved.

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 applications forms will be available for applicant pick up 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 that might delay fulfilling the service request. Completed service applications may be submitted by mail if hand delivery is not possible.

The utility shall serve each qualified service applicant within its certificated 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 herein or by PUC rules.

SECTION 3.0 - EXTENSION POLICY (continued)

The Utility is not required to extend service to any applicant outside of its certificated service area and will only do so, at the Utility's sole option, under terms and conditions mutually agreeable to the Utility and the applicant and upon extension of the Utility's certificated service area boundaries by the TCEQ. Service applicants may be required to bear the cost of the service area amendment.

A "qualified service applicant" is an applicant who has: (1) met all of the Utility's requirements of service contained in this tariff, PUC Rules, PUC order, (2) has made all payments for tap fees and extension charges, (3) has provided all necessary easements and rights-of-way necessary to provide service to the requested location, including staking said easements or rights-of-way where necessary. (4) delivered an executed customer service inspection certificate to the Utility and (5) has executed a customer service application for each location to which service is being requested.

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. The tap request must be accompanied with a plat, map, diagram 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 Customer Premises Equipment is to be installed within the applicant's property. The actual point of connection and installation must be readily accessible to Utility personnel for inspection, servicing and meter reading while being reasonably secure from damage by vehicles and mowers. If the Utility has more than one main adjacent to the service applicant's property, the tap or service connection will be made to the Utility's nearest service main with adequate capacity to service the applicant's full potential service demand. 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, applicant may refer the matter to the PUC for resolution. Unless otherwise ordered by the PUC, the tap or service connection will not be made until the location dispute is resolved.

SECTION 3.0 - EXTENSION POLICY (CONT')

The Utility shall require a developer (as defined in the rules and regulations of the PUC) to provide permanent recorded public utility easements as a condition of service to any location within the developer's property. The Developer shall be required to obtain all necessary easements and rights-of-way required to extend the Utility's existing service facilities from their nearest point with adequate service capacity (as prescribed by TCEQ rules and local service conditions) to and throughout the Developer's property. The easements shall be sufficient to allow the construction, installation, repair, maintenance, testing, and replacement of any and all utility plant necessary to provide continuous and adequate service to each and every potential service location within the property at full occupancy. Unless otherwise agreed to by the utility, pipe line right-of-way easements must be at least 15 feet wide to allow adequate room to facilitate backhoe and other heavy equipment operation and meters. Easements must be provided for all production, storage, treatment, pressurization and disposal sites that are sufficient to construct and maintain all weather roads as prescribed by TCEQ rules. All easements shall be evidenced, at Developer's expense, by recorded county-approved subdivision plat or by specific assignment supported by metes and bounds survey from a surveyor licensed by the State of Texas.

Prior to the extension of utility service to developers (as defined in PUC and TCEQ rules) or new subdivisions, the Developer shall comply with the following:

- a) The Developer shall make a written request for service to property that is to be subdivided and developed. The Developer shall submit to the Utility a proposed plat on a scale of one inch (1") to two hundred feet (200') for review and determination of required easements, utility plant, and plant location. If sewer service is requested, the plat must contain elevation data. A reconcilable deposit in an amount set by the Utility may be required to cover preliminary engineering, legal and copy cost to be incurred by the Utility in reviewing and planning to meet this service request. The plat and/or accompanying information shall identify, the type, location and number of houses and other planned structures that will be requiring utility service. If other than residential structures are to be located on the property, all other types of anticipated businesses and their service demands shall be identified with specificity. All areas requiring special irrigation and/or other unique water demands must be identified. To the extent reasonably possible, this information must be precise so that adequate facilities can be designed and constructed to meet all future service demands without hazard to the public, other utility customers and/or the environment.
- b) After the requirements of easements and rights-of-way have been determined, a red line copy will be returned by the Utility to the Developer for final plat preparation.
- c) Copies of all proposed plats and plans must be submitted to the Utility prior to their submission to the county for approval to insure that they are compatible with the adequate long-term utility needs of potential service customers. Copies will be returned after review by the Utility so that necessary changes may be incorporated into the Developer's final submitted plat(s) and plans.

