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DOCKET NO. 50721

APPLICATION OF CRYSTAL CLEAR	§	PUBLIC UTILITY COMMISSION
WATER, INC. FOR AUTHORITY TO	§	
CHANGE RATES	§	OF TEXAS

**CRYSTAL CLEAR WATER, INC.'S SUPPLEMENTAL RESPONSE TO
ORDER REMANDING TO DOCKET MANAGEMENT, MOTION TO ADMIT
ADDITIONAL EVIDENCE, AND MOTION FOR EXTENSION OF TIME**

COMES NOW, Crystal Clear Water, Inc. (Crystal Clear), by and through its undersigned attorneys of record, and hereby files its Supplemental Response to Order Remanding to Docket Management, Motion to Admit Additional Evidence, and Motion for Extension of Time (Supplemental Response).

I. BACKGROUND

On May 3, 2022, the Office of Policy and Docket Management (OPDM) of the Public Utility Commission of Texas (Commission) filed an Order Remanding to Docket Management (Order) with a list of issues for Crystal Clear to address. The Administrative Law Judge issued Order No. 15 on July 1, 2022, ordering Crystal Clear to respond to the Order by August 1, 2022, and ordering the parties to file an Amended Proposed Order by September 12, 2022. Crystal Clear filed its Response to Order Remanding to Docket Management and Motion to Admit Additional Evidence on August 1, 2022, responding to the issues raised in the Order and providing additional supporting evidence (Response). On August 18, 2022, counsel for Crystal Clear, Commission Staff, and the Office of Public Utility Counsel (OPUC) met to discuss Commission Staff and OPUC's outstanding questions pertaining to the Order. Commission Staff and OPUC requested that Crystal Clear file this Supplemental Response in order to address such questions. Furthermore, the intervenor-representative of record for Whispering Ridge is no longer a customer of Crystal

Clear, thus the intervenors are working on appointing a new representative. Therefore, this Supplemental Response is timely filed.

II. SUPPLEMENTAL RESPONSE

Crystal Clear provides the following supplemental information and documents to its Response to fully address the follow up questions posed by counsel for Commission Staff and OPUC in the recent meeting of such parties:

A. QUESTIONS REGARDING AFFILIATES

Question 3.a. What documentation related to the loan exists prior to the 2019 promissory note?

In Crystal Clear's meeting with Commission Staff and OPUC, Commission Staff requested additional information concerning the initial years of the loan period – prior to 2005. Crystal Clear has reviewed its records, and while it has limited documentation of the loans prior to 2005 (the debt under such loans are now included within the current loan, Crystal Clear has documentation evidencing the use of the loan funds prior to 2005, as discussed below.

Around 1997, Robert Payne began financing the creation and development of new public water system (PWS) (presently known as the Whispering Ridge PWS) to provide service to future development in Bosque County. There were zero customer connections until 2000, when the first customer came online. In 2001, there were four connections. As of the 2019 test year for the Application (Test Year), the Whispering Ridge PWS only had 30 connections.

In July 2001, Crystal Clear purchased the Aqua Pure PWS, now known as the Airport PWS (approximately 55 connections). Crystal Clear did not acquire the Lakeline Acres and Glenshores PWSs (approximately 120 and 26 connections, respectively) until 2018. Attached hereto as **Exhibit A** are checks from 1997 and 1998 for some of the projects and services for the Whispering

Ridge PWS, including engineering services, welding services for water tanks, well drilling services, electrical supplies, water system supplies. Attached hereto as **Exhibit B** is the Bill of Sale for the purchase of the Airport PWS. These records – some of which are from 20 years ago - demonstrate the purpose of the original loan and explain the basis for a portion of the debt that supports the rates in the Application.

Question 3.b. What portion, if any, of the alleged loan is more appropriately characterized as a capital contribution to the corporation?

Crystal Clear was unable to make payments on the loan from 2005 to 2018 because of insufficient funds. Crystal Clear is a Class D utility and did not have the resources, knowledge of Commission (and Texas Commission on Environmental Quality) procedures, or other professional expertise to periodically prepare and file an application to increase its rates. Due to its persistently low rates, Crystal Clear has been operating at a loss for many years and thus could not make loan payments. Robert Payne's financing of Crystal Clear is not a capital contribution because Mr. Payne returns from Crystal Clear are based upon the terms of the loan, not the sale of any equity or dividends. No portion of the facilities were given or donated to Crystal Clear.

Question 3.c. What documentation, if any, is there of increases to the loan principal such as amended or restated promissory notes?

In Exhibit E of its Response, Crystal Clear provided a table of its capital investments and the corresponding increases in the loan principal. As stated in response to Question 3.a above, the costs for the well storage tank, pressure tank, lines, supplies, electrical, well house, pumps, and engineering costs from 1997 through 2000 were to establish the Whispering Ridge PWS. Then in 2002, Crystal Clear purchased the Aqua Pure PWS (now called the Airport PWS) which added approximately 55 connections. Around 2004 Crystal Clear purchased piping and other supplies

and paid for trenching to loop the distribution system in the Whispering Ridge PWS. Crystal Clear then purchased the Lakeline Acres and Glenshores PWSs in 2018, as documented in Docket No. 47690. Since the Test Year, Crystal Clear has been working on improvements to the Airport and Lakeline Acres PWSs as required by the Texas Commission on Environmental Quality.

Question 3.d. What evidence is there of the increase in the amount owed from \$513,250.82 in July 2019 to \$535,294.42 by the end of 2019?

As stated in its Response, the amount owed on the loan increased by \$22,043.60 because of 6 months' interest (\$12,043.60) and an increase in the loan principal for the Whispering Ridge storage tank (\$10,000). As shown in Exhibit E of the Response, the Whispering Ridge storage tank actually cost \$22,407.00, but \$12,407.00 was funded with cash.

Question 3.g. For what purposes was the alleged loan originally intended?

As explained in its Supplemental Response to Question 3.a., the loan began in 1997 to finance the design and construction of the Whispering Ridge PWS.

Question 3.i. If the alleged loan is viable, is it reasonable for the utility not to have made payments on the note? If not, how should that fact be reflected in allowable costs?

As explained in its Supplemental Response to Question 3.b., Crystal Clear historically has not had sufficient funds to make payments on the promissory note and, as a Class D utility, did not have the resources to routinely seek authorization to increase its rates in order to collect sufficient funds to make such payments. The loan is a current debt, as evidenced by the promissory note, and debts should be reflected in allowable costs even if payments cannot be made. It is reasonable for a utility to make its loan payments. When it cannot make a loan payment, it must reach an understanding with its lender. Here, the lender has been willing to wait, and one of the reasons for this Application is to increase the rates so that it can make these loan payments.

Question 3.k. Was it reasonable to increase the loan amount to acquire new systems?

In Docket No. 47690, the Commission found that Crystal Clear's acquisition of the Lakeline Acres and Glenshores PWSs was "necessary for the service, accommodation, convenience or safety of the public as required by TWC § 13.246(b) and 16 TAC § 24.227(c)."¹

Question 3.l. What evidence is there of what the loaned funds have been used for?

As provided in its Supplemental Response to Question 3.c., Crystal Clear used the loaned funds to build the Whispering Ridge PWS, acquire the Airport, Lakeline Acres, and Glenshores PWSs, loop the Whispering Ridge distribution system, install a storage tank for Whispering Ridge, and take other actions in an effort to comply with the Texas Commission on Environmental Quality requirements.

Question 3.n. What evidence is there that the 6% interest rate, the clause that allows for the escalation of interest to 18%, and the 20-year term are reasonable?

Attached hereto as **Exhibit C** is an Amendment to the Promissory Note dated July 1, 2019 (Amended Note). The Amended Note does not include the provision authorizing the escalation of interest to 18%. However, the Amended Note authorizes the imposition of a late fee, which is not uncommon in promissory notes.

Question 4. What costs for which Crystal Clear is seeking recovery through rates in this proceeding are allocated between Crystal Clear and Robert Payne's other businesses or his personal use? For example, electricity, water, sewer sanitation, gas, phone, internet, cell phone?

As stated in its Response, Crystal Clear shares a 650-square foot office space and 3,240-square foot warehouse with RP AG, LLC and rents a portion of such space from RP AG, LLC.

¹ *Application of George T. Foley, Jr., Independent Executor of the Aileen M. Foley Estate and Crystal Clear Water, Inc. for the Sale, Transfer, or Merger of Facilities and Certificate Rights in Bosque County*, Docket No. 47690, Notice of Approval at 5 (January 22, 2019).

Crystal Clear estimates that its operations take up approximately 75% of the office space (469 square feet) and 34% of the warehouse (1,200 square feet). At \$500 per month, Crystal Clear pays approximately \$0.42 per square foot of the 1,200 square feet that it uses. Crystal Clear provided an estimate that a property owner could expect to lease a similar office and warehouse space for \$1.20 to \$1.90 per square foot in downtown Clifton, Texas. There are currently no comparable office and warehouse spaces available in Clifton, Texas. However Commission Staff provided Crystal Clear with a 2,890 square foot commercial property at 215 W 3rd Street, Clifton, Texas, outfitted with restaurant equipment that is listed at \$2,499.85 per month or \$0.86 per square foot. Crystal Clear found a similar office and warehouse space near downtown Cleburne, Texas, listed at \$1,850 per month for 1,716 square feet or \$1.07 per square foot. Crystal Clear also found an office space in McGregor, Texas, listed at \$1,800 per month for 1,295 square feet of \$1.39 per square foot. Attached hereto as **Exhibit D** are the aforementioned property listings. Therefore, Crystal Clear's rent of \$500 per month is very reasonable.

