

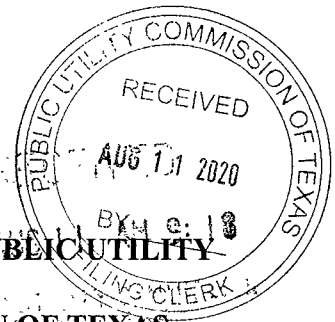


Control Number: 51091



Item Number: 4

Addendum StartPage: 0



DOCKET NO. 51091

COMPLAINT OF RIO ANCHO § BEFORE THE PUBLIC UTILITY
HOMEOWNERS ASSOCIATION AND §
DAVID AND DOREEN MEYERS § COMMISSION OF TEXAS
AGAINST AQUA TEXAS, INC. §

**AQUA TEXAS, INC.’S MOTION TO DISMISS AND
RESPONSE TO FORMAL COMPLAINT**

COME NOW Aqua Texas, Inc. (Aqua or Respondent) and files this Motion to Dismiss and Response to Formal Complaint. In support, Aqua shows as follows.

I. INTRODUCTION

On July 20, 2020, Rio Ancho Homeowners Association, its individual members David and Doreen Meyers, and a number of complainants included on a list attached to the complaint (Complainants) filed a “Formal Complaint” against Aqua (the Complaint).¹ The Complaint alleges Aqua’s Rio Ancho Subdivision water system (PWS ID No. 0270141), which is included in a portion of Aqua’s water CCN No. 13254 service area located in both Burnet and Williamson Counties, is “inadequate to meet the known reasonable requirements of its customers in the Rio Ancho Subdivision.”² The only statute or rule the Complaint alleges Aqua has violated is 16 Texas Administrative Code (“TAC”) § 24.205(1).³ But the Complaint suggests that rule requires Aqua to construct more water system capacity than required by the Texas Commission on Environmental Quality (“TCEQ”) and the Complainants request this Commission order what the TCEQ has not.⁴ Respectfully, that decision is not within this Commission’s purview given that TCEQ is the regulatory authority responsible for regulating technical public drinking water system

¹ Complaint (Jul. 20, 2020).
² *Id.* at 2.
³ *Id.* at 4.
⁴ *Id.* at 4.

requirements.⁵ Aqua's Rio Ancho water system is in full compliance with TCEQ requirements and is not in violation of 16 TAC § 24.205(1).

Consequently, Aqua moves to dismiss the Complaint for lack of jurisdiction and failure to state a claim for which relief can be granted by the Commission, but, subject to its motion to dismiss, Aqua also denies violating 16 TAC § 24.205(1) as alleged. Order No. 1 set a deadline of August 10, 2020 for Aqua to respond to the Complaint and address certain items specified therein.⁶ Therefore, this pleading is timely filed.

II. MOTION TO DISMISS

Aqua moves to dismiss the Complaint for lack of jurisdiction and failure to state a claim for which relief can be granted by this Commission on two grounds. First, Complainants have failed to follow the Commission's informal resolution procedures before presenting a formal complaint to the Commission as required. Second, the merits of the Complaint lie exclusively within the jurisdiction of the Texas Commission on Environmental Quality (TCEQ) and not this Commission. For both reasons, the Commission should dismiss the Complaint.

A. No Informal Complaint Filed

The Complaint generally alleges that “[n]umerous complaints have been filed with the Texas Commission on Environmental Quality (“TCEQ”) and, subsequent to its assuming jurisdiction, the Public Utility Commission (“PUC”).”⁷ However, only one specific complaint by one specified complainant is identified in Complaint, Exhibit 1, and that complaint was not

⁵ Tex. Health & Safety Code, Subchapter C, §§ 341.031 through 341.050; 30 TAC, Chapter 290; 16 TAC § 24.205(1); *see also* 31 TAC § 354.3(c) (stating that the “Texas Natural Resource Conservation Commission (commission),” now known as the TCEQ, “through the ‘primacy’ approval granted the State of Texas in 1978 is responsible for implementing the drinking water regulatory scheme established by the Safe Drinking Water Act and for enforcing the national drinking water standards set by USEPA. The commission is also charged with the administration of Chapter 341, Subchapter C of the Health and Safety Code to ensure safe and adequate sources of drinking water from public water systems.”)

⁶ Order No. 1 Requiring Responses (Jul. 22, 2020).

⁷ Complaint at 1-2 (July 20, 2020).

identical to *the specific Complaint filed here*.⁸ The Complaint was not previously filed informally.⁹ That violates the Commission’s procedural rules applicable to complaints.¹⁰ The Complaint must be dismissed for lack of jurisdiction and failure to state a claim for which relief can be granted for not following the Commission’s informal resolution process before presenting the Complaint formally to the Commission.¹¹

B. TCEQ Holds Exclusive Jurisdiction over the Merits of the Complaint

The TCEQ, not this Commission, is tasked with deciding the types of facilities public drinking water systems must build to serve their customer connections and the technical standards for same. The TCEQ, not this Commission, “through the ‘primacy’ approval granted the State of Texas in 1978 is responsible for implementing the drinking water regulatory scheme established by the Safe Drinking Water Act and for enforcing the national drinking water standards set by USEPA.”¹² Further, the TCEQ, not this Commission, “is also charged with the administration of Chapter 341, Subchapter C of the Health and Safety Code to ensure safe and adequate sources of drinking water from public water systems.”¹³ The TCEQ, not this Commission, is tasked with protecting public water supplies and ensuring that “public drinking water supply systems . . . supply drinking water in adequate quantities . . . and are technically sound.”¹⁴ Each public drinking water system “shall provide an adequate and safe drinking water supply” that meets “the requirements of [Texas Health & Safety Code] Section 341.031 and commission rules,” meaning the TCEQ Chapter 290 rules.¹⁵ Thus, the TCEQ Chapter 290 rules, not this Commission’s rules,

⁸ See Complaint at Exhibit 1 – Complainants (Jul. 20, 2020).

⁹ Compare Complaint (Jul. 20, 2020), with 16 TAC § 22.242(c)-(e).

¹⁰ *Id.*

¹¹ 16 TAC § 22.181(d)(1) and (8); 16 TAC § 22.242(c)-(e).

¹² 31 TAC § 354.3(c) (Memorandum of Understanding Between the Texas Water Development Board and the Texas Natural Resource Conservation Commission (n/k/a TCEQ)).

¹³ *Id.*

¹⁴ TEX. HEALTH & SAFETY CODE §§ 341.031(a) and 341.0315(a).

¹⁵ TEX. HEALTH & SAFETY CODE § 341.0315(c).

establish the minimum water system capacity requirements for public drinking water systems in Texas.

Importantly, the TCEQ Chapter 290 rules provide:

The [TCEQ] executive director will require additional supply, storage, service pumping, and pressure maintenance facilities if a normal operating pressure of 35 pounds per square inch (psi) cannot be maintained throughout the system, *or if the system's maximum daily demand exceeds its total production and treatment capacity.*¹⁶

Here, however, neither the TCEQ nor its Executive Director has mandated the types of additional facilities the Complainants ask this Commission to require for Aqua's Rio Ancho Subdivision water system. That should be the end of the inquiry at this Commission. If the Complainants believe the TCEQ should require additional system capacity, that issue should be taken up with TCEQ. But it seems Complainants are attempting to use the Commission's rules to force Aqua to build additional system capacity in the absence of any TCEQ requirement to do so.

The Complaint alleges there is insufficient capacity "to meet the reasonable local demand characteristics of the service area, including reasonable quantities of water for outdoor usage," but do not allege specifically what quantity of water for outdoor usage is reasonable.¹⁷ As discussed in the attached Affidavit of Scot Foltz, Environmental Compliance Manager for Aqua Texas, Inc., the usage of many Rio Ancho customers is not reasonable, and Aqua's Rio Ancho capacity is more than sufficient for reasonable local demand, including reasonable outdoor water usage.

Regardless, this Commission has no quantifiable public drinking water system standard for how much water capacity a water system must have for both normal household uses and outdoor usage combined, such as landscape irrigation. This technical decision must be made by TCEQ. In fact, the same rule cited by Complainants indicates deference to TCEQ on such issues in stating,

¹⁶ 30 TAC § 290.45(a)(2) (emphasis added).

¹⁷ Complaint at 3-4.

“The water system quantity and quality requirements of the TCEQ shall be the minimum standards for determining the sufficiency of production, treatment, storage, transmission, and distribution facilities of water suppliers and the safety of water supplied for household usage.”¹⁸

Similarly, this Commission has no jurisdiction to decide when a retail public water supplier should implement or not implement usage restrictions pursuant to its drought contingency plan developed according to TCEQ requirements. Drought contingency planning is also tasked to TCEQ regulation.¹⁹

For all these reasons, the Commission should dismiss the Complaint for lack of jurisdiction and failure to state a claim for which relief can be granted on this ground too.²⁰ The Complainants should be required to redirect their Complaint to TCEQ.