SECTION 3.0 - EXTENSION POLICY (CONT')

- d) The Utility shall be provided with three (3) certified copies of the final plat(s) approved by the County Commissioners Court. At this time, the Utility will begin engineering the facilities necessary to serve the property. Plans and specifications will be prepared and submitted to the TCEQ by the Utility if required by law. If further plat or plans changes are necessary to accommodate the specific service needs of the property and the anticipated customer demands, the Developer will be so notified. Plat amendments must be obtained by the Developer. The Developer shall be notified when all required TCEQ or other governmental approvals or permits have been received. No construction of utility plant that requires prior TCEQ plans approval shall be commenced until that approval has been received by the Utility and any conditions imposed by the TCEQ in association with its approvals have been satisfied.
- e) The Developer shall be required to post bond or to escrow the funds necessary to construct all required utility plant, except individual taps, meters and sewer connections, required to serve the property. Construction shall not commence until funds are available. If the construction is to be done in coordination with the phased development of the property, funds must be provided in advance that are sufficient to complete each phase. No phase or facilities for any phase shall be constructed prior to the bonding or escrowing of all funds associated with that phase.
- f) At the sole option of the Utility, the Developer may be required to execute a Developer Extension Contract setting forth all terms and conditions of extending service to their property, including all contributions-in-aid of construction and developer reimbursements, if any.
- g) The Utility may require the Developer to commence construction of subdivision improvements within three (3) months of utility plans' approval or the Utility may abate its construction activities until full development construction begins. If the Developer stops construction of subdivision improvements for any purpose, the Utility may abate its construction for a similar period.
- h) As soon as the roads are rough cut and prior to paving, extension lines will need to be constructed at each road crossing. The Developer must notify the Utility sufficiently in advance of this development stage to allow for the necessary utility construction without disruption to other service operations of the Utility. Failure to provide adequate advance notice and cooperation in the construction of necessary utility plant may result in additional delays in obtaining service to the property. The Developer shall be required to pay for all additional costs of road boring or other remedial construction necessary to install adequate utility plant throughout the affected property.
- i) The Developer, not the Utility, shall ensure that Developer's employees, agents, contractors and others under its control coordinate their work or construction throughout the property with the Utility to ensure the orderly and timely construction of all utility plant necessary to serve the public.

APPENDIX A -- SAMPLE SERVICE AGREEMENT
From TCEQ Rules, 30 TAC Chapter 290.47(b), Appendix B
SERVICE AGREEMENT

- I. PURPOSE. The <Utility Name> 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 <Utility Name> will begin service. In addition, when service to an existing connection has been suspended or terminated, the sewer 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 SEWER SYSTEM (the Sewer System) and NAME OF CUSTOMER (the Customer).
 - A. The Sewer System will maintain a copy of this agreement as long as the Customer and/or the premises are connected to the Sewer 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 Sewer 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 Sewer System's normal business hours.
 - C. The Sewer 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 Sewer System. Copies of all testing and maintenance records shall be provided to the Sewer System.
- IV. ENFORCEMENT. If the Customer fails to comply with the terms of the Service Agreement, the Sewer 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.

Customer's Signature

Date

DOCKET NO. 50710

APPLICATION OF QUADVEST, L.P.	§	PUBLIC UTILITY COMMISSION
TO AMEND CERTIFICATES OF	§	
CONVENIENCE AND NECESSITY IN	§	OF TEXAS
FORT BEND COUNTY	§	

**ORDER NO. 3
GRANTING EXTENSION**

This Order addresses the request for extension filed by Quadvest, L.P. on June 9, 2020. Quadvest request an extension to cure deficiencies described in the memorandum of Roshan Pokhrel, dated April 29, 2020.

The administrative law judge grants Quadvest, L.P.'s request for extension. By July 30, 2020, Quadvest must supplement the application. On or before August 29, 2020, Commission Staff must file a supplemental recommendation regarding the administrative completeness of the application, along with a proposed procedural schedule, if appropriate.

Signed the 11th day of June 2020.