Question 6.a. Should the Commission require written agreements between Crystal Clear and its affiliates?

It depends on the duration and nature of the transaction, and in light of industry standards. Crystal Clear and RP AG, LLC executed a lease on or around August 28, 2022 for the rental of the office and warehouse space. Crystal Clear will supplement this filing with an executed version of such lease, and in the meantime submits an unsigned copy of such lease, attached hereto as **Exhibit E**. Crystal Clear does not think it is reasonable to require a written agreement for its equipment rentals from RP Farm Equipment, LLC since other utilities in the industry typically would not enter into a long-term written contract governing such rentals.

B. QUESTIONS REGARDING RATE-CASE EXPENSES

Question 8. If an agreement between the parties or a proposal for decision provides for rate-case expenses through a date certain, will any remaining amount incurred after that date be disallowed or deferred to a future proceeding?

Crystal Clear would agree to extend the recovery period from 15 months to 18 months so long as the Commission authorizes its additional rate case expenses for this Docket No. 50721 incurred on and after April 21, 2022, as detailed in its Response. Attached hereto as **Exhibit F** is a copy of Crystal Clear's rate case expenses since October 1, 2021, not including legal expenses incurred in August 2022 or thereafter (Crystal Clear previously filed proof of its rate case expenses up to September 2021). Crystal Clear's rate case expenses incurred on or after April 21, 2022, are \$21,337.50 (again, not including its August or September 2022 legal fees). Thus, such rate case expenses are \$49,337.50 (\$28,000 as agreed in its settlement agreement plus \$21,337.50 incurred on or after April 21, 2022). This amount will be updated once a settlement of all issues is reached.

Question 10. What is the associated tariff language for the rate-case-expense surcharge?

Attached hereto as **Exhibit G** is a Proposed Tariff with rate case surcharge language, as recommended by Commission Staff.

III. MOTION FOR EXTENSION OF TIME

Crystal Clear hereby requests that the parties be granted a 30-day extension of time until Wednesday October 12, 2022, to file an Amended Proposed Order. Pursuant to 16 Tex. Admin. Code § 22.4(b), as long as the need for an extension is not caused by the party's neglect, indifference, or lack of diligence, it may request that the time allowed for filing any documents be extended for good cause. Crystal Clear, Commission Staff, and OPUC met on August 18, 2022,

to discuss Commission Staff and OPUC's outstanding questions related to the Order. Commission Staff and OPUC will require time to review this Supplemental Response and provide feedback to Crystal Clear before the parties can work on an agreed Amended Proposed Order. Furthermore, the intervenor-representative for Whispering Ridge, Bryan Bronstad, is no longer a customer of Crystal Clear. The parties will need to identify a new authorized representative for Whispering Ridge before they can file an agreed Amended Proposed Order. Therefore, Crystal Clear seeks a 30-day extension until Wednesday, October 12, 2022.

IV. CONCLUSION AND PRAYER

For these reasons, Crystal Clear respectfully requests that the Commission approve the Revised Unanimous Settlement Agreement; authorize it to recover rate case expenses incurred on or after April 21, 2022; admit Exhibits A-E into evidence; grant an 30-day extension until Wednesday, October 12, 2022, for the parties to file an Amended Proposed Order; and grant all other and further relief to which Crystal Clear may be entitled.

Respectfully submitted,

**LLOYD GOSSELINK ROCHELLE &
TOWNSEND, P.C.**

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**ATTORNEYS FOR CRYSTAL CLEAR
WATER, INC.**

CERTIFICATE OF SERVICE

I certify that, unless otherwise ordered by the presiding officer, notice of the filing of this document was provided to all parties of record via electronic mail or U.S. First Class mail on September 12, 2022, in accordance with the Order Suspending Rules, issued in Project No. 50664.



David J. Klein

Exhibit A

Checks for Whispering Ridge

8/15/1997

CONSULTING ENVIROMENTAL ENGINEERS

**1,650.00

One Thousand Six Hundred Fifty and 00/100*****

CONSULTING ENVIROMENTAL ENGINEERS

CONSULTING ENVIROMENTAL ENGINEERS
H2O SYS CONSULT

8/15/1997

1,650.00

Robert Payne

1,650.00

CONSULTING ENVIROMENTAL ENGINEERS
H2O SYS CONSULT

8/15/1997

1,650.00

Robert Payne

1,650.00

11/24/1997

CARPENTER WELDING

**9,558.48

Nine Thousand Five Hundred Fifty-Eight and 48/100*****

CARPENTER WELDING

H2O TANKS @ Whispering Ridge

CARPENTER WELDING

WATER TANKS @ Whispering Ridge

11/24/1997

9,558.48

Robert Payne

H2O TANKS @ Whispering Ridge

9,558.48

CARPENTER WELDING

WATER TANKS @ Whispering Ridge

11/24/1997

9,558.48

Robert Payne

H2O TANKS @ Whispering Ridge

9,558.48

12/13/1997

CONSULTING ENVIROMENTAL ENGINEERS

**825.00

Eight Hundred Twenty-Five and 00/100*****

CONSULTING ENVIROMENTAL ENGINEERS

CONSULTING ENVIROMENTAL ENGINEERS
H2O SYS CONSULT

12/13/1997

825.00

Robert Payne

825.00

CONSULTING ENVIROMENTAL ENGINEERS
H2O SYS CONSULT

12/13/1997

825.00

Robert Payne

825.00

12/30/1997

Mike Domel

**11,994.99

Eleven Thousand Nine Hundred Ninety-Four and 99/100*****

Mike Domel
P.O. Box 766
Meridian, TX 76665

Whispering Ridge WEll Site

Mike Domel

Whispering Ridge Well Site

12/30/1997

11,994.99

Robert Payne

Whispering Ridge WEll Site

11,994.99

Mike Domel

Whispering Ridge Well Site

12/30/1997

11,994.99

Robert Payne

Whispering Ridge WEll Site

11,994.99

2/4/1998

DEALER'S

**902.81

Nine Hundred Two and 81/100*****

DEALER'S

Whispering Ridge Electrical Supplies

DEALER'S

Whispering Ridge Electrical Supplies

2/4/1998

902.81

Robert Payne

Whispering Ridge Electrical Supplies

902.81

DEALER'S

Whispering Ridge Electrical Supplies

2/4/1998

902.81

Robert Payne

Whispering Ridge Electrical Supplies

902.81

11/7/1997

FERGUSON ENTER

**583.25

Five Hundred Eighty-Three and 25/100*****

FERGUSON ENTER

WATER SYS supplie

FERGUSON ENTER

WATER SYS supplies

11/7/1997

583.25

Robert Payne

WATER SYS supplie

583.25

FERGUSON ENTER

WATER SYS supplies

11/7/1997

583.25

Robert Payne

WATER SYS supplie

583.25

2/4/1998

National Waterworkd

**310.09

Three Hundred Ten and 09/100*****

National Waterworks

Whispering Ridge WATER SYSTEM SUPP

National Waterworkd

Whispering Ridge WATER SYS PIPE

2/4/1998

310.09

Robert Payne

Whispering Ridge WATER SYSTEM SUPP

310.09

National Waterworkd

Whispering Ridge WATER SYS PIPE

2/4/1998

310.09

Robert Payne

Whispering Ridge WATER SYSTEM SUPP

310.09

1/18/1998

WARREN ELEC

**1,150.85

One Thousand One Hundred Fifty and 85/100*****

WATSON'S

Whispering Ridge Conduit

WARREN ELEC

UNDERGROUND CONDUIT

1/18/1998

1,150.85

Robert Payne

Whispering Ridge Conduit

1,150.85

WARREN ELEC

UNDERGROUND CONDUIT

1/18/1998

1,150.85

Robert Payne

Whispering Ridge Conduit

1,150.85

11/27/1997

DOWELL WELL SERVICE

**20,996.79

Twenty Thousand Nine Hundred Ninety-Six and 79/100*****

DOWELL WELL SERVICE

WELL @ Whispering Ridge

DOWELL WELL SERVICE

WELL @ whispering Ridge

11/27/1997

20,996.79

Robert Payne

WELL @ Whispering Ridge

20,996.79

DOWELL WELL SERVICE

WELL @ whispering Ridge

11/27/1997

20,996.79

Robert Payne

WELL @ Whispering Ridge

20,996.79

Exhibit B

Airport PWS Bill of Sale

DO NOT PUBLISH

BILL OF SALE

Date: July 23, 2001

Seller: Martha Garf Swenson et ux Vernon Swenson

Seller's Mailing Address (including county): 175 CR 3250, Clifton, Bosque County, Texas 76634

Buyer: Crystal Clear Water, Inc.