II. RESPONSE TO ORDER NO. 1

Subject to Aqua’s motion to dismiss above, Aqua offers the following additional information in response to the items requested in Order No. 1.

A. Jurisdiction

For the reasons previously discussed, Aqua contends that this Commission does not have jurisdiction over the Complaint.

B. Allegations Raised in the Complaint

Aqua generally denies each and every allegation raised in the Complaint. Aqua addresses some of the allegations with more specificity in the attached Affidavit of Scot Foltz, Environmental Compliance Manager for Aqua Texas, Inc.²¹ As demonstrated therein, the outstanding problem for Aqua’s Rio Ancho water system is the unreasonable amount of water usage by its customers,

¹⁸ 16 TAC § 24.205(1).

¹⁹ TWC §§ 11.002 (defining “Commission” as the TCEQ) and 11.1272; 30 TAC § 288.20.

²⁰ 16 TAC § 22.181(d)(1) and (8).

²¹ **Exhibit A** – Affidavit of Scot Foltz.

especially in hot and dry summer months, compared to what most residential customers throughout Texas typically use. The problem is not a result of technical deficiencies in Aqua's system as the Complaint suggests. If this matter is not dismissed for the reasons discussed herein, Aqua reserves and requests the right to address the allegations in more detail at an evidentiary hearing on the merits after discovery. In such hearing, Complainants will have the burden of proof on their Complaint.²² There is no legal basis for Complainants' request for attorneys' fees,²³ nor have Complainants offered any, and that request should be wholly denied.

C. Applicable Statutes, Rules, Orders, and Tariff Provisions

Aqua hereby incorporates all statutes, rules, orders, and tariff provisions referenced in its Response to the Complaint and attached **Exhibit A** - Affidavit of Scot Foltz.

D. Copies of Any Rates or Tariffs that Are the Subject of this Complaint

Attached as **Exhibit B** is Aqua's water tariff for CCN No. 13254 issued in PUC Docket No. 48769 on July 21, 2020 and copies of Aqua's Drought Contingency Plans from September 2015 and March 2020.

E. Any Other Matters Relevant to the Complaint

This matter should be handled by TCEQ, if at all, and not this Commission. However, Aqua submits that the Commission's response to Complaint No. CP 2020060358 cited in the Complaint may be relevant. That response is attached as **Exhibit C**.

III. CONCLUSION

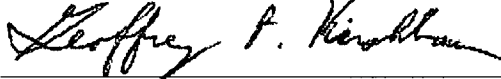
Respectfully, for the reasons set forth herein, Aqua requests the Commission grant Aqua's motion to dismiss the Complaint with prejudice to refile for lack of jurisdiction and failure to

²² 16 TAC § 24.12 (stating, "In any other matters or proceedings [except those specifically described in 16 TAC § 24.12], the burden of proof is on the moving party.") Here, the Complainants are the parties moving for relief based on a Chapter 24 rule.

²³ Complaint at 4 (Jul. 20, 2020).

state a claim for which relief can be granted. Alternatively, Aqua requests an evidentiary contested case hearing on the merits of the Complaint, and that the Commission ultimately deny all relief sought by the Complaint, including Complainants' request for attorneys' fees. Finally, Aqua requests all other and further relief to which it may be justly entitled at law or in equity.

Respectfully submitted,

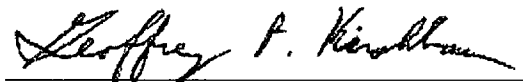
By: 

Geoffrey P. Kirshbaum
State Bar No. 24029665
TERRILL & WALDROP
810 W. 10th Street
Austin, Texas 78701
(512) 474-9100
(512) 474-9888 (fax)
gkirshbaum@terrillwaldrop.com

ATTORNEYS FOR AQUA TEXAS, INC.

CERTIFICATE OF SERVICE

I hereby 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 on August 10, 2020 in accordance with the Orders Suspending Rules issued in Project No. 50664.



Geoffrey P. Kirshbaum



DOCKET NO. 51091

COMPLAINT OF RIO ANCHO § BEFORE THE PUBLIC UTILITY
HOMEOWNERS ASSOCIATION AND §
DAVID AND DOREEN MEYERS § COMMISSION OF TEXAS
AGAINST AQUA TEXAS, INC. §

AFFIDAVIT OF SCOT FOLTZ

THE STATE OF TEXAS §
§
COUNTY OF TRAVIS §

BEFORE ME, the undersigned official on this day personally appeared Scot Foltz, who is personally known to me and first being duly sworn according to law, upon his oath deposed and said:

My name is Scot Foltz. I am over the age of 18 years and reside in Travis County, Texas. I am of sound mind and fully competent to make this affidavit. I have personal knowledge of the facts stated herein, and they are true and correct.

I am the Environmental Compliance Manager for Aqua Texas, Inc. (“Aqua”), Respondent in the above styled and numbered case, and I am authorized to make this affidavit on behalf of Aqua.

Aqua recently completed a Critical Capacity Survey on its Rio Ancho Subdivision water system (PWS ID No. 0270141) (“Rio Ancho”) to inform Aqua about the system’s current capacity. That document is attached hereto as **Attachment 1** and shows that Rio Ancho has capacity for a maximum of 210 connections, but currently has only 165 connections.¹ The system is well above the minimum operating capacity required by 30 Texas Administrative Code (“TAC”) § 290.45 of the Texas Commission on Environmental Quality (“TCEQ”) rules. In fact, the excess capacity Aqua has in its Rio Ancho system facilities when compared to 30 TAC § 290.45 may be described as follows:

¹ **Attachment 1** – Rio Ancho Subdivision Water System Critical Capacity Survey (Aug. 5, 2020).

- Wells: 21% (99 gpm required and 126 gpm provided)
- Ground Storage Tanks: 62% (33,000 gallons required and 86,000 gallons provided)
- Hydropneumatic Tanks: 45% (3,300 gallons required and 6,000 gallons provided)
- Booster Pumps:
 Current: 37% (330 gpm required and 525 gpm provided)
 Currently Under Construction: 39% (330 gpm required and 540 gpm provided at 75 psi TDH; pumps will pump more at lower pressures)

Two of the three Rio Ancho water wells are subject to Central Texas Groundwater Conservation District (“CTGCD”) withdrawal restrictions as reflected in Aqua’s CTGCD permit for those wells.² Aqua’s Rio Ancho well CTGCD permit states that all water withdrawn under the permit “must be put to beneficial use at all times” and that the operation of the well for the authorized use “shall be conducted in such a manner as to avoid waste, pollution, or harm to the aquifers.”³ Further, Aqua’s Rio Ancho well CTGCD permit states, “The issuance of this Permit does not prohibit the District from limiting production from a well in the future during drought conditions or otherwise carry out the purposes of the District” under its rules.⁴ CTGCD states this on its web site:

The Central Texas Groundwater Conservation District adopted a drought management plan for the purpose to conserve, preserve, protect, and recharge the groundwater resources of Burnet County, and to prevent waste and degradation of quality of those groundwater resources.

Provisions of the plan shall apply to all Burnet County wells and all persons or organizations, public or private, owning or operating wells within Burnet County, regardless of purpose of use, size, capacity, date drilled, ownership, or the exempt or non-exempt status of a well.

The Drought Management Plan will rely primarily on voluntary compliance, except where otherwise noted for permitted users in drought stages 3 and 4. The District encourages the voluntary reduction measures outlined in the plan to achieve a desired level of conservation and reduced impact to the aquifers. However, the plan does not

² **Attachment 2** – Rio Ancho Subdivision Water System CTGCD Permit (Mar. 9, 2018).

³ *Id.*

⁴ *Id.*

exclude the District from exercising authority of its civil penalties policy in the District's Rules regarding wasteful use of water.⁵

Currently, CTGCD is in a "Stage 1 Near Normal" drought stage which entails a 5% voluntary reduction.⁶ Thus, CTGCD limitations represent one set of factors Aqua must consider in implementing water use restrictions for Rio Ancho, but there is more to consider. The area in Burnet and Williamson Counties where Rio Ancho is located includes land where it is difficult to locate a high volume producing well, assuming that property can be located and purchased for the purpose of installing such a well with an approved CTGCD permit (if in Burnet County). The Rio Ancho System was initially designed according to TCEQ requirements in 2009, and Aqua acquired Rio Ancho in 2011. Aqua has made many improvements to the system. In 2020, Aqua completed upgrades to Rio Ancho to install a second ground storage tank and a second hydropneumatic tank, doubling the system storage capacity. Currently, Aqua is constructing improvements to the booster pumping system that will further increase Rio Ancho's capacity and improve reliability. Even with those improvements, the amount of water Aqua is reasonably able to produce and distribute to customers will always be constrained by both CTGCD regulation of the Trinity-Hensell aquifer in Burnet County and local geological characteristics. But, while the amount of water Aqua can provide to Rio Ancho customers is limited, it is more than sufficient to meet TCEQ minimum operating requirements.