PUBLIC UTILITY COMMISSION OF TEXAS



**ISAAC TA
ADMINISTRATIVE LAW JUDGE**

Holland & Knight

1111 Congress Avenue, Suite 540 || Austin TX 78701 || T 512.472.1031 || F 512.472.7473
Holland & Knight LLP || www.hkllaw.com

Jacob J. Lawler
(512) 954-6523
Jacob.Lawler@hkllaw.com

June 11, 2019

Filing Clerk, Central Records
Public Utility Commission of Texas
1701 North Congress Avenue
Austin, Texas 78711-3326

Re: Docket No. 50830, Application of Guadalupe Valley Electric Cooperative, Inc. to Amend Its Certificate of Convenience and Necessity for a 138-kV Transmission Line in Caldwell and Gonzales Counties (Delhi-to-Bluestem 138-kV Transmission Line)

Dear Sir or Madam:

Guadalupe Valley Electric Cooperative, Inc. is hereby providing electronically on the PUC Interchange native files of certain documents previously filed on May 28, 2020 as part of the application in the above-referenced docket.

These electronic native files include:

- (1) Application, Attachment 3, Estimated Cost by Route (Excel);
- (2) Application, Attachment 10, Directly Affected Properties Map with Habitable Structures Identified (PDF);
- (3) Application, Attachment 12, Environmental Assessment and Alternative Route Analysis, Tables 4-1 and 4-2, Environmental Data for Route Evaluation (Excel).

Sincerely,

/s/ Jacob Lawler

Jacob J. Lawler
Attorney for Guadalupe Valley Electric Cooperative, Inc.

Attachment 3

Alternate Routes	Route 1	Route 2	Route 3	Route 4	Route 5	Route 6	Route 7
Right-of-Way Land Acquisition	\$2,906,024.71	\$3,268,081.19	\$2,963,471.83	\$3,332,620.37	\$2,810,989.70	\$3,119,854.31	\$2,914,535.53
Engineering and Design (Utility)	\$989,465.85	\$1,066,242.19	\$919,590.75	\$1,028,285.35	\$879,045.95	\$1,041,225.18	\$945,470.42
Engineering and Design (Contract)	\$927,950.50	\$999,953.64	\$862,419.56	\$964,356.58	\$824,395.43	\$976,491.94	\$886,690.28
Procurement of Material and Equipment (including stores)	\$1,033,256.48	\$1,113,430.70	\$960,288.94	\$1,073,794.01	\$917,949.74	\$1,087,306.52	\$987,313.95
Construction of Facilities (Utility)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Construction of Facilities (Contract)	\$2,658,733.28	\$2,865,034.30	\$2,470,976.18	\$2,763,042.79	\$2,362,030.70	\$2,797,812.62	\$2,540,515.85
Other (all costs not included in the above categories)	\$1,459,696.76	\$1,572,960.07	\$1,356,614.43	\$1,516,964.73	\$1,296,801.22	\$1,536,054.05	\$1,394,793.07
Estimated Total Cost	\$9,975,127.59	\$10,885,702.08	\$9,533,361.69	\$10,679,063.82	\$9,091,212.75	\$10,558,744.62	\$9,669,319.11
Breakdown of Other Costs							
CCN Proceeding Estimate	\$867,155.78	\$946,313.66	\$828,752.28	\$928,350.22	\$790,315.48	\$917,890.66	\$840,571.30
Contingency	\$719,796.24	\$785,502.47	\$687,918.81	\$770,591.64	\$656,013.74	\$761,909.52	\$697,729.37
Alternative Route Length	11.47	12.36	10.66	11.92	10.19	12.07	10.96