Buyer's Mailing Address (including county): 4509 FM 219, Clifton, Bosque County, Texas 76634

Consideration: TEN AND NO/100 DOLLARS (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged and confessed

Personal Property:

one 1500 gallon pressure tank, one 1000 gallon pressure tank, one 20,000 gallon concrete reservoir, one chlorinator pump, valves and fittings, 55 water meters, all water lines, 7.5 horse powered submersible pump, two 5 horse powered pressure pumps, well house.

For value received Seller sells and delivers the personal property to Buyer and warrants and agrees to defend title to the personal property to Buyer and Buyer's successors against all lawful claims.

PAGE 1 OF 2
BILL OF SALE
TITLE CO: SWENSON.BOS

When the context requires, singular nouns and pronouns include the plural.

Martha Garf Swenson
Martha Garf Swenson

Vernon Swenson
Vernon Swenson

STATE OF TEXAS

COUNTY OF BOSQUE

This instrument was acknowledged before me on the 13 day of July, 2001, by Martha Garf Swenson.



Terri Cieslewicz
Notary Public, State of Texas

STATE OF TEXAS

COUNTY OF BOSQUE

This instrument was acknowledged before me on the 23 day of July, 2001, by Vernon Swenson.



Terri Cieslewicz
Notary Public, State of Texas

PAGE 2 OF 2
BILL OF SALE
TITLCOISWENSON.BOS

CLERK'S NOTICE: ANY PROVISION HEREIN WHICH RESTRICTS THE SALE, RENTAL OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE, IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.

FILED

AT 12:36 O'CLOCK P M

ON THE 24 DAY OF July

A.D., 20 01

Brigitte Bronstad
Brigitte Bronstad
COUNTY CLERK, BOSQUE CO., TEXAS

BY Ruth Nelson DEPUTY

STATE OF TEXAS
COUNTY OF BOSQUE 02627-01

I hereby certify that this instrument was FILED on the date and at the time stamped hereon, by me and was duly RECORDED in the OPR Records of Bosque County, Texas.



Brigitte Bronstad
County Clerk, Bosque County, Texas

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RECORDED 07-27-01

Exhibit C

Amended Promissory Note

AMENDMENT TO THE PROMISSORY NOTE DATED JULY 1, 2019

This Amendment to the Promissory Note Dated July 1, 2019 ("Amendment") is entered by and between Crystal Clear Water, Inc., a Texas corporation ("Crystal Clear"), and Robert Payne, an individual ("Payne") regarding a promissory note with a principal sum of Five Hundred Thirteen Thousand Two Hundred Fifty Dollars and Eighty Two Cents.

RECITALS

WHEREAS, Crystal Clear previously executed a promissory note to the order of Robert Payne on January 1, 2005, with a principal sum of \$247,287.47 at a rate of 6% per annum with an escalation clause at a rate of 18% per annum (the "2005 Note");

WHEREAS, Crystal Clear then executed a promissory note to the order of Robert Payne on July 1, 2018, to replace the 2005 Note, with a principal sum of \$498,349.83 at a rate of 6% per annum with an escalation clause at a rate of 18% per annum (the "2018 Note");

WHEREAS, Crystal Clear then executed a promissory note to the order of Robert Payne on July 1, 2019, to replace the 2018 Note, with a principal sum of \$513,250.82 at a rate of 6% per annum with an escalation clause at a rate of 18% per annum (the "2019 Note");

WHEREAS, Crystal Clear has failed to make timely payments under the 2005 Note, 2018 Note, and 2019 Note that would trigger the escalation clauses;

WHEREAS, Payne has never implemented the escalation clause for such past due amounts, but does not waive the right to do so;

WHEREAS, Payne desires to remove the escalation clause to demonstrate to any and all third parties, including applicable regulating agencies, that Payne will not charge Crystal Clear the escalation rate;

WHEREAS, Crystal Clear would be benefited from removing the provision from the 2019 Note that potentially obligates Crystal Clear to pay the escalation rate; and

WHEREAS, Crystal Clear and Payne now desire to amend the 2019 Note to remove the escalation clause and impose a late fee for nonpayment.

NOW THEREFORE, in consideration of the mutual promises and agreements set forth herein and for good and valuable consideration, the receipt and sufficiency of which is hereby expressly acknowledged by Crystal Clear and Payne, the parties mutually agree as follows:

1. Paragraph no. 4 of the 2019 Note is hereby amended and replaced in its entirety with the following:

"In the event of any default by the undersigned in the payment of principal or interest when due or in the event of the suspension of actual business, insolvency, assignment for

the benefit of creditors, adjudication of bankruptcy, or appointment of a receiver, of or against the undersigned, the unpaid amount due for each installment shall, at the option of the holder, be charged a late fee based upon the total amount due for such installment at a rate of six percent (6%) or the highest rate permitted by law, whichever is less."

2. This Amendment is not otherwise intended to amend or modify any other term of the 2019 Note.
3. Each Party warrants and represents that it is executing this Amendment freely and voluntarily, without threat, duress, coercion or promise of consideration other than that stated herein and that they are competent to execute this Amendment.
4. Each person executing this Amendment warrants and represents that such person has the authority and power to execute this Amendment for the Party on behalf of which he or she executes this Amendment.

The undersigned have signed this Amendment to be effective on the 28 day of August, 2022.

Crystal Clear Water, Inc.

By:

Robert Payne
Robert Payne
President, Crystal Clear Water, Inc.

Robert Payne

By:

Robert Payne
Robert Payne, individually

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Date	Note Balance	6% Interest	6% Late Fee	Accum Int	Draw	Payment	New Balance	Payoff Amt	Comments
			Of Payment				\$ 61,232.71	\$ 61,232.71	Well Tanks, Lines, supplies
1/1/1997	\$ 61,232.70						\$ 61,232.71	\$ 64,906.66	
1/1/9998	\$ 61,232.71	\$ 3,673.96		\$ 3,679.96			\$ 83,645.76	\$ 90,999.67	Electrical, Well House , Pumps
1/1/1999	\$ 61,232.71	\$ 3,673.95		\$ 7,353.91	\$ 22,413.05		\$ 88,030.43	\$ 100,403.09	Engineering, Meters, Lines, ect
1/1/2000	\$ 83,645.76	\$ 5,018.75		\$ 12,372.66	\$ 4,384.67		\$ 104,033.06	\$ 121,687.54	
1/1/2001	\$ 88,030.43	\$ 5,281.83		\$ 17,654.48	\$ 16,002.63		\$ 156,040.13	\$ 179,936.60	Bought Aqua Pure Water
1/1/2002	\$ 104,033.06	\$ 6,241.98		\$ 23,896.47	\$ 52,007.07		\$ 156,040.13	\$ 189,299.00	
1/1/2003	\$ 156,040.13	\$ 9,362.41		\$ 33,258.87			\$ 167,211.59	\$ 209,832.87	Piping, Trenching, and supplies
1/1/2004	\$ 156,040.13	\$ 9,362.41		\$ 42,621.28	\$ 11,171.46		\$ 191,740.85	\$ 236,870.30	Int. for 3 Months/ Final Trenching & Pipe
4/1/2004	\$ 167,211.59	\$ 2,508.17		\$ 45,129.45	\$ 24,529.26		\$ 216,270.11	\$ 265,404.01	Final Trench and install /Accum Int - \$7500.00
1/1/2005	\$ 191,740.85	\$ 11,504.45		\$ 49,133.90	\$ 24,529.26	\$ 7,500.00	\$ 216,270.11	\$ 279,458.13	Late Fee (\$17,965.17 x 6%)
1/1/2006	\$ 216,270.11	\$ 12,976.21	\$ 1,077.91	\$ 63,188.02			\$ 216,270.11	\$ 293,512.25	
1/1/2007	\$ 216,270.11	\$ 12,976.21	\$ 1,077.91	\$ 77,242.14			\$ 216,270.11	\$ 307,566.36	
1/1/2008	\$ 216,270.11	\$ 12,976.21	\$ 1,077.91	\$ 91,296.25			\$ 216,270.11	\$ 321,620.48	
1/1/2009	\$ 216,270.11	\$ 12,976.21	\$ 1,077.91	\$ 105,350.37			\$ 216,270.11	\$ 323,674.60	Accumlated Interest - \$12,000 Payment
1/1/2010	\$ 216,270.11	\$ 12,976.21	\$ 1,077.91	\$ 107,404.49		\$ 12,000.00	\$ 216,270.11	\$ 327,728.71	Accumlated Interest - \$10,000 Payment
1/1/2011	\$ 216,270.11	\$ 12,976.21	\$ 1,077.91	\$ 111,458.60		\$ 10,000.00	\$ 216,270.11	\$ 320,704.92	Accumlated Interest - \$20,000 Payment
1/1/2012	\$ 216,270.11	\$ 12,976.21	\$ -	\$ 104,434.81		\$ 20,000.00	\$ 216,270.11	\$ 318,759.04	accumulated Interest - \$16,000.00 Payment
1/1/2013	\$ 216,270.11	\$ 12,976.21	\$ 1,077.91	\$ 102,488.93		\$ 16,000.00	\$ 216,270.11	\$ 313,735.24	Accumlated Interest - \$18,000.00 Payment
1/1/2014	\$ 216,270.11	\$ 12,976.21		\$ 97,465.13		\$ 18,000.00	\$ 216,270.11	\$ 326,711.45	
1/1/2015	\$ 216,270.11	\$ 12,976.21		\$ 110,441.34			\$ 216,270.11	\$ 328,765.57	Accumlated Interest - \$12,000.00 Payment
1/1/2016	\$ 216,270.11	\$ 12,976.21	\$ 1,077.91	\$ 112,495.46		\$ 12,000.00	\$ 216,270.11	\$ 330,819.68	Accumlated Interest - \$12,000.00 Payment
1/1/2017	\$ 216,270.11	\$ 12,976.21	\$ 1,077.91	\$ 114,549.57		\$ 12,000.00	\$ 216,270.11	\$ 332,873.80	Accumlated Interest - \$12,000.00 Payment
1/1/2018	\$ 216,270.11	\$ 12,976.21	\$ 1,077.91	\$ 116,603.69		\$ 12,000.00	\$ 316,270.11	\$ 439,361.90	1/2 Year Interest of \$6488.10 AND NEW NOTE
7/1/2018	\$ 216,270.11	\$ 6,488.10	\$ -	\$ 123,091.79	\$ 100,000.00		\$ 316,270.11	\$ 433,850.01	1/2 Yr Int of \$9,488.10/ Accum int-15k
1/1/2019	\$ 316,270.11	\$ 9,488.10	\$ -	\$ 117,579.90		\$ 15,000.00	\$ 326,270.11	\$ 455,510.38	1/2 YR INT. / Draw for WR GWST/36204.57*6%
7/1/2019	\$ 316,270.11	\$ 9,488.10	\$ 2,172.27	\$ 129,240.27	\$ 10,000.00		\$ 326,270.11	\$ 477,771.44	Late Fee of \$44,747.55x6%
7/1/2020	\$ 326,270.11	\$ 19,576.21	\$ 2,684.85	\$ 151,501.33			\$ 346,270.11	\$ 510,244.40	1/2 Int/ New Well for LL/ New Note
1/1/2021	\$ 326,270.11	\$ 9,788.10	\$ 2,684.85	\$ 163,974.29	\$ 20,000.00		\$ 346,270.11	\$ 533,988.78	Late Fee of 49469.57*6%
1/1/2022	\$ 346,270.11	\$ 20,776.21	\$ 2,968.17	\$ 187,718.67			\$ 346,270.11	\$ 554,764.99	