Given these circumstances, Aqua must rely on its TCEQ-accepted drought contingency plan to limit things like outdoor watering in the area.⁷ Aqua also monitors drought conditions through the United States Drought Monitor information.⁸ 16 TAC § 24.205(2) specifically permits utilities to

⁵ See <https://www.centraltexasgcd.org/groundwater-management/drought-management-plan/> (last visited Aug. 7, 2020).

⁶ *Id.*

⁷ **Exhibit B** to Aqua's Motion to Dismiss and Response to Formal Complaint.

⁸ See <https://droughtmonitor.unl.edu/CurrentMap/StateDroughtMonitor.aspx?TX> (last visited Aug. 7, 2020 and showing Rio Ancho area is currently in a "Moderate Drought" area).

restrict water usage in accordance with its approved drought contingency plan (“DCP”) during “periods of abnormally high usage.” All retail public water suppliers in Texas are required to have a DCP developed in accordance with TCEQ requirements pursuant to Texas Water Code (“TWC”) § 11.1272 and 30 TAC §§ 288.20 and 288.30, and Aqua has a DCP which is part of Aqua’s water utility tariff applicable to Rio Ancho.⁹ Specific applicable triggers within Aqua’s drought contingency plan are contained in Section 7, Drought, Demand & Critical System Capacity Stage Triggers.¹⁰ Aqua cannot reasonably be expected to provide unlimited water for outdoor usage in the Rio Ancho service area. The fact is there are customers in the Rio Ancho Subdivision who are knowingly using an unreasonable amount of water, particularly in the hot and dry summer months, which is attributable to excessive outdoor watering. Several Rio Ancho water customers are using in excess of 50,000 gallons per month.¹¹ Some have even used in excess of 100,000 gallons in a single month.¹² This has resulted in significant negative impacts to service.

When the Rio Ancho storage tanks are depleted by excessive water usage, Aqua’s Rio Ancho water supply booster pumps have a shut-off mechanism that prevents them from being damaged. While Aqua understands this is an inconvenience to customers, if not shut off in such situations those pumps could possibly burn out, necessitating replacement and an even longer water system outage period while new pumps are ordered and installed. Aqua has doubled its storage capacity, but, as shown in a summary of July 2020 Rio Ancho customer water usage, water usage of many Rio Ancho customers remains extremely high, especially in the summer.¹³ Based on my review of Aqua’s records, Rio Ancho customers used approximately 868 gallons of water per day per connection in July

⁹ **Exhibit B** to Aqua’s Motion to Dismiss and Response to Formal Complaint.

¹⁰ *See id.* at DCP, Section 7.

¹¹ **Attachment 3** – Rio Ancho Subdivision Water System July 2020 water usage.

¹² *Id.*

¹³ *Id.*

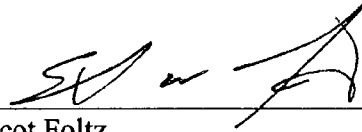
2020 whereas Aqua's customers statewide used approximately 311 gallons of water per day per connection. On average, from August 1, 2019 through July 31, 2020, Rio Ancho customers used approximately 517 gallons of water per day per connection whereas Aqua's customers statewide used approximately 226 gallons of water per day per connection during that same time period. This is clearly unreasonable and local demand needs to be reduced. Aqua's Rio Ancho capacity does not need to be increased beyond that which Aqua has constructed or is currently constructing.

I disagree with the report included with the Complaint which recommends Aqua increase the Rio Ancho capacities that are already substantially in excess of the TCEQ Chapter 290 requirements for a system that is the size of Rio Ancho.¹⁴ While not Aqua's preference, Aqua may have to resort to flow restrictor devices for certain customers if they fail to adhere to issued water restrictions and water use reductions do not occur.

In sum, if Rio Ancho customers would adhere to noticed outdoor watering limitations, there would be less outages and customers would have plenty of water for household needs. Instead, the Complaint seeks to put the blame on Aqua and have the Commission force Aqua to build even more capacity to accommodate unchecked outdoor watering desires. This is unreasonable, does not promote conservation or protection of the local aquifer, and should not be required by the Commission or TCEQ.

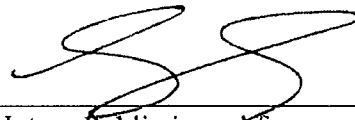
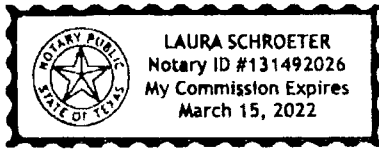
¹⁴ See Complaint at Exhibit 3, Table Three (Jul. 20, 2020).

Further Affiant sayeth not.



Scot Foltz
Environmental Compliance Manager
Aqua Texas, Inc.

SUBSCRIBED AND SWORN TO BEFORE ME on this the 10th day of August, 2020, to which witness my hand and official seal.



Notary Public in and for
The State of Texas

Aqua Texas, Inc.

Critical Capacity Survey

System Name Rio Ancho
 System address 209 Rio Ancho Blvd.
Bertram, Texas

System I.D. 270141
 County Burnet
 Metered
 Connections 165

Pump Station (Name or #) Water Plant #1

Disinfection
 Gas/Hypo/Chloramines
G/H/Chl
G
 Sequestering
Y/N
N

Other Treatments (Please Describe)

Entry Point 001

Wells (list all wells including plugged wells)	Production gpm	Status	Ground Storage Capacity (gals)	Hydro Tank Capacity (Gals)	Service Pumps		Elevated Storage Capacity (Gals)
					HP	GPM	
well # 1 (G0270141A)	39	O	43,000	3,000	15.00	200	N/A
Well #2 (G0270141B)	46	O	43,000	3,000	15.00	200	
Well #3 (G0270141C)	41	O			15.00	140	
Station Totals	126		86,000	6,000		540	0

Well Status O=operational E=emergency P=abandoned & plugged
 A=abandoned not plugged D=Demand (used only to meet peak demand)

Pump Station (Name or #) N/A

Disinfection
 Gas/Hypo/Chloramines
G/H/Chl
Y/N

Other Treatments (Please Describe)

Wells (list all wells including plugged wells)	Production gpm	Status	Ground Storage Capacity (gals)	Hydro Tank Capacity (Gals)	Service Pumps		Elevated Storage Capacity (Gals)
					HP	GPM	
1							
2							
3							
4							
5							
6							
Station Totals	0		0	0		0	0

TOTAL CAPACITY OF ALL FACILITIES

	Production	Ground Storage	Hydro Tank	Service Pumps	Elevated Storage
Gallons or GPM	126	86,000	6,000	540	0
Million gallons	0.181	0.086	0.006	0.78	0.000
Required	99	33,000	3,300	330	16,500
% of TCEQ capacity	79%	38%	55%	61%	#DIV/0!
Allowable conns.	210	430	300	270	0

Maximum Connections based on critical component **210**

Signature: Scot Foltz Date 8/5/2020

Systems with < 50 connections & no storage are required to have 1.5 gpm/connection well capacity and 50 gals/connection hydro tank .
 This spreadsheet does not calculate for this system configuration.

Additional Pump Station Data

System Name Rio Ancho
 System address 209 Rio Ancho Blvd.
Bertram, Texas

System I.D. 270141
 County Burnet
 Metered Connections 165

Pump Station (Name or #) N/A

Disinfection
 Gas/Hypo/Chloramines
 G/H/Chl

Sequestering
 Y/N

Other Treatments (Please Describe)

Wells (list all wells including plugged wells)	Production gpm	Status	Ground Storage Capacity (gals)	Hydro Tank Capacity (Gals)	Service Pumps		Elevated Storage Capacity (Gals)
					HP	GPM	
Station Totals	0		0	0		0	0



Central Texas Groundwater Conservation District

Operating Permit for Existing Well

I. Permittee:

Rio Ancho Water System
3209 Hillbilly Lane
Austin, TX 78746
(512) 990-4400

Attachment

2

Contact Person if different from Permittee:

Brent Reeh
1106 Clayton Lane, Suite 400 W
Austin, TX 78723-
(512) 990-4400

** The Permittee shall advise the District of any change in contact information and shall ensure that a current emergency contact telephone number is on file with the District.