Attachment 3

Route 8	Route 9	Route 10	Route 11	Route 12	Route 13	Route 14	Route 15	Route 16	Route 17	Route 18	Route 19
\$2,764,890.29	\$2,382,266.47	\$2,981,911.59	\$2,829,429.47	\$2,446,805.65	\$2,930,138.55	\$2,810,635.07	\$2,961,344.15	\$2,719,500.36	\$3,160,634.58	\$3,706,024.04	\$3,704,960.31
\$905,788.27	\$819,522.72	\$908,376.23	\$867,831.42	\$781,565.88	\$904,925.61	\$882,496.57	\$922,178.72	\$868,694.08	\$1,014,482.86	\$1,180,975.37	\$1,157,683.67
\$849,475.18	\$768,572.78	\$851,902.25	\$813,878.12	\$732,975.72	\$848,666.15	\$827,631.53	\$864,846.63	\$814,687.15	\$951,412.20	\$1,107,553.83	\$1,085,710.18
\$945,875.60	\$855,792.21	\$948,578.10	\$906,238.90	\$816,155.51	\$944,974.76	\$921,553.08	\$962,991.44	\$907,139.74	\$1,059,380.67	\$1,233,241.61	\$1,208,919.09
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$2,433,888.36	\$2,202,089.47	\$2,440,842.33	\$2,331,896.85	\$2,100,097.96	\$2,431,570.37	\$2,371,302.66	\$2,477,930.15	\$2,334,214.84	\$2,725,954.96	\$3,173,326.82	\$3,110,741.12
\$1,336,252.49	\$1,208,990.34	\$1,340,070.35	\$1,280,257.14	\$1,152,995.00	\$1,334,979.86	\$1,301,891.71	\$1,360,432.29	\$1,281,529.77	\$1,496,602.78	\$1,742,218.72	\$1,707,857.94
\$9,236,170.17	\$8,237,233.98	\$9,471,680.85	\$9,029,531.91	\$8,030,595.72	\$9,395,255.31	\$9,115,510.62	\$9,549,723.39	\$8,925,765.93	\$10,408,468.05	\$12,143,340.39	\$11,975,872.32
\$802,916.88	\$716,077.56	\$823,390.25	\$784,953.45	\$698,114.13	\$816,746.44	\$792,427.73	\$830,174.63	\$775,932.89	\$904,826.85	\$1,055,642.42	\$1,041,084.12
\$666,473.73	\$594,391.40	\$683,467.97	\$651,562.90	\$579,480.57	\$677,953.17	\$657,767.05	\$689,099.45	\$644,075.24	\$751,065.69	\$876,252.52	\$864,168.18
10.5	9.5	10.53	10.06	9.06	10.49	10.23	10.69	10.07	11.76	13.69	13.42

Route 20	Route 21	Route 22	Route 23	Route 24
\$3,400,350.62	\$3,614,889.33	\$3,509,215.76	\$3,203,542.24	\$3,514,180.24
\$1,088,671.23	\$1,167,172.88	\$1,118,864.17	\$1,049,851.73	\$1,132,666.66
\$1,020,988.26	\$1,094,609.44	\$1,049,304.10	\$984,582.18	\$1,062,248.48
\$1,136,852.38	\$1,218,828.27	\$1,168,381.57	\$1,096,314.86	\$1,182,794.91
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$2,925,302.01	\$3,136,239.00	\$3,006,431.62	\$2,820,992.51	\$3,043,519.44
\$1,606,048.23	\$1,721,856.78	\$1,650,589.98	\$1,548,780.26	\$1,670,951.92
\$11,178,212.73	\$11,953,595.70	\$11,502,787.20	\$10,704,063.78	\$11,606,361.66
\$971,742.14	\$1,039,147.57	\$999,957.98	\$930,523.52	\$1,008,961.89
\$806,609.78	\$862,560.72	\$830,030.78	\$772,395.62	\$837,504.62
12.62	13.53	12.97	12.17	13.13

[illegible]

4 B-E-M-Q-X-Z-AO-AR-LCRA Bluestem Substation Option B
5 B-E-M-R-AB-AI-AK-AL-LCRA Bluestem Substation Option B
6 B-D-G-L-M-Q-AA-AK-AM-AS-AU-LCRA Bluestem Substation Option D
7 B-D-G-L-M-Q-AA-AK-AM-AS-AU-LCRA Bluestem Substation Option D
8 B-D-G-L-M-R-AB-AI-AK-AM-AS-AU-LCRA Bluestem Substation Option D
9 B-D-G-L-M-R-AB-AJ-AU-LCRA Bluestem Substation Option D
10 B-E-M-Q-AA-AK-AM-AS-AU-LCRA Bluestem Substation Option D
11 B-E-M-R-AB-AI-AK-AM-AS-AU-LCRA Bluestem Substation Option D
12 B-E-M-R-AB-AJ-AU-LCRA Bluestem Substation Option D