Exhibit D

Property Listings



215 W 3rd St

215 W 3rd St, Clifton, TX 76634

Retail Restaurant 2,890 SF

For Lease

\$10.38/SF/YR

Lot Size

3.6 Acre

Website

www.cbcworldwide.com

Property Type

Retail - Restaurant

Date Updated

Sep 09, 2022

The Sinclair's building in the historic town of Clifton, TX is now available for lease. The original building was built in 1922 and renovated in 2010; restoring the original concrete floors, brick walls and wood rafters create a consistent Hill Country charm. The property is loaded with commercial restaurant equipment, ideal for a full-service restaurant and catering, a large patio along the Main Street in Downtown Clifton and is ready for a new operator to create a dining experience.

Highlights

- ✓ Clifton, TX: The Largest City in Bosque County and home to Bosque Counties Hospital (Goodall Witcher)
- ✓ Neighbored Attractions: Market @ The Mill, Olaf's, The Cliftex Theatre
- ✓ Nearby Attractions: Meridian State Park, Lake Whitney, Lake Waco
- ✓ Close Proximity to Waco Visitors (Baylor University, Magnolia)
- ✓ Full Commercial Kitchen - All FF&E Included
- ✓ Spacious Patio Along the Downtown Strip

Space Available

Space Available

Space Type

Restaurant

Lease Rate

\$10.38/SF/YR

Total Space Available

2,890 SF

Min Divisible

2,890 SF

Lease Type

NNN

Sublease

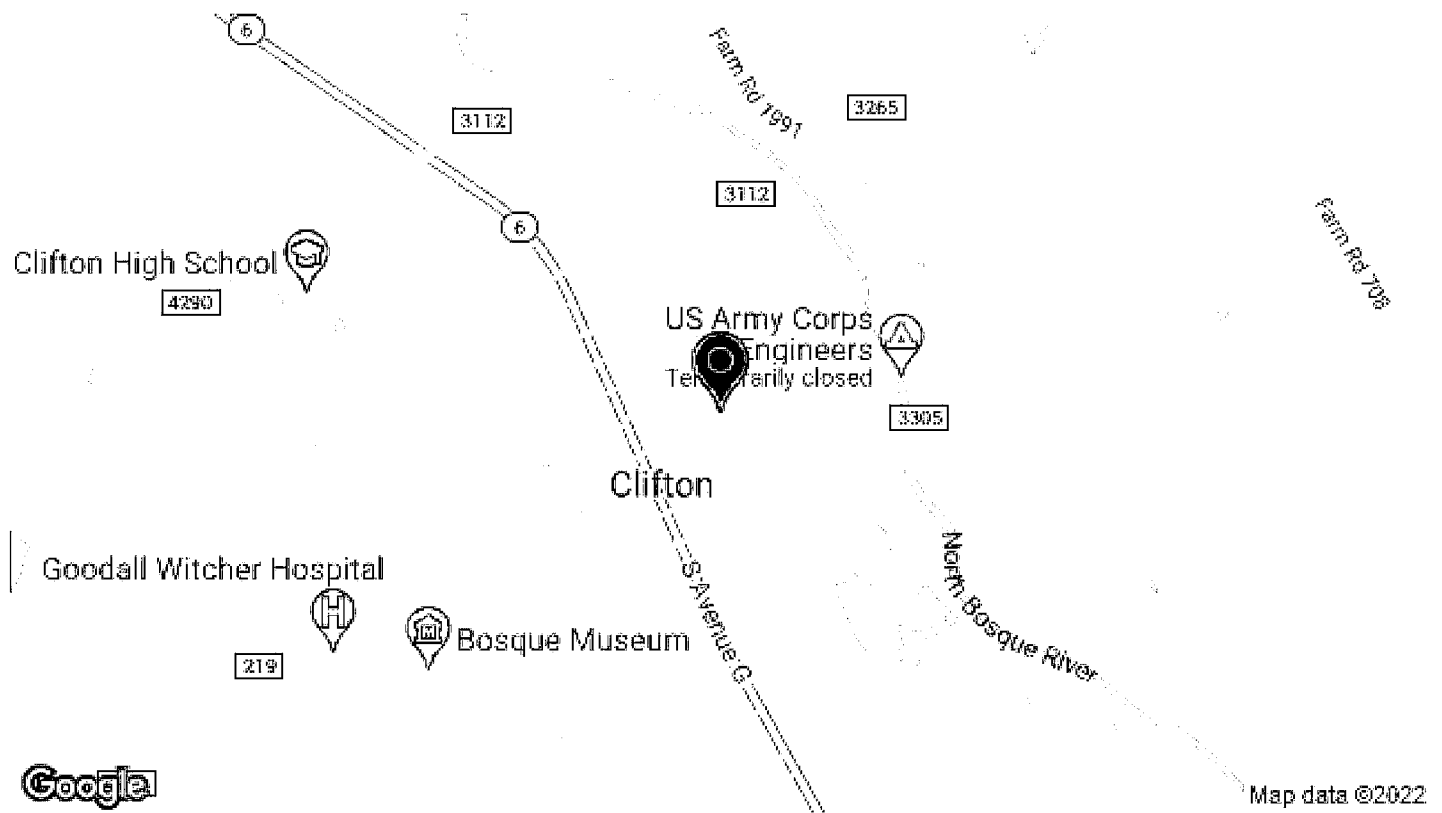
No



Gregg Glime
Coldwell Banker
Commercial Jim Stewart,
Realtors

(254) 313-0000

Location



City
Clifton, TX

Zip Code
76634

Contacts



Gregg Glime
Coldwell Banker
Commercial Jim Stewart,
Realtors
(254) 313-0000

401 & 403 S Caddo

401 & 403 S Caddo, Cleburne, TX 76031

Industrial Flex - Industrial 1,716 SF

For Lease

\$1,850/MO

Property Type

Industrial - Flex - Industrial

Property Size

1,716 SF

Date Updated

Aug 22, 2022

Corner Lot located at E Shaffer Street and S Caddo Street in Cleburne, TX. Property is three blocks from the downtown square surrounding the Johnson County Courthouse. Quick access to US-67

Highlights

- ✓ METAL WAREHOUSE INCLUDES: Reception, Kitchenette, One (1) Office, One (1) ADA Restroom w/ shower
- ✓ WAREHOUSE: Two (2) Overhead Grade Level Doors, Shop Closet with AC
- ✓ OUTSIDE STORAGE: Fenced outside storage; Lease premises includes neighboring lot

Space Available

401 & 403 S Caddo

Space Type
Flex - Industrial

Lease Rate
\$1,850/MO

Total Space Available
1,716 SF

Divisible Space
1,716 - 1,716 SF

Available Date
Immediate

Lease Type
Modified Gross

Renewal Option
Yes

Sublease
No



Grace Ruby
Formation Real Estate
(817) 614-3717

Location



City
Cleburne, TX

Zip Code
76031

Market
Dallas Fort Worth

Contacts



Grace Ruby
Formation Real Estate
(817) 614-3717



915 W McGregor Dr

915 W McGregor Dr, McGregor, TX 76657

Retail 1,295 SF

For Lease
\$1,800/MO

Property Size
1,295 SF

Date Updated
Sep 09, 2022

Property Type
Retail

Lot Size
0.16 Acre

Website
www.cbcworldwide.com

The former Edward Jones office on Highway 84 in McGregor is available to purchase OR lease. This nearly 1,300sf building is located right along busy Highway 84, perfect for your business.