II. Permit No.: OP-13042403

III. Number of Well(s) associated: 2

IV. Well Registration Number(s) and Location of Well(s):

Well #	Physical Location, City, State	Precinct
2079	2801 CR 322, Bertram, TX	3
6202	2801 CR 322, Bertram, TX	3

V. Purpose of Use: Public Water Supply

VI. Location of Water Use:

2801 CR 322, Bertram, TX

VII. Aquifer: Trinity-Hensell

VIII. Permit Term:

Date Issued: 2015-09-11

Expiration Date: 2020-09-11

§ 3.05 Permit Terms and Renewal. Except as otherwise provided by the District's Rules, this permit will be renewed by the General Manager at the end of its term unless the Board acts to amend, cancel, or revoke the permit at the end of its term to accomplish the purposes of Chapter 4 of the District's rules, unresolved rules violations, or as otherwise authorized under the District's Rules.

IX. Annual Production: 81.65 Acre Feet **26,605,734.15**

**Annual Production is the maximum annual amount of groundwater withdrawal authorized to be produced from the well(s), subject to limitation by the District and the conditions set forth below.

**Immediate written notice shall be given by Permittee to the District when the Permittee recognizes that its annual groundwater withdrawal may exceed the quantity authorized by this permit or in the event a withdrawal exceeds the quantity authorized by this permit. Such excess withdrawal is not authorized and may result in an enforcement action by the District against the Permittee unless appropriate authorization is granted in advance by the District through issuance of an Operating Permit, a permit amendment, or otherwise.



Central Texas Groundwater Conservation District

X. Terms and Conditions:

1. This permit confers no vested rights in the holder, and it may be revoked or suspended, and/or its terms may be modified or amended pursuant to the provisions of the District's rules (hereinafter, the "Rules"), management plan, regulatory plan, and/or enabling act, Chapter 36 of the Texas Water Code, and/or other applicable law, as such Rules, plans, and laws may be amended from time to time.
2. This permit is issued in accordance with the provisions of the Rules, as may be amended from time to time, and acceptance of this permit constitutes an acknowledgement and agreement that the Permittee will comply with the Rules and the terms and conditions of this permit and that the Permittee is bound by the Rules and permit terms and conditions; such acknowledgement and agreement by the Permittee is a condition precedent to the granting and issuance of this permit. Regulations governing the issuance and use of this permit are set forth in the Rules and applicable law but have not necessarily been specifically set forth in these "Terms and Conditions."
3. This Permit is issued under the requirements of Chapter 3, Subchapter F, of the Rules relating to Authorization for Production from New Wells.
4. This permit confers only the right to use the permit in accordance with the terms of the permit and the Rules. The issuance of this permit does not grant to the Permittee the right to use private property, or public property, for the production or conveyance of water. Neither does this permit authorize the invasion of any personal rights nor the violation of federal, state, or local laws, or any regulations. This permit is transferable only upon compliance with the Rules governing transfers. Transfers of well ownership within the District are generally governed by Section 3.08 of the District Rules (relating to Transfer of Well Ownership). This permit is subject to the additional transfer requirements for Operating Permits in Section 3.56 of the District Rules (relating to Transfer of Grandfathered Use Permit or Operating Permit). The transfer of ownership of the well(s) designated by a permit is presumed to transfer ownership of this permit, absent an express reservation of rights in the transferor. The Permittee may transfer this permit separately from the ownership of the well(s) or place(s) of use designated by this permit only to the extent authorized by the District Rules and other applicable law.
5. All water withdrawn under this permit must be put to beneficial use at all times. The operation of the well for the authorized use shall be conducted in such a manner as to avoid waste, pollution, or harm to the aquifers.
6. The site of any well covered by this permit must be accessible to District representatives for inspection, and the Permittee agrees to cooperate fully in any reasonable inspection of any well or well site by District representatives.
7. The application pursuant to which this permit has been issued is incorporated in this permit, and this permit is issued on the basis of and contingent upon the accuracy of the information supplied in that application. A finding that false information has been supplied in the application is grounds for immediate revocation of this permit.
8. Amendments to this Permit shall be made in accordance with Section 3.23 of the Rules.
9. The Permittee shall have a meter installed on each well authorized by this permit prior to issuance of this permit and shall thereafter comply with the metering requirements under the Rules.
10. No later than May 1 of each year, the Permittee of this permit must submit a report to the District in accordance with Chapter 11 of the Rules.
11. This permit is issued subject to: (1) the proportional adjustment regulations of the District; (2) exempt uses as provided by statutory law and the Rules; (3) the District's management plan; (4) the District's regulatory plan; (5) the Rules; (6) orders of the District entered in accordance with the Rules; (7) the continuing right of the District to supervise and regulate groundwater production from the aquifers within the District's boundaries, as authorized by the District's enabling act and Chapter 36 of the Texas Water Code; and (8) all applicable laws, as any of the authorities listed in this section currently exist and as they may be amended in the future. The District reserves the right to amend and implement the Rules to accomplish the purposes of the District's regulatory plan and/or allocate within a management zone water that is available for production under all Grandfathered Use Permits, Operating Permits, and other permits of the District, including reducing the amount of water that may be available or authorized for production under this Permit.
12. The District makes no representations and shall have no responsibility with respect to the availability or quality of water authorized to be produced under this permit.
13. No person shall drill, equip, complete, substantially alter, operate, or produce groundwater from a well in violation the Rules. A violation of the Rules occurs on the first day the unauthorized activity occurs and continues each day thereafter until the permit or amendment is issued, if any.
14. The issuance of this Permit does not prohibit the District from limiting production from a well in the future during drought conditions or otherwise to carry out the purposes of the District under Chapter 3, Subchapter A of the District Rules (relating to General Provisions Applicable to All Permits and Registrations), including Section 3.03 (relating to Permits Subject to Modification and Additional Production Limitations).
15. All other matters requested in the application, which are not specifically granted by this permit, are denied.



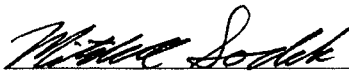
Central Texas Groundwater Conservation District

This Permit is issued in accordance with the Rules of the Central Texas Groundwater Conservation District. The Permit Application was determined to be administratively complete by the General Manager and proper notice and publication were provided in accordance with the Rules of the District. On 2015-09-11, at a properly noticed Public Hearing, the Board of Directors approved the Permit Applications and instructed the Manager to issue this Permit.

State of Texas §

§

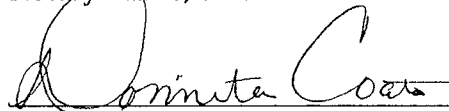
County of Burnet §



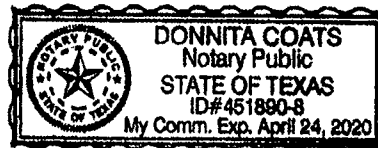
Mitchell Sodek
General Manager

This instrument was acknowledged before me on
this 9 day of March 2018 by Mitchell Sodek

Notary Public, State of Texas



Notary: Donnita Coats





March 9, 2018

Rio Ancho Water System
3209 Hillbilly Lane
Austin, TX 78746

Dear Rio Ancho Water System,

We have updated and enclosed Operating Permit Number OP-13042403 for Rio Ancho Water System to include the two wells associated with the permit, the combined Annual Production and the renewed term of 2015-09-11 to 2020-09-11. There were no changes made to the Terms and Conditions of the Permit.

If you have questions please contact the District Office.

Sincerely,

A handwritten signature in black ink that reads "Mitchell Sodek".