16 C-O-U-AD-AE-AV-AW-AX-LCRA Bluestem Substation Option E
17 C-P-AY-AD-AE-AV-AW-AX-LCRA Bluestem Substation Option E
18 B-E-N-S-AF-AV-BC-BD-LCRA Bluestem Substation Option F
19 B-E-N-T-U-AD-BA-BB-BD-LCRA Bluestem Substation Option F
20 B-E-N-T-U-AY-AZ-BB-BD-LCRA Bluestem Substation Option F
21 C-O-U-AD-AE-AV-BC-BD-LCRA Bluestem Substation Option F
22 C-O-U-AD-BA-BB-BD-LCRA Bluestem Substation Option F
23 C-O-U-AY-AZ-BB-BD-LCRA Bluestem Substation Option F
24 C-P-AZ-BB-BD-LCRA Bluestem Substation Option F

Route 18	Route 19	Route 20	Route 21	Route 22	Route 23	Route 24
13.69	13.42	12.62	13.53	12.97	12.17	13.13
11	14	14	10	12	12	14
0	0	0	0	0	0	0
0.51	0	0	0.28	0.28	0.28	0.28
0	0	0	0	0	0	0
1.16	0.96	1.69	1.82	1.32	2.06	1.70
6.83	11.17	9.49	3.83	6.86	5.18	4.41
4.14	0.91	0.91	6.89	4.09	4.09	6.21
12.64	13.04	12.10	12.83	12.55	11.61	12.60
92%	97%	96%	95%	97%	95%	96%
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0.40	0.14	0	0.73	0.33	0.20	0.20
8.64	8.86	7.53	5.81	6.24	4.91	4.22
0	0	0	0	0	0	0
5	5	3	5	5	3	3
0	0	0	0	0	0	0
1	1	1	1	1	1	1
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
3	3	4	3	3	4	4
1	1	1	1	1	1	3
0	0	0	0	0	0	0
5.46	8.81	7.03	2.18	5.39	3.61	3.61
0	0.22	0.22	0	0.22	0.22	0.22
0	0	0	0	0	0	0
3.72	3.23	3.86	6.11	5.36	6.00	7.44
0.99	0.94	1.03	0.90	0.70	0.79	0.99
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0.05	0.08	0.02	0.02	0.08	0.02	0.05
21	20	17	22	15	12	15
0.38	0.33	0.28	0.42	0.26	0.20	0.53
0.48	1.33	0.82	1.21	1.14	0.63	0.44
2	1	1	0	0	0	0
1	1	1	0	0	0	0
1	1	1	0	0	0	0

**PUBLIC UTILITY COMMISSION OF TEXAS
AMENDED PUBLIC NOTICE OF STAFF STRAWMAN FOR NEW 16 TEXAS
ADMINISTRATIVE CODE (TAC) §25.226**

REQUEST FOR COMMENTS

The staff of the Public Utility Commission of Texas (commission) has prepared a strawman for new 16 TAC §25.226. The strawman addresses the transfer of load into or out of the Electric Reliability Council of Texas (ERCOT) power region. The strawman applies to electric cooperatives, electric utilities, municipally owned utilities, and ERCOT. The section does not apply to a utility interconnecting load to its system for the first time.

The staff's strawman rule can be found on the commission's interchange filer system under Project No. 48249, Rulemaking Relating to the Transfer of Load into or out of the Electric Reliability Council of Texas Power Region. Written comments on the strawman rule may be filed through the Interchange on the commission's website as long as the Commission's Order filed in Docket No. 50664, *Issues Related to the State of Disaster for Coronavirus Disease 2019*, is in effect. A copy of all comments received may be viewed by accessing the Interchange at: <https://interchange.puc.texas.gov>. Should the Commission's Order entered in Docket No. 50664 no longer be in effect, then parties may file written comments by submitting 16 copies to the commission's filing clerk, Public Utility Commission of Texas, 1701 North Congress Avenue, P.O. Box 13326, Austin, Texas 78711-3326. Initial comments are due by July 20, 2020. Reply comments are due August 4, 2020. All responses should reference Project Number 48249.

Questions concerning this notice should be referred to Alicia Maloy, Senior Infrastructure Analyst, Infrastructure Division, (512) 936-7387. Hearing and speech-impaired individuals with text telephones (TTY) may contact the commission through Relay Texas by dialing 7-1-1.



**ISSUED ON BEHALF OF
THE PUBLIC UTILITY COMMISSION OF TEXAS
ON THE 11TH DAY OF JUNE 2020**