Highlights

- ✓ Perfect for Office or Retail
- ✓ Positioned along Highway 84 w/ Great Frontage
- ✓ Great visibility on Major Thoroughfare
- ✓ Fast Growing Central Texas Market
- ✓ Just Miles From Space X Rocket Facility

Space Available

Space Available

Space Type
Retail

Lease Rate
\$1,800/MO

Total Space Available
1,295 SF

Min Divisible
1,295 SF

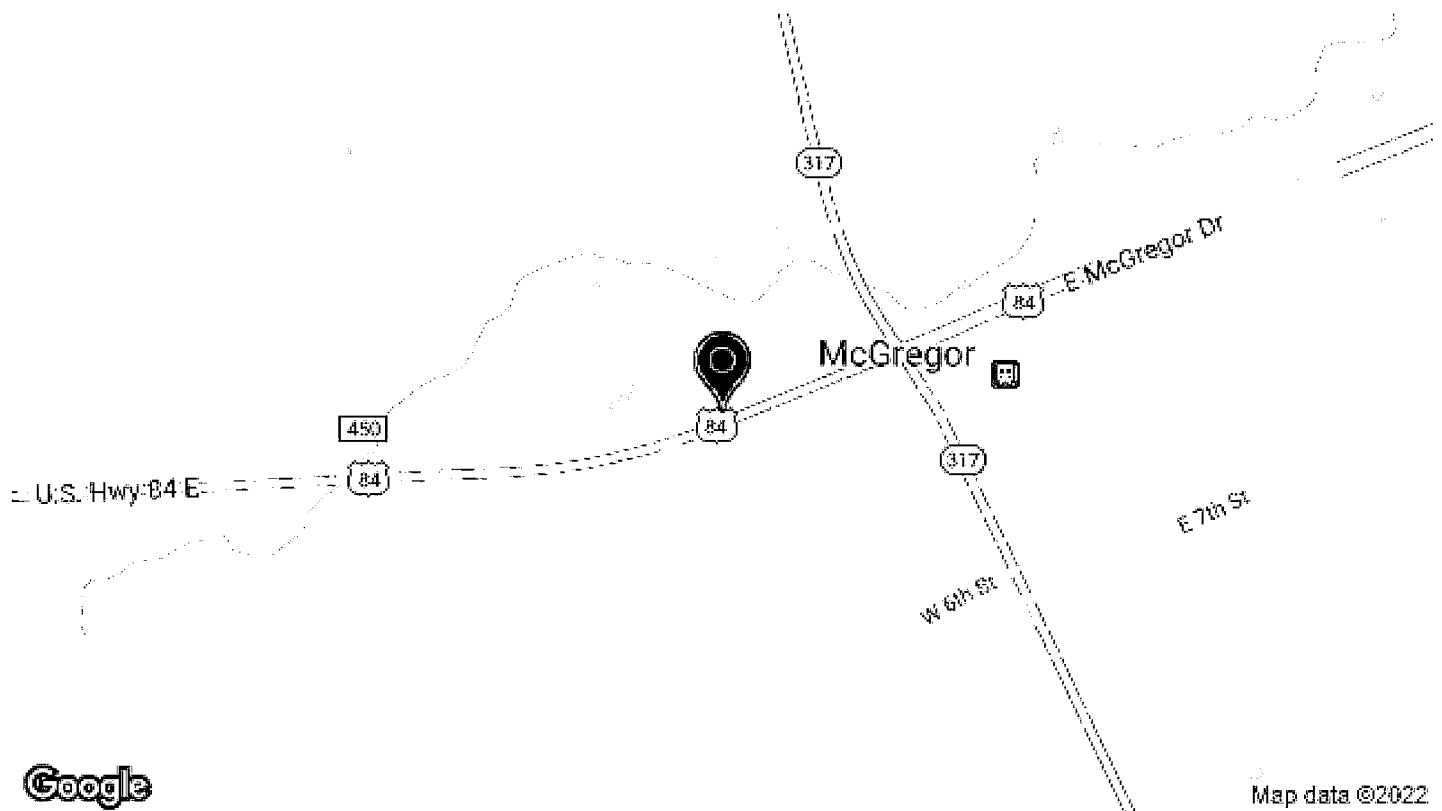
Lease Type
NNN

Sublease
No



Gregg Glime
Coldwell Banker
Commercial Jim Stewart,
Realtors
(254) 313-0000

Location



City
McGregor, TX

Neighborhood
McGregor

Zip Code
76657

Market
Central East Texas

Contacts



Gregg Glime
Coldwell Banker
Commercial Jim Stewart,
Realtors
(254) 313-0000

Exhibit E

Lease

LEASE AGREEMENT

This Lease Agreement ("*Lease*") is entered by and between RP AG, LLC, of 122 S Avenue D, Clifton, Texas 76634 ("*Lessor*") and Crystal Clear Water, Inc., of 122 S Avenue D, Clifton, Texas 76634 ("*Lessee*") (collectively, the "*Parties*"), on the ____ day of _____, 2022 (the "*Effective Date*").

RECITALS

WHEREAS, Lessor owns commercial property at 122 S Avenue D, Clifton, Texas, 76634 that includes approximately 650 square feet of office space and 3,240 square feet of warehouse space (the "*Property*");

WHEREAS, Lessor has been renting a portion of the Property to Lessee on a month-to-month basis at \$500.00 per month based only upon Lessee's use of the office space; and

WHEREAS, the Parties desire to enter into a written agreement regarding Lessee's rental of the office space and warehouse on the Property.

NOW THEREFORE, in consideration of the mutual promises and agreements set forth herein and for good and valuable consideration, the receipt and sufficiency of which is hereby expressly acknowledged by Lessor and Lessee, the Parties mutually agree as follows:

LEASE

1. **Description of the Leased Premises:** Lessor agrees to lease to Lessee the Property at 122 S Avenue D, Clifton, Texas.

2. **Use of the Leased Premises:** Lessee shall be a co-occupant with Lessor and shall use the Leased Premises to conduct the business of Crystal Clear Water, Inc.

3. **Term of Lease:** This Lease shall commence on the Effective Date and shall automatically renew on each anniversary of the Effective Date. Lessor may terminate this Lease at any time with 30 days' prior written notice.

4. **Rent:** Upon the Effective Date until September 1, 2022, Lessee shall pay to Lessor Five Hundred Dollars (\$500.00) per month for use of the Property ("*Initial Rent*"). Beginning September 1, 2022, Lessee shall pay Lessor One Dollar and Twenty Cents (\$1.20) per square foot of the Property that Lessee uses. As of the Effective Date, Lessee uses approximately 469 square feet of office space and 1,200 square feet of the warehouse space within the Property. Therefore, Lessee shall pay Lessor Two Thousand and Two Dollars and Eighty Cents (\$2,002.80) for its use of 1,669 square feet of the Property ("*Rent*"). Lessor may recalculate Lessee's use of the Property from time to time and may increase the Rent by sending written notice to Lessee.

5. **Expenses:** Lessee shall reimburse Lessor for its share of office expenses, including, but not limited to, electricity, water, and sewer. Garbage disposal, gas, internet, and phone.

LESSOR:

RP AG, LLC

By: _____
Robert Payne, President

LESSEE:

Crystal Clear Water, Inc.

By: _____
Robert Payne, President

Exhibit F

Rate Case Expenses

Exhibit G

Proposed Tariff



WATER UTILITY TARIFF

Docket Number: 50721

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

Crystal Clear Water, Inc.
(Utility Name)

122 S Avenue D
(Business Address)

Clifton, TX 76634
(City, State, Zip Code)

254-675-3551
(Area Code/Telephone)

This tariff is effective for utility operations under the following Certificate of Convenience and Necessity: 12997

This tariff is effective in the following counties:
Bosque

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

This tariff is effective in the following subdivisions or public water systems:
Lakeline Acres (TX0180025); Glenshores (TX0180030); Airport (TX0180032); and Whispering Ridge (TX0180081)

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):

TABLE OF CONTENTS

SECTION 1.0-RATE SCHEDULE	2
SECTION 2.0- SERVICE RULES AND POLICIES	4
SECTION 3.0- EXTENSION POLICY	12
APPENDIX A - DROUGHT CONTINGENCY PLAN	17
APPENDIX B- APPLICATION FOR SERVICE	18

Note: Appendix A – Drought Contingency Plan (DCP) is approved by the Texas Commission on Environmental Quality; however, the DCP is included as part of your approved utility tariff pursuant to PUC rules. If you are establishing a tariff for the first time, please contact the TCEQ to complete and submit a DCP for approval.