Mitchell Sodek
General Manager

Enc: Operating Permits OP-13042403

Premise	Route	Cycle	Meter #	ERT/MXU	SType	Acct	Customer	Address	Size	Read time	Upl Rdg	USE IN GALLONS	Rdr	ERT Type	RFF Rdg	Prv Rdg	Prv Upl Rdg
1327473	8879	31AK	45324049	74840115	WLM1	A	AQUA TEXAS INC	RIO ANCHO WELL #1, LIBERTY HILL TX 78642	2	07/29/20 08:35	0	1,511,000		100W+	0	28417000	
1402614	8879	31AK	17144076	74840105	WLM1	A	AQUA TEXAS INC	RIO ANCHO WELL #2, LIBERTY HILL TX 78642	11/2	07/29/20 08:34	12875	1,396,500		100W+	12875	0	
1402615	8879	31AK	18319528	73622532	WLM1	A	AQUA TEXAS INC	RIO ANCHO WELL #3, LIBERTY HILL TX 78642	2	07/29/20 08:34	147834258	1,597,600		100W+	147834258	131858000	
												WELL TOTAL					
												4,505,100					
												LOSS					
												-61,563	-1.4%				
												CUST TOTAL					
												4,443,537					
1200415	8879	31AK	9495775	74842707	RSM1	A			5/8	07/29/20 08:44	242782	49,710		100W+	242782	237810	237811
1200418	8879	31AK	35874428	74842737	RSM1	A			3/4	07/29/20 08:43	215864	32,610		100W+	215864	212600	212603
1200419	8879	31AK	35874424	74842779	RSM1	A			3/4	07/29/20 08:44	182649	43,190		100W+	182649	178330	178330
1200420	8879	31AK	35874426	74840276	RSM1	A			3/4	07/29/20 08:43	105604	31,490		100W+	105604	102450	102455
1200421	8879	31AK	41878096	74842451	RSM1	A			3/4	07/29/20 08:36	143786	12,440		100W+	143786	142540	142542
1200422	8879	31AK	40421385	74842761	RSM1	A			3/4	07/29/20 08:42	197914	41,560		100W+	197914	193750	193758
1200429	8879	31AK	41878099	74842530	RSM1	A			3/4	07/29/20 08:44	84390	12,570		100W+	84390	83130	83133
1200431	8879	31AK	9495774	74842751	RSM1	A			5/8	07/29/20 08:42	267162	56,620		100W+	267162	261500	261500
1200432	8879	31AK	40421388	74840951	RSM1	A			3/4	07/29/20 08:43	234798	26,720		100W+	234798	232120	232126
1200435	8879	31AK	41878098	74842757	RSM1	A			3/4	07/29/20 08:35	147517	23,850		100W+	147517	145130	145132
1200436	8879	31AK	35874425	74842709	RSM1	A			3/4	07/29/20 08:35	209418	36,780		100W+	209418	205740	205740
1200437	8879	31AK	35874429	74842639	RSM1	A			3/4	07/29/20 08:36	246856	28,280		100W+	246856	244020	244028
1200438	8879	31AK	35874427	74842701	RSM1	A			3/4	07/29/20 08:44	112574	32,100		100W+	112574	109360	109364
1265451	8879	31AK	43596228	74842743	RSM1	A			3/4	07/29/20 08:43	144939	29,050		100W+	144939	142030	142034
1265452	8879	31AK	43596227	74842762	RSM1	A			3/4	07/29/20 08:36	214204	48,670		100W+	214204	209330	209337
1328127	8879	31AK	43596222	74842738	RSM1	A			3/4	07/29/20 08:36	178940	16,720		100W+	178940	177260	177268
1332726	8879	31AK	43596223	74842519	RSM1	A			3/4	07/29/20 08:44	161726	32,910		100W+	161726	161050	158435
1333137	8879	31AK	45573431	74842566	RSM1	A			3/4	07/29/20 08:45	185959	46,190		100W+	185959	181340	181340
1333828	8879	31AK	43596224	74842759	RSM1	A			3/4	07/29/20 08:44	92374	16,070		100W+	92374	90760	90767
1335421	8879	31AK	43596225	74842740	RSM1	A			3/4	07/29/20 08:42	134210	40,040		100W+	134210	130200	130206
1335922	8879	31AK	43995874	74842746	RSM1	A			3/4	07/29/20 08:35	208842	23,700		100W+	208842	206470	206472
1336967	8879	31AK	43995879	74840099	RSM1	A			3/4	07/29/20 08:35	181156	2,870		100W+	181156	180860	180869
1337990	8879	31AK	43596220	74842739	RSM1	A			3/4	07/29/20 08:43	124396	18,760		100W+	124396	122520	122520
1351172	8879	31AK	43596221	74840906	RSM1	A			3/4	07/29/20 08:43	188886	39,150		100W+	188886	184970	184971
1352625	8879	31AK	43596229	74840125	RSM1	A			3/4	07/29/20 08:35	107193	32,460		100W+	107193	103940	103947
1353121	8879	31AK	43596230	74840936	RSM1	A			3/4	07/29/20 08:44	118195	25,110		100W+	118195	115680	115684
1353705	8879	31AK	41878100	74842755	RSM1	A			3/4	07/29/20 08:44	182196	33,130		100W+	182196	178880	178883
1354008	8879	31AK	43596226	74840965	RSM1	A			3/4	07/29/20 08:43	132635	23,170		100W+	132635	130310	130318
1354916	8879	31AK	43596231	74842750	RSM1	A			3/4	07/29/20 08:44	103668	19,740		100W+	103668	101690	101694

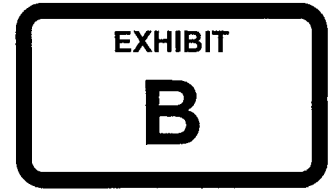
Attachment
3

Premise	Route	Cycle	Meter #	ERT/MXU	SType	Acct	Customer	Address	Size	Read time	Upl Rdg	USE IN GALLONS	Rdr	ERT Type	RFF Rdg	Prv Rdg	Prv Upl Rdg
1356732	8879	31AK	41878097	74840949	RSM1	A			3/4	07/29/20 08:35	173472	34,550		100W+	173472	170010	170017
1356733	8879	31AK	45573429	74840967	RSM1	A			3/4	07/29/20 08:43	89241	7,860		100W+	89241	88450	88455
1360890	8879	31AK	41878101	74840857	RSM1	A			3/4	07/29/20 08:45	82478	18,110		100W+	82478	80660	80667
1361059	8879	31AK	45573430	74840956	RSM1	A			3/4	07/29/20 08:44	147178	23,310		100W+	147178	144840	144847
1361607	8879	31AK	45573427	74842764	RSM1	A			3/4	07/29/20 08:44	139263	27,070		100W+	139263	136550	136556
1363028	8879	31AK	45573432	74840945	RSM1	A			3/4	07/29/20 08:44	97785	21,520		100W+	97785	95630	95633
1363029	8879	31AK	45573423	74840948	RSM1	A			3/4	07/29/20 08:44	59017	14,000		100W+	59017	57610	57617
1363097	8879	31AK	45573428	74840775	RSM1	A			3/4	07/29/20 08:47	138559	37,310		100W+	138559	134820	134828
1366251	8879	31AK	45573424	74840927	RSM1	A			3/4	07/29/20 08:42	65646	28,380		100W+	65646	62800	62808
1368327	8879	31AK	45573426	74840938	RSM1	A			3/4	07/29/20 08:44	125060	42,030		100W+	125060	120850	120857
1368355	8879	31AK	45573422	74840960	RSM1	A			3/4	07/29/20 08:45	67797	24,830		100W+	67797	65310	65314
1368615	8879	31AK	45573421	74840848	RSM1	A			3/4	07/29/20 08:43	142285	34,280		100W+	142285	138850	138857
1369996	8879	31AK	46068287	74840934	RSM1	A			3/4	07/29/20 08:43	79319	27,300		100W+	79319	76580	76589
1371863	8879	31AK	46068285	74840957	RSM1	A			3/4	07/29/20 08:44	156158	83,450		100W+	156158	147810	147813
1371864	8879	31AK	45573425	74840944	RSM1	A			3/4	07/29/20 08:43	95581	21,560		100W+	95581	93420	93425
1372158	8879	31AK	46068286	74840085	RSM1	A			3/4	07/29/20 08:36	90414	25,860		100W+	90414	87820	87828
1372159	8879	31AK	46068293	74840931	RSM1	A			3/4	07/29/20 08:44	80801	18,640		100W+	80801	78930	78937
1372160	8879	31AK	46068291	74840836	RSM1	A			3/4	07/29/20 08:36	85409	25,320		100W+	85409	82870	82877
1372161	8879	31AK	46068288	74840122	RSM1	A			3/4	07/29/20 08:44	127516	71,990		100W+	127516	120310	120317
1372162	8879	31AK	46068289	74840086	RSM1	A			3/4	07/29/20 08:43	92125	21,950		100W+	92125	89930	89930
1372163	8879	31AK	15174543	74840830	RSM1	A			3/4	07/29/20 08:44	122894	14,810		100W+	122894	122610	121413
1372164	8879	31AK	46068284	74840793	RSM1	A			3/4	07/29/20 08:35	120652	43,320		100W+	120652	116320	116320
1372185	8879	31AK	46068295	74840817	RSM1	A			3/4	07/29/20 08:44	78398	15,110		100W+	78398	76880	76887
1373027	8879	31AK	46068290	74840130	RSM1	A			3/4	07/29/20 08:43	86439	20,950		100W+	86439	84340	84344
1373742	8879	31AK	46068294	74840828	RSM1	A			3/4	07/29/20 08:44	170481	49,610		100W+	170481	165520	165520
1374294	8879	31AK	15174545	30958409	RSM1	A			3/4	07/29/20 08:35	30183	18,380		60W	30183	28340	28345
1375132	8879	31AK	15174542	74840937	RSM1	A			3/4	07/29/20 08:35	84830	17,860		100W+	84830	83040	83044
1378576	8879	31AK	15174546	75047755	CMM1	A			3/4	07/29/20 08:39	40295	10,610		100W+	40295	39230	39234
1378577	8879	31AK	17340524	75047779	CMM1	A			3/4	07/29/20 08:44	170339	64,690		100W+	170339	163870	163870
1395627	8879	31AK	15174544	75047602	RSM1	A			3/4	07/29/20 08:36	48904	11,250		100W+	48904	47770	47779
1397761	8879	31AK	15174533	75047767	RSM1	A			3/4	07/29/20 08:39	76766	27,780		100W+	76766	73980	73988
1397762	8879	31AK	15174541	75047780	RSM1	A			3/4	07/29/20 08:35	89363	48,390		100W+	89363	84520	84524
1397763	8879	31AK	15174536	75047788	RSM1	A			3/4	07/29/20 08:36	59358	13,080		100W+	59358	58050	58050
1397764	8879	31AK	15174540	75047417	RSM1	A			3/4	07/29/20 08:35	60825	17,440		100W+	60825	59080	59081