SECTION 1.0 -- RATE SCHEDULE

Section 1.01 - Rates

Meter Size	Monthly Minimum Charge	Gallonage Charge
5/8" or 3/4"	\$ 38.56 (Includes 0 gallons)	3.74 per 1000 gallons, 1 st 5,000 gallons
1"	\$ 96.40	5.61 per 1000 gallons, next 5,000 gallons
1½ "	\$ 192.80	6.95 per 1000 gallons thereafter

FORM OF PAYMENT: The utility will accept the following forms of payment:
 Cash X Check X Money Order X Credit Card Other (specify)
 THE UTILITY 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.

RATE CASE EXPENSE SURCHARGE

\$

TO BE COLLECTED PER MONTH, CALCULATED AS FOLLOWS: \$ ÷ 230 CONNECTIONS ÷
 15 MONTHS = \$. CRYSTAL CLEAR WATER, INC. MAY COLLECT THE SURCHARGE FOR 18
 CONSECUTIVE MONTHS, BEGINNING ON [DATE]; PROVIDED, HOWEVER, THAT CRYSTAL CLEAR
 WATER, INC. SHALL CEASE COLLECTING RATE CASE EXPENSES BEFORE [DATE] IF FULL
 RECOVERY OCCURS BEFORE THAT DATE.

REGULATORY ASSESSMENT

1.0%

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

Section 1.02 - Miscellaneous Fee

TAP FEE (Standard)

\$ 1,500.00

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 THE UTILITY'S
 UNIQUE COSTS IS PERMITTED.

TAP FEE (Unique Costs)

Actual Cost

UNIQUE COSTS ARE ADDITIONAL COSTS THAT ARE NECESSARY FOR THE UTILITY TO EXTEND
 ITS WATER SYSTEM TO DELIVER WATER TO THE CUSTOMER'S PROPERTY, IF THERE IS NO
 EXISTING WATER LINE ON THE CUSTOMER'S PROPERTY AT THE TIME WATER SERVICE IS
 REQUESTED. FOR EXAMPLE, UNIQUE COSTS COULD INCLUDE, BUT ARE NOT LIMITED TO,
 LABOR, EQUIPMENT, AND MATERIALS COSTS TO EXCAVATE LAND AND INSTALL A NEW
 WATERLINE TO CONNECT THE UTILITY'S EXISTING WATERLINES ON THE CUSTOMER'S LAND
 TO THE METER OR A ROAD BORE.

TAP FEE (Large Meter)

Actual Cost

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

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 or other reason listed under Section 2.0 of this tariff \$ 25.00
- c) Seasonal Reconnect Fee: A customer requesting reconnection at the same location and for the same location and for the same type of service, will be assessed a reconnect fee of no less than \$25.00 and no more than \$13.35 per month disconnected, times the number of months disconnected, not to exceed 6 times.

SECTION 1.0 -- RATE SCHEDULE (Continued)

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%
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

METER TEST FEE (Actual Cost of testing 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 Cost
THIS FEE MAY BE CHARGED IF A CUSTOMER REQUESTS RELOCATION OF AN EXISTING METER.

SECTION 2.0 – SERVICE RULES AND POLICIES

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

Section 2.01 - Application for Water Service

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

Section 2.02 - Refusal of Service

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

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

(A) Customer Deposits

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

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

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

SECTION 2.0 – SERVICE RULES AND POLICIES (Continued)

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

(B) Tap or Reconnect Fees

A new customer requesting service at a location where service has not previously been provided must pay a tap fee as provided in Section 1. A customer requesting service where service has previously been provided must pay a reconnect fee as provided in Section 1. Any applicant or existing customer required to pay for any costs not specifically set forth in the rate schedule pages of this tariff shall be given a written explanation of such costs prior to request for payment and/or commencement of construction. If the applicant or existing customer does not believe that these costs are reasonable or necessary, the applicant or existing customer shall be informed of their right to appeal such costs to the PUC or such other regulatory authority having jurisdiction over the utility's rates in that portion of the utility's service area in which the applicant's or existing customer's property(ies) is located.

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

(C) Easement Requirement

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

SECTION 2.0 – SERVICE RULES AND POLICIES (Continued)

Section 2.04 - Utility Response to Applications for Service

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

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

Section 2.05 - Customer Responsibility

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

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

Section 2.06 - Customer Service Inspections

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

SECTION 2.0 – SERVICE RULES AND POLICIES (Continued)

Section 2.07 - Back Flow Prevention Devices

No water connection shall be allowed to any residence or establishment where an actual or potential contamination hazard exists unless the public water facilities are protected from contamination by either an approved air gap, backflow prevention assembly, or other approved device. The type of device or backflow prevention assembly required shall be determined by the specific potential hazard identified in Title 30 (TAC) § 290.47(f), Appendix F, Assessment of Hazards and Selection of Assemblies of the TCEQ Rules and Regulations for Public Water Systems.

The use of a backflow prevention assembly at the service connection shall be considered as additional backflow protection and shall not negate the use of backflow protection on internal hazards as outlined and enforced by local plumbing codes. When a customer service inspection certificate indicates that an adequate internal cross-connection control program is in effect, backflow protection at the water service entrance or meter is not required.

At any residence or establishment where it has been determined by a customer service inspection, that there is no actual or potential contamination hazard, as referenced in 30 TAC § 290.47(f), Appendix F, Assessment of Hazards and Selection of Assemblies of the TCEQ Rules and Regulations for Public Water Systems, then a backflow prevention assembly or device is not required. Outside hose bibs do require, at a minimum, the installation and maintenance of a working atmospheric vacuum breaker.

All backflow prevention assemblies or devices shall be tested upon installation by a TCEQ certified backflow prevention assembly tester and certified to be operating within specifications. Backflow prevention assemblies which are installed to provide protection against health hazards must also be tested and certified to be operating within specifications at least annually by a certified backflow prevention assembly tester.

If the utility determines that a backflow prevention assembly or device is required, the utility will provide the customer or applicant with a list of TCEQ certified backflow prevention assembly testers. The customer will be responsible for the cost of installation and testing, if any, of backflow prevention assembly or device. The customer should contact several qualified installers to compare prices before installation. The customer must pay for any required maintenance and annual testing and must furnish a copy of the test results demonstrating that the assembly is functioning properly to the utility within 30 days after the anniversary date of the installation unless a different date is agreed upon.

SECTION 2.0 – SERVICE RULES AND POLICIES (Continued)

Section 2.08 - Access to Customer's Premises

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

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

Section 2.09 - Meter Requirements, Readings, and Testing

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

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

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 2.0 – SERVICE RULES AND POLICIES (Continued)

Section 2.10 - Billing

(A) Regular Billing

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

(B) Late Fees

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

(C) Information on Bill

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

(D) Prorated Bills

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

SECTION 2.0 – SERVICE RULES AND POLICIES (Continued)

Section 2.11- Payments

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

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

Section 2.12 - Service Disconnection

(A) With Notice

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

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

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

(B) Without Notice

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

Section 2.13 - Reconnection of Service

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

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

SECTION 2.0 – SERVICE RULES AND POLICIES (Continued)

Section 2.14 - Service Interruptions

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

Section 2.15 - Quality of Service

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

Section 2.16 - Customer Complaints and Disputes

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

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

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

Section 2.17 - Customer Liability

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

SECTION 3.0 – EXTENSION POLICY

Section 3.01 - Standard Extension Requirements

LINE EXTENSION AND CONSTRUCTION CHARGES: NO CONTRIBUTION IN AID OF CONSTRUCTION MAY BE REQUIRED OF ANY CUSTOMER EXCEPT AS PROVIDED FOR IN THIS APPROVED EXTENSION POLICY.

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

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

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

Section 3.02 - Costs Utilities and Service Applicants Shall Bear

Within its certified area, the utility will pay the cost of the first 200 feet of any water main or distribution line necessary to extend service to an individual residential customer within a platted subdivision.

However, if the residential customer requesting service purchased the property after the developer was notified in writing of the need to provide facilities to the utility, the utility may charge for the first 200 feet. The utility must also be able to document that the developer of the subdivision refused to provide facilities compatible with the utility's facilities in accordance with the utility's approved extension policy after receiving a written request from the utility.

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

SECTION 3.0 – EXTENSION POLICY (Continued)

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

Exceptions may be granted by the TCEQ if:

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

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

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

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

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

SECTION 3.0 – EXTENSION POLICY (Continued)

Section 3.03 - Contributions in Aid of Construction

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

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

Any service extension to a subdivision (recorded or unrecorded) may be subject to the provisions and restrictions of 16 TAC § 24.163(d). When a developer wishes to extend the system to prepare to service multiple new connections, the charge shall be the cost of such extension, plus a pro-rata charge for facilities which must be committed to such extension compliant with the TCEQ minimum design criteria. As provided by 16 TAC § 24.163(d)(4), for purposes of this section, commercial, industrial, and wholesale customers shall be treated as developers.