Premise	Route	Cycle	Meter #	ERT/MXU	SType	Acct	Customer	Address	Size	Read time	Upl Rdg	USE IN GALLONS	Rdr	ERT Type	RFF Rdg	Prv Rdg	Prv Upl Rdg
1397765	8879	31AK	15174538	75047634	RSM1	A			3/4	07/29/20 08:35	94935	16,240		100W+	94935	93310	93311
1398120	8879	31AK	15174532	74840964	RSM1	A			3/4	07/29/20 08:36	122082	30,610		100W+	122082	119020	119021
1398121	8879	31AK	15174537	74840805	RSM1	A			3/4	07/29/20 08:36	56639	7,470		100W+	56639	55890	55892
1398201	8879	31AK	15174539	74840823	RSM1	A			3/4	07/29/20 08:42	88796	30,680		100W+	88796	85720	85728
1402186	8879	31AK	15174531	74840930	RSM1	A			3/4	07/29/20 08:39	105454	28,900		100W+	105454	102560	102564
1402187	8879	31AK	15095705	74840969	RSM1	A			3/4	07/29/20 08:42	81134	27,020		100W+	81134	78430	78432
1402188	8879	31AK	15004622	71198874	RSM1	A			3/4	07/29/20 08:39	60382	21,440		100W+	60382	58230	58238
1402189	8879	31AK	17340495	71008143	RSM1	A			3/4	07/29/20 08:35	4974	0		100W+	4974	4970	4974
1402191	8879	31AK	15095706	74840933	RSM1	A			3/4	07/29/20 08:36	73124	29,750		100W+	73124	72510	70149
1402195	8879	31AK	17340504	73929635	RSM1	A			3/4	07/29/20 08:41	16974	59,570		100W+	16974	11010	11017
1402251	8879	31AK	15095709	74840825	RSM1	A			3/4	07/29/20 08:39	170484	58,930		100W+	170484	164590	164591
1402252	8879	31AK	15095723	74840929	RSM1	A			3/4	07/29/20 08:39	98308	22,310		100W+	98308	96070	96077
1402414	8879	31AK	15095710	75047729	RSM1	A			3/4	07/29/20 08:36	53685	18,530		100W+	53685	51830	51832
1402415	8879	31AK	15095708	75047735	RSM1	A			3/4	07/29/20 08:39	112765	38,010		100W+	112765	108960	108964
1402451	8879	31AK	15095713	75047544	RSM1	A			3/4	07/29/20 08:35	53526	10,150		100W+	53526	52510	52511
1402452	8879	31AK	17340497	71007923	RSM1	A			3/4	07/29/20 08:37	43828	37,940		100W+	43828	41840	40034
1402504	8879	31AK	17328182	72976278	RSM1	A			5/8	07/29/20 08:36	0	0		100W+	0	0	0
1404205	8879	31AK	15095711	75047758	RSM1	A			3/4	07/29/20 08:42	55938	12,890		100W+	55938	54640	54649
1408468	8879	31AK	15095716	75047741	RSM1	A			3/4	07/29/20 08:39	113048	32,400		100W+	113048	109800	109808
1416840	8879	31AK	15095719	74840856	RSM1	A			3/4	07/29/20 08:38	82255	45,840		100W+	82255	77670	77671
1417319	8879	31AK	15095720	75047773	RSM1	A			3/4	07/29/20 08:36	71244	19,530		100W+	71244	69290	69291
1417948	8879	31AK	17340517	75047790	RSM1	A			3/4	07/29/20 08:41	1127	130,700		100W+	1127	0	258555
1418503	8879	31AK	15095725	75047731	RSM1	A			3/4	07/29/20 08:42	48995	22,470		100W+	48995	46740	46748
1418763	8879	31AK	15095718	31219943	RSM1	A			3/4	07/29/20 08:39	36021	8,860		60W	36021	35130	35135
1418849	8879	31AK	15095717	71198891	RSM1	A			3/4	07/29/20 08:37	78960	28,840		100W+	78960	76070	76076
1418990	8879	31AK	15095721	31219957	RSM1	A			3/4	07/29/20 08:39	100047	36,880		60W	100047	96350	96359
1420761	8879	31AK	15004623	71198885	RSM1	A			3/4	07/29/20 08:37	33604	20,350		100W+	33604	31560	31569
1421008	8879	31AK	15095726	71198863	RSM1	A			3/4	07/29/20 08:39	93737	23,340		100W+	93737	91400	91403
1421098	8879	31AK	15095724	71198849	RSM1	A			3/4	07/29/20 08:37	68574	3,580		100W+	68574	68210	68216
1421886	8879	31AK	15004621	71198853	RSM1	A			3/4	07/29/20 08:40	97555	17,320		100W+	97555	95820	95823
1421887	8879	31AK	15004624	71198867	RSM1	A			3/4	07/29/20 08:42	86284	26,140		100W+	86284	83670	83670
1421969	8879	31AK	15004620	71198869	RSM1	A			3/4	07/29/20 08:45	61304	18,780		100W+	61304	59420	59426
1422650	8879	31AK	17340490	71008103	RSM1	A			3/4	07/29/20 08:39	41573	17,360		100W+	41573	39830	39837
1424413	8879	31AK	15095727	71198884	RSM1	A			3/4	07/29/20 08:39	138149	50,230		100W+	138149	133120	133126
1424743	8879	31AK	15290580	71198876	RSM1	A			3/4	07/29/20 08:38	49298	20,280		100W+	49298	47270	47270

Premise	Route	Cycle	Meter #	ERT/MXU	SType	Acct	Customer	Address	Size	Read time	Upl Rdg	USE IN GALLONS	Rdr	ERT Type	RFF Rdg	Prv Rdg	Prv Upl Rdg
1424744	8879	31AK	15095728	71198883	RSM1	A			3/4	07/29/20 08:37	76024	11,190		100W+	76024	74900	74905
1426395	8879	31AK	15095732	71198666	RSM1	A			3/4	07/29/20 08:40	76516	29,380		100W+	76516	73570	73578
1426447	8879	31AK	15095729	71198851	RSM1	A			3/4	07/29/20 08:37	84066	23,080		100W+	84066	81750	81758
1426462	8879	31AK	15095730	71198887	RSM1	A			3/4	07/29/20 08:42	59600	23,250		100W+	59600	57270	57275
1426639	8879	31AK	15290569	71198886	RSM1	A			3/4	07/29/20 08:35	70352	31,590		100W+	70352	67190	67193
1427073	8879	31AK	15095734	71198635	RSM1	A			3/4	07/29/20 08:36	75584	7,470		100W+	75584	74830	74837
1427788	8879	31AK	15290570	70824431	RSM1	A			3/4	07/29/20 08:43	71120	19,660		100W+	71120	69150	69154
1428010	8879	31AK	15290571	71198779	RSM1	A			3/4	07/29/20 08:37	23962	4,940		100W+	23962	23460	23468
1428287	8879	31AK	15290572	71198893	RSM1	A			3/4	07/29/20 08:42	76280	17,530		100W+	76280	74520	74527
1429014	8879	31AK	15290568	70824327	RSM1	A			3/4	07/29/20 08:45	60052	24,380		100W+	60052	57610	57614
1429181	8879	31AK	15290582	70824440	RSM1	A			3/4	07/29/20 08:44	49708	16,380		100W+	49708	48070	48070
1429510	8879	31AK	15095733	71198865	RSM1	A			3/4	07/29/20 08:39	57761	31,290		100W+	57761	54630	54632
1430467	8879	31AK	15290581	71198686	RSM1	A			3/4	07/29/20 08:42	66672	27,830		100W+	66672	63880	63889
1430530	8879	31AK	15290584	70824410	RSM1	A			3/4	07/29/20 08:41	101994	32,060		100W+	101994	98780	98788
1430925	8879	31AK	15290583	70824421	RSM1	A			3/4	07/29/20 08:36	129555	35,210		100W+	129555	126030	126034
1432114	8879	31AK	15095731	70827204	RSM1	A			3/4	07/29/20 08:37	50400	12,350		100W+	50400	49160	49165
1434447	8879	31AK	15290566	71198691	RSM1	A			3/4	07/29/20 08:36	36527	13,920		100W+	36527	35130	35135
1434496	8879	31AK	15290579	71009622	RSM1	A			3/4	07/29/20 08:42	45543	15,410		100W+	45543	44000	44002
1434838	8879	31AK	15290562	71198889	RSM1	A			3/4	07/29/20 08:37	51342	12,160		100W+	51342	50120	50126
1435270	8879	31AK	15290564	71006830	RSM1	A			3/4	07/29/20 08:44	105282	61,290		100W+	105282	99150	99153
1436681	8879	31AK	15290563	71198888	RSM1	A			3/4	07/29/20 08:37	64191	49,340		100W+	64191	59250	59257
1438690	8879	31AK	15290561	71009504	RSM1	A			3/4	07/29/20 08:37	81800	56,680		100W+	81800	76130	76132
1438795	8879	31AK	15290565	71009507	RSM1	A			3/4	07/29/20 08:40	77937	39,510		100W+	77937	73980	73986
1439313	8879	31AK	15290576	71007995	RSM1	A			3/4	07/29/20 08:35	58631	34,550		100W+	58631	55170	55176
1439314	8879	31AK	15290575	71008147	RSM1	A			3/4	07/29/20 08:35	38603	22,000		100W+	38603	36400	36403
1440259	8879	31AK	15290578	71008090	RSM1	A			3/4	07/29/20 08:37	48204	30,530		100W+	48204	45150	45151
1440260	8879	31AK	15290577	71008174	RSM1	A			3/4	07/29/20 08:34	38501	27,700		100W+	38501	35730	35731
1440261	8879	31AK	15290573	71008105	RSM1	A			3/4	07/29/20 08:35	60246	26,610		100W+	60246	57580	57585
1440888	8879	31AK	15290588	71008060	RSM1	A			3/4	07/29/20 08:37	28912	17,630		100W+	28912	27140	27149
1441577	8879	31AK	17340525	72701218	RSM1	A			3/4	07/29/20 08:39	73135	59,150		100W+	73135	67220	67220
1442567	8879	31AK	17340527	71008156	RSM1	A			3/4	07/29/20 08:42	33095	11,520		100W+	33095	31940	31943
1443852	8879	31AK	17340528	71008185	RSM1	A			3/4	07/29/20 08:36	26348	30,000		100W+	26348	23340	23348
1445341	8879	31AK	17340526	71008183	RSM1	A			3/4	07/29/20 08:42	52408	24,400		100W+	52408	49960	49968
1445486	8879	31AK	17340491	72976289	RSM1	A			3/4	07/29/20 08:37	32585	44,920		100W+	32585	28090	28093
1446511	8879	31AK	17340489	72976499	RSM1	A			3/4	07/29/20 08:39	41007	33,720		100W+	41007	37630	37635

Premise	Route	Cycle	Meter #	ERT/MXU	SType	Acct	Customer	Address	Size	Read time	Upl Rdg	USE IN GALLONS	Rdr	ERT Type	RFF Rdg	Prv Rdg	Prv Upl Rdg
1447662	8879	31AK	17340488	71008129	RSM1	A			3/4	07/29/20 08:39	73566	36,070		100W+	73566	69950	69959
1448754	8879	31AK	17340518	73399603	RSM1	A			3/4	07/29/20 08:38	11237	5,680		100W+	11237	10660	10669
1448755	8879	31AK	17340506	73399636	RSM1	A			3/4	07/29/20 08:37	28243	28,050		100W+	28243	25430	25438
1448756	8879	31AK	17340493	73399617	RSM1	A			3/4	07/29/20 08:37	41314	38,940		100W+	41314	37420	37420
1451166	8879	31AK	17340509	72976266	RSM1	A			3/4	07/29/20 08:39	37652	31,400		100W+	37652	34510	34512
1457460	8879	31AK	17340519	73399605	RSM1	A			3/4	07/29/20 08:36	34145	20,210		100W+	34145	32120	32124
1457461	8879	31AK	17340508	73623556	RSM1	A			3/4	07/29/20 08:35	0	0		100W+	0	0	0
1457462	8879	31AK	17340507	73623729	RSM1	A			3/4	07/29/20 08:35	27547	20,930		100W+	27547	25450	25454
1457869	8879	31AK	17340511	71008068	RSM1	A			3/4	07/29/20 08:39	38117	25,220		100W+	38117	35590	35595
1458299	8879	31AK	17340510	71008052	RSM1	A			3/4	07/29/20 08:41	21150	23,380		100W+	21150	18810	18812
1460765	8879	31AK	17340494	73399606	RSM1	A			3/4	07/29/20 08:43	24843	19,000		100W+	24843	22940	22943
1460810	8879	31AK	17340496	73399620	RSM1	A			3/4	07/29/20 08:35	15210	18,370		100W+	15210	13370	13373
1461645	8879	31AK	17340498	73623697	RSM1	A			3/4	07/29/20 08:40	13157	16,050		100W+	13157	11550	11552
1464090	8879	31AK	17340499	73399602	RSM1	A			3/4	07/29/20 08:38	23625	23,900		100W+	23625	21230	21235
1465832	8879	31AK	17340520	73399609	RSM1	A			3/4	07/29/20 08:37	23720	47,380		100W+	23720	18980	18982
1466518	8879	31AK	17340522	73399601	RSM1	A			3/4	07/29/20 08:38	32196	31,460		100W+	32196	29050	29050
1470230	8879	31AK	17340523	73959425	RSM1	A			3/4	07/29/20 08:42	5199	11,020		100W+	5199	4090	4097
1471103	8879	31AK	17340505	73959433	RSM1	A			3/4	07/29/20 08:42	12531	60,050		100W+	12531	6520	6526
1471714	8879	31AK	17340500	73959018	RSM1	A			3/4	07/29/20 08:39	9371	19,570		100W+	9371	7410	7414
1472203	8879	31AK	17340501	73959434	RSM1	A			3/4	07/29/20 08:35	19142	50,760		100W+	19142	14060	14066
1472205	8879	31AK	17340503	73959439	RSM1	A			3/4	07/29/20 08:35	11125	18,710		100W+	11125	9250	9254
1472206	8879	31AK	17340502	73959424	RSM1	A			3/4	07/29/20 08:35	12288	25,650		100W+	12288	9720	9723
1473335	8879	31AK	17340512	74490848	RSM1	A			3/4	07/29/20 08:37	389	10		100W+	389	380	388
1484318	8879	31AK	17340514	74480327	RSM1	A			3/4	07/29/20 08:37	578	3,580		100W+	578	220	220
1484822	8879	31AK	17340516	74490892	RSM1	A			3/4	07/29/20 08:36	7502	73,870		100W+	7502	110	115
1485425	8879	31AK	19021011	74840954	RSM1	A			3/4	07/29/20 08:37	262	8		100W+	262	0	187
1485426	8879	31AK	19021012	74842681	RSM1	A			3/4	07/29/20 08:38	88805	3,180		100W+	88805	57000	57003
1485427	8879	31AK	19021008	74840966	RSM1	A			3/4	07/29/20 08:35	6922	664		100W+	6922	0	285
1485428	8879	31AK	19021010	74840955	RSM1	A			3/4	07/29/20 08:35	119	12		100W+	119	0	0
1485651	8879	31AK	19021014	74840968	RSM1	A			3/4	07/29/20 08:35	1840	184		100W+	1840	0	0
1491404	8879	31AK	19021013	75047378	RSM1	A			3/4	07/29/20 08:37	0	0		100W+	0	0	0