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

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

SECTION 3.0 – EXTENSION POLICY (Continued)

Section 3.04 - Appealing Connection Costs

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

Section 3.05 - Applying for Service

The utility will provide a written service application form to the applicant for each request for service received by the utility's business offices. A separate application shall be required for each potential service location if more than one service connection is desired by any individual applicant. Service application forms will be available at the utility's business office during normal weekday business hours. Service applications will be sent by prepaid first class United States mail to the address provided by the applicant upon request. Completed applications should be returned by hand delivery in case there are questions which might delay fulfilling the service request. Completed service applications may be submitted by mail if hand delivery is not possible.

Where a new tap or service connection is required, the service applicant shall be required to submit a written service application and request that a tap be made. A diagram, map, plat, or written metes and bounds description of precisely where the applicant desires each tap or service connection is to be made and, if necessary, where the meter is to be installed, along the applicant's property line may also be required with the tap request. The actual point of connection and meter installation must be readily accessible to utility personnel for inspection, servicing, and meter reading while being reasonably secure from damage by vehicles and mowers. If the utility has more than one main adjacent to the service applicant's property, the tap or service connection will be made to the utility's nearest service main with adequate capacity to service the applicant's full potential service demand. Beyond the initial 200 feet, the customer shall bear only the equivalent cost of extending from the nearest main. If the tap or service connection cannot be made at the applicant's desired location, it will be made at another location mutually acceptable to the applicant and the utility. If no agreement on location can be made, the applicant may refer the matter to the PUC for resolution.

SECTION 3.0 – EXTENSION POLICY (Continued)

Section 3.06 - Qualified Service Applicant

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

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

Section 3.07 - Developer Requirements

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

**APPENDIX A – DROUGHT CONTINGENCY PLAN
(Utility Must Attach TCEQ-Approved Plan)**

DROUGHT CONTINGENCY PLAN FOR THE

Crystal Clear Water Inc. – Whispering Ridge / Airport / Lake Line & Glenshores

**122 S Avenue D
Clifton, TX 76634
254-675-3551**

**12997
(CCN#s)**

**0180081 / 0180032 / 0180025 / 0180030
(PWS#’s)**

September 20, 2018

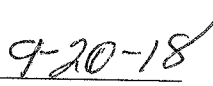
Section 1 Declaration of Policy, Purpose and Intent

In case of extreme drought, periods of abnormally high usage, system contamination, or extended reduction in ability to supply water due to equipment failure, temporary restrictions may be instituted to limit non-essential water usage. The purpose of the Drought Contingency Plan is to encourage customer conservation in order to maintain supply, storage, or pressure or to comply with the requirements of a court, government agency or other authority.

Please note: Water restriction is not a legitimate alternative if water system does not meet the Texas Natural Resource Conservation Commission’s (TNRCC) capacity requirements under normal conditions **or** if the utility fails to take all immediate and necessary steps to replace or repair malfunctioning equipment.

I Robert Payne, being the responsible official for Crystal Clear Water, Inc. request inclusion of the attached Drought Contingency Plan in the utilities approved tariff.


(Signature)


(Date)

Section 2 Public Involvement

Opportunity for the public to provide input into the preparation of the Plan was provided by: *bill insert inviting comment.*

Section 3 Public Education

The Crystal Clear Water Inc. will periodically provide the public with information about the Plan, including information about the conditions under which each stage of the Plan is to be initiated or terminated and the drought response measures to be implemented in each stage.

Drought plan information will be provided by : X utility bill inserts

Section 4 Coordination with Regional Water Planning Groups

The service area of the Crystal Clear Water Inc. is located within the Brazos Regional Water Planning Group (RWPG), Region G. Crystal Clear Water Inc. has mailed a copy of the Plan to the RWPG.

Section 5 Notice of Requirements

Written notice will be provided to each customer **prior to implementation or termination of each stage of the water restriction program.** Mailed notice must be given to each customer 72 hours prior to start of water restriction. If notice is hand delivered, the utility cannot enforce the provisions of the plan for 24 hours after notice is provided. The written notice to customers will contain the following information:

1. the date restrictions will begin,
2. the circumstances that triggered the restrictions,
3. the stages of response and explanation of the restrictions to be implemented, and,
4. an explanation of the consequences for violations.

The utility must notify the TNRCC by telephone at (512) 239-6020, or electronic mail at watermon@tnrcc.state.tx.us prior to implementing Stage III and must notify in writing the Public Drinking Water Section at MC – 155, P.O. Box 13087, Austin, Texas 78711-3087 within five (5) working days if implementation including a copy of the utility's restriction notice. The utility must file a status report of its restriction program with the TNRCC at the initiation and termination of mandatory water use restrictions (i.e. Stages III and IV).

Section 6 Violations

1. First violation – The customer will be notified by written notice of their specific violation.
2. Subsequent violations:
 - a. After written notice, the utility may install a flow restriction device in the line to limit the amount of water which will pass through the meter in a 24 hour period. The utility may charge the customer for the actual cost of installing and removing the flow restricting device, not to exceed \$50.00.
 - b. After written notice, the utility may discontinue service at the meter for a Period of seven (7) days, or until the end of the calendar month, whichever is LESS. The normal reconnect fee of the utility will apply for restoration of service.

Section 7 Exemptions or Variances

The utility may grant any customers an exemption or variance from the drought contingency plan for good cause **upon written request**. A customer who is refused an exemption or variance may appeal such action in writing to the Texas Natural Resource Conservation Commission. The utility will treat all customers equally concerning exemptions and variances, and shall not discriminate in granting exemptions and variances. No exemption or variance shall be retroactive or otherwise justify any violations of the Plan occurring prior to the issuance of the variance.

Section 8 Response Stages

Unless there is an immediate and extreme reduction in water production, or other absolute necessity to declare an emergency or sever condition, the utility will initially declare Stage I restrictions. If, after a reasonable period of time, demand is not reduced enough to alleviate outages, reduce the risk of outages, or comply with restrictions required by a court, government agency or other authority, Stage II may be implemented with Stage III to follow if necessary.

STAGE I – CUSTOMER AWARENESS

Stage 1 will begin:

Every April 1st, the utility will mail a public announcement to its customers. No notice to TNRCC required.

Stage 1 will end:

Every September 30th, the utility will mail a public announcement to its customers.

No notice to TNRCC required.

Utility Measures: This announcement will be designed to increase customer awareness of water conservation and encourage the most efficient use of water. A copy of the current public announcement on water conservation awareness shall be kept on file available for inspection by the TNRCC.

Voluntary Water Use Restrictions:

Water customers are requested to voluntarily limit the use of water for non-essential purposes and to practice water conservation.

STAGE II – VOLUNTARY WATER CONSERVATION:

GOAL: Reduce total water use by 5%

The water utility will implement Stage 2 when any of the selected triggers is reached:

Demand or Capacity Based Triggers

Total daily demand as exceeds 85% of storage capacity

Upon initiation and termination of Stage 2, the utility will mail a public announcement to its customers. No notice to TNRCC required.

Requirements for termination

Stage 2 of the Plan may end when all of the conditions listed as triggering events have ceased to exist for a period of three (3) consecutive days. Upon termination of Stage 2, Stage 1 comes operative.

Utility Measures:

Visually inspect lines and repair leaks on a daily basis. Monthly review of customer use records and follow up on any that have unusually high usage.

Voluntary Water Use Restrictions:

1. Restricted Hours: Outside watering is allowed daily, but only during periods specifically described in the customer notice; between 10:00 PM and 5:00 AM for example; OR
2. Restricted Days/Hours: Water customers are requested to voluntarily limit The irrigation of landscaped areas with hose-end sprinklers or automatic irrigation systems. Customers are requested to limit outdoor water use to **Mondays for water customers with a street address ending with the numbers 1, 2, or 3, Wednesdays for customers with a street address ending with 4,5, or 6, and Fridays for water customers with a street address ending with the numbers 7, 8, 9, or 0.** Irrigation of landscaped areas is further limited to the hours of 12:00 midnight until 10:00 a.m. and between 8:00 p.m. and 12:00 midnight on designated watering days. However, irrigation of landscaped areas is permitted at anytime if it is by means of hand held hose, a faucet filled bucket or watering can of five (5) gallons or less, or drip irrigation system.
3. Other uses that waste water such as water running down the gutter.

STAGE III – MANDATORY WATER USE RESTRICTIONS:

GOAL: Reduce total water use by 10%

The water utility will implement Stage 3 when any one of the selected triggers is reached:

Demand or Capacity Based Triggers

Total daily demand exceeds 95% of storage capacity

Upon initiation and termination of Stage 3, the utility will mail a public announcement to its customers. Notice to TNRCC required.

Requirements for termination

Stage 3 of the Plan may end when all the conditions listed as triggering Events have ceased to exist for a period of three (3) consecutive days.

Upon termination of Stage 3, Stage 2 becomes operative.

Utility Measures:

Visually inspect lines and repair leaks on a regular basis. Flushing is Prohibited except for dead end mains.

Mandatory Water Use Restrictions: The following water use restrictions shall Apply to all customers.

1. Irrigation of landscaped areas with hose end sprinklers or automatic irrigation systems **shall be limited to Mondays for water customers with a street address ending with the numbers 1, 2, r 3, Wednesdays for water customers with a street address ending with the numbers 4, 5, or 6 , and Fridays for water customers with a street address ending with the numbers 7, 8, 9, or 0.** Irrigation of landscaped areas is further limited to the hours of 12:00 midnight until 10:00 a.m. and between 8:00 p.m. and 12:00 midnight on designated watering days. However, irrigation of landscaped areas is permitted at anytime if it is by means of a hand held hose, a faucet filled bucket or watering can of five (5) gallons or less, or drip irrigation system.
2. Use of water to wash any motor vehicle, motorbike, boat, trailer, airplane or other vehicle is prohibited except on designated watering days between the hours of 12:00 midnight and 10:00 a.m. and between 8:00 p.m. and 12:00 midnight. Such washing, when allowed, shall be done with a hand held bucket or a hand held hose equipped with a positive shutoff nozzle for quick rinses. Vehicle washing may be done at any time on the immediate premises of a commercial car wash or commercial service station. Further, such washing may be exempted from these regulations if the health, safety, and welfare of the public is contingent upon frequent vehicle cleansing, such as garbage trucks and vehicles used to transport food and perishables.
3. Use of water to fill, refill, or add to any indoor or outdoor swimming Pools, wading pools or “jacuzzi” type pools is prohibited except on designated watering days between the hours of 12:00 midnight and 10:00 a.m. and between 8:00 p.m. and 12:00 midnight.
4. Operation of any ornamental fountain or pond for aesthetic or scenic purposes is prohibited except where necessary to support aquatic life or where such fountains or ponds are equipped with a recirculation system.
5. Use of water from hydrants or flush valves shall be limited to maintaining public health, safety, and welfare.

6. Use of water for the irrigation of golf courses, parks, and green belt areas is prohibited except by hand held hose and only on designated watering days between the hours of 12 midnight and 10:00 a.m. and between 8:00 p.m. and 12:00 midnight.
7. The following uses of water are defined as non-essential and are prohibited:
 - a. wash down of any sidewalks, walkways, driveways, parking lots, tennis courts, or other hard surfaced areas,
 - b. use of water to wash down buildings or structures for purposes other than immediate fire protection;
 - c. use of water for dust control;
 - d. flushing gutters or permitting water to run or accumulate in in any gutter or street;
 - e. failure to repair a controllable leak(s); and
 - f. any waste water.

STAGE IV – CRITICAL WATER USE RESTRICTIONS:

GOAL: Reduce total water usage by 20 %

The water utility will implement Stage 4 when any of the selected triggers is reached:

Demand or Capacity Based Triggers

1. **Total daily demand exceeds 95% of storage capacity; or**
2. **Major water line breaks, or pump or system failures occur, which cause unprecedented loss of capability to provide water service; or**
3. **Natural or man made contamination of the water supply source(s)**

Upon initiation and termination of Stage 4, the utility will mail a public announcement to its customers. Notice to TNRCC required.

Requirements for termination:

Stage 4 of the Plan may be rescinded when all of the conditions listed as triggering events have ceased to exist for a period of three (3) consecutive days. Upon termination of Stage 4, Stage 3 becomes operative.

Operational Measures:

The utility shall visually inspect lines and repair leaks on a daily basis. Flushing is prohibited except for dead end mains and only between the hours of 9:00 p.m. and 3:00 a.m.. Emergency interconnects or alternative supply arrangements shall be initiated. All meters shall be read as often as necessary to insure compliance with this program for the benefit of all the customers.

Manadtory Water Use Restrictions: All outdoor use of water is prohibited.

1. Irrigation of landscaped areas is absolutely prohibited
2. Use of water to wash any motor vehicle, motorbike, boat, trailer, airplane
Or other vehicle is absolutely prohibited

Drought Contingency Plan for IOU's- Revised 11-26-04

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

Crystal Clear Water, Inc

Application for Water Service

This application is for Residential, Multi-Family, and Commercial customers initiating a new water service account (s) or to establish an additional service. Please complete all blanks.

APPLICATIONS WILL NOT BE ACCEPTED IN THE NAME OF LESSEE OR TENANT ON MULTI-FAMILY/MULTI UNIT ACCOUNTS

I. General Information:

Select the account type you wish to establish:

☐ Single Family Residential ☐ Commercial ☐ Multi-Family

If Multi-Family Units, please indicate the number of apartments/units: _____

Today's Date: _____ Date of Deed or Lease: _____ Request Date for Service: _____

Name on Deed or Lease (Account Holder's Name): _____

Service Address: _____ City: _____ State: _____ Zip+4: _____

Day Phone: _____ Evening Phone: _____

Cell Phone: _____

E-mail Address: _____

Driver's License No.: _____ State Issued: _____

Name of Property owner/Landlord: _____

☐ Same as above

Address: _____ City: _____ Zip: _____

Day Phone: _____

E-mail Address: _____

Mailing Address: (If left blank the bill will be mailed to the service address)

Attention: _____ Phone Number: _____

Address: _____ City: _____ State: _____ Zip+4: _____

Please select one under each category of business or property type listed below.

Please note, a recorded deed will be required to establish water service depending on the type of account.

Property/Business Type:

COMMERCIAL

- ☐ One Unit
- ☐ Two Units
- ☐ Three or more
- ☐ Condo/Townhouse
- ☐ Apartments
- ☐ Trailer Park
- ☐ RV Park

MULTI-FAMILY

- ☐ Two Units
- ☐ Three Units
- ☐ Four Units
- ☐ Condo/Townhouse
- ☐ Apartments
- ☐ Trailer
- ☐ Park
- ☐ Not applicable

I understand that Crystal Clear Water, Inc. shall have the right to terminate water service if any of the information provided in this application is determined to be false. In addition, I understand and agree that Crystal Clear Water, Inc., through its authorized employees, shall have access to its equipment at all reasonable times for the purpose of reading meters, inspection, testing, repairing, and/or replacing any equipment which is the property of Crystal Clear Water, Inc. If such equipment is located where an electronic security system is required, Crystal Clear Water, Inc. shall be provided with the security pass code for access to the property. I understand Crystal Clear Water, Inc. has the right to estimate a bill due to inclement weather, when the meter is inaccessible, and/or obstructed. In addition, I understand that I am responsible for all minimum bills regardless of whether the water is used or not. I understand water service may be terminated if the required security deposit and/or monthly bills are unpaid.

By my signature below, I acknowledge that I am the authorized representative and it is my responsibility to establish water service with Crystal Clear Water, Inc. and all information provided in this application is true and correct. I agree to comply with all Customer Account Services' Policies and Ordinances as governed by Crystal Clear Water, Inc.

I am the:

☐ Property Owner

☐ Tenant

Printed Name

Title

Applicant's Signature

Date

Crystal Clear Water Inc. Service Agreement 2021

- I. PURPOSE. Crystal Clear Water Inc. is responsible for protecting the drinking water supply from contamination or pollution which could result from improper system construction or configuration on the retail connection owner's side of the meter. The purpose of this service agreement is to notify each customer of the restrictions which are in place to provide this protection. The public water system enforces these restrictions to ensure the public health and welfare. Each retail customer must sign this agreement before Crystal Clear Water Inc. will begin service. In addition, when service to an existing retail connection has been suspended or terminated, the water system will not re-establish service unless it has a signed copy of this agreement.
- II. RESTRICTIONS. The following unacceptable practices are prohibited by State regulations.
 - A. No direct connection between the public drinking water supply and a potential source of contamination is permitted. Potential sources of contamination shall be isolated from the public water system by an air-gap or an appropriate backflow prevention device.
 - B. No cross-connection between the public drinking water supply and a private water system is permitted. These potential threats to the public drinking water supply shall be eliminated at the service connection by the installation of an air-gap or a reduced pressure-zone backflow prevention device.
 - C. No connection which allows water to be returned to the public drinking water supply is permitted.
 - D. No pipe or pipe fitting which contains more than 0.25% 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 Crystal Clear Water Inc. (the Water System) and _____ (the Customer).
 - A. The Water System will maintain a copy of this agreement as long as the Customer and/or the premises is connected to the Water System.
 - B. The Customer shall allow his property to be inspected for possible cross-connections and other potential contamination hazards. These inspections shall be conducted by the Water System or its designated agent prior to initiating new water service; when there is reason to believe that cross-connections or other potential contamination hazards exist; or after any major changes to the private water distribution facilities. The inspections shall be conducted during the Water System's normal business hours.
 - C. The Water System shall notify the Customer in writing of any cross-connection or other potential contamination hazard which has been identified during the initial inspection or the periodic reinspection.
 - D. The Customer shall immediately remove or adequately isolate any potential cross-connections or other potential contamination hazards on his premises.
 - E. The Customer shall, at his expense, properly install, test, and maintain any backflow prevention device required by the Water System. Copies of all testing and maintenance records shall be provided to the Water System.

IV. ENFORCEMENT. If the Customer fails to comply with the terms of the Service Agreement, the Water System shall, at its option, either terminate service or properly install, test, and maintain an appropriate backflow prevention device at the service connection. Any expenses associated with the enforcement of this agreement shall be billed to the Customer.

PRINTED NAME: _____

CUSTOMER'S SIGNATURE: _____

DATE: _____

PHYSICAL ADDRESS: _____

MAILING ADDRESS: _____

EMERGENCY CONTACT NUMBER: _____

EMAIL ADDRESS: _____