WATER UTILITY TARIFF
Docket Number: 48769

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

TABLE OF CONTENTS

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

SECTION 1.0 -- RATE SCHEDULE.....	2
SECTION 2.0 -- SERVICE RULES AND REGULATIONS	28
SECTION 2.20 – SPECIFIC UTILITY SERVICE RULES AND REGULATIONS	32
SECTION 3.0 -- EXTENSION POLICY	36
SECTION 3.20 – SPECIFIC UTILITY EXTENSION POLICY	37
APPENDIX A -- DROUGHT CONTINGENCY PLAN	
APPENDIX B – SAMPLE SERVICE AGREEMENT	
APPENDIX C – PASS THROUGH AND TRUE-UP PROVISIONS	

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 Rebecca Creek (Comal County), Ambleside (Gillespie County), SW Water Area 1 (Hays County), SW Water Area 2 (Hays Count), 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	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>\$2,242.50</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:\$1.3703 per 1,000 gallons
(Tariff Control No. 49267)

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:\$1.3703 per 1,000 gallons
 (*Tariff Control No. 49267*)

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*)

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 (Gallonage Charge + Regional Pass-Through gallonage 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>Gallonge 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:

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

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 No. 48769

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:

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

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 pr 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>Gallage Charge</u>
5/8" or 3/4"	\$30.00 (Includes 2,000 gallons)	\$2.50 per 1,000 gallons 2001-10,000
1"	\$40.50 (Including 2,000 gallons)	\$2.75 per 1,000 gallons 10,001 thereafter
1 1/2"	\$70.88 (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 , Check , Money Order , Cashier's Check
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>Gallonge 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>Gallonage 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>Gallonage 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

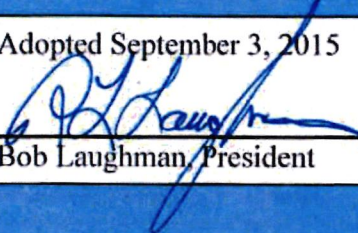
**USER DROUGHT
CONTINGENCY
PLAN**

AQUA TEXAS, INC

**Applies to all Public Water Systems Owned and
Operated by Aqua Texas, Inc.**

*Developed to Meet Requirements
Outlined in 30 TAC § 288.20 and § 288.22*

Adopted September 3, 2015



Bob Laughman, President

AQUA TEXAS, INC.

USER DROUGHT CONTINGENCY PLAN (UDCP) All Public Water System Owned and Operated by Aqua Texas, Inc.

Introduction

Aqua Texas, Inc. (Aqua Texas) has developed this User Drought Contingency Plan (UDCP) to enable it to manage its water systems and water resources during drought conditions, periods of abnormally high usage, system contamination, and extended reduction in ability to supply water due to equipment failure or other emergencies in a conscientious, fair, and appropriate manner. It is not designed to punish, stigmatize, or criticize anyone about their usage of water. Its sole intent is to maintain an adequate supply of water during the various stages of drought conditions or other water supply emergencies, which may occur from time to time and to enable Aqua Texas to comply with the requirements of a court, government agency, ground water district, wholesale provider or other authority.

Aqua Texas believes that significant reductions in water usage can be achieved through voluntary efforts by customers. Implementation of voluntary water conservation measures and conscientious water use practices are encouraged at all times, however, additional water use restrictions are required in cases of extreme drought, periods of abnormally high usage, system contamination, or extended reduction in ability to supply water due to equipment failure.

SECTION 1 Declaration of Policy, Purpose, and Intent

Aqua Texas, in its continuing effort to maintain an adequate supply of high quality water, has prepared this User Drought Contingency Plan (UDCP or plan). In order to maintain supply, storage, and pressure or to comply with regulatory requirements, temporary restrictions may be necessary to limit non-essential water usage. This UDCP has been guided by TCEQ Requirements & Rules.

SECTION 2 Public Education

Aqua Texas will periodically provide customers with information about the Plan, including information about the conditions under which each stage of the Plan is to be initiated or terminated and the water use restrictions to be implemented in each stage. Drought plan information will be provided by:

- utility bill inserts; or,
- other direct mail notices will be provided if necessary to provide timely information.
- Additional information will be posted on the company website under “Alerts & Outages”

SECTION 3 Notice Requirements

Written notice will be provided to each customer by mail or hand delivery prior to implementation or termination of each stage of the water restriction program. Notice will be mailed to each customer at least 72 hours prior to the start of new or modified water use restrictions. If notice is hand delivered, Aqua Texas will not 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 notice when it is necessary to move to Stage III or Stage IV will inform customers that violating the restrictions on sprinklers, automatic irrigations systems or use of other unauthorized irrigation may result in installation of a flow restrictor without a prior separate written notice.

Notification to the TCEQ by telephone at (512) 239-4691, or electronic mail at watermon@tceq.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 of implementation including a copy of the utility's restriction notice. A status report of the restriction program is required to be filed with the TCEQ at the initiation and termination of mandatory water use restrictions (i.e., Stages III and IV).

SECTION 4 Violations of Mandatory Restrictions: Stage I, Stage II or Stage III

1. First violation:

Stage I or Stage II - The customer will be notified by written notice, hanging tag or letter, of their specific violation of required restrictions, reductions or for excessive usage. The customer will be provided a copy of the User Drought Contingency Plan.

Stage III or IV - Aqua Texas may install a flow restricting device as described below without a prior written notice for violation of restrictions on sprinklers, automatic irrigation systems or use of hoses.

2. Subsequent violations:

a. After the first written notice, Aqua Texas may install a flow-restricting device in the line to limit the amount of water that will pass through the meter in a 24-hour period. The flow restrictor may be left in the line for up to 60 days or until the wholesale provider or district requirements are ended. Aqua Texas may charge the customer for the actual cost of installing and removing the flow-restricting device, not to exceed \$50.00 for installation and \$50.00 for removal. The customer will be provided a copy of the User Drought Contingency Plan.

b. If the customer violates the required reductions/restrictions after installation of a flow restrictor, after written notice, Aqua Texas may discontinue service at the meter for up to 7 days, or until the end of the calendar month, whichever is less. The customer will be charged a \$50 reconnect fee for restoration of service. Further violations will result in disconnection and additional reconnect fees.

SECTION 5 Exemptions or Variances

Aqua Texas may grant any customer an exemption or variance from the UDCP for good cause **upon written request**. A customer who is refused an exemption or variance by Aqua Texas may appeal the denial in writing to the TCEQ. Aqua Texas will treat all customers equally concerning exemptions and variances, and will not discriminate in granting exemptions and variances. No exemption or variance will be retroactive or otherwise justify any violation of this Plan occurring prior to the issuance of the variance.

SECTION 6 Response Stages

Unless there is an immediate and extreme reduction in an aquifer level; water availability or production; critical system capacity; or other absolute necessity to declare an emergency or severe condition, Aqua Texas will progress sequentially from Stage 1 through more restrictive stages. If, after a reasonable period of time, demand is not reduced enough to alleviate the conditions that initiated restrictions or to comply with restrictions required by a court, district, government agency, wholesale provider or other authority, some outdoor water use provisions in a particular Stage may be modified or further restricted or more restrictive Stages implemented as necessary to achieve the necessary reductions. In addition to restricted watering times, maximum monthly or weekly customer usage targets may be implemented and enforced in the same manner as the restrictions listed below. Notice of any modified restrictions or of a more stringent stage will be provided to customers in accordance with Section 3. **In order to comply with the requirements of an underground district, wholesale provider or other authority, Aqua Texas may skip a less restrictive stage and immediately implement a more restrictive stage.**

VOLUNTARY CONSERVATION AWARENESS (VOLUNTARY RESTRICTIONS) – Sec Section 9 below

STAGE I – MANDATORY WATER RESTRICTIONS – See Chart on Page 5

STAGE II – MANDATORY WATER RESTRICTIONS – See Chart on Page 5

STAGE III – MANDATORY WATER RESTRICTIONS - CRITICAL STAGE – See Chart on Page 5

STAGE IV – MANDATORY WATER RESTRICTIONS - SEVERE STAGE – See Chart on Page 5

SECTION 7 Drought, Demand & Critical System Capacity Stage Triggers

Water System Supply Contamination or Outage: In the event of system supply contamination or system outage, Aqua Texas may immediately implement the response measures of **Stage IV**. Notification to TCEQ shall be made immediately by calling (512) 239-4691, or electronic mail at watermon@tceq.state.tx.us. The appropriate regional office shall also be notified.

If any single demand based trigger condition is met for a given restriction stage then most restrictive stage triggered will be evaluated for implementation.

Demand Based Triggers:

<u>Trigger</u>	<u>Stage I Mandatory</u>	<u>Stage II Mandatory</u>	<u>Stage III Mandatory</u>	<u>Stage IV Mandatory</u>
Percent of water treatment capacity reached for 3 or more days in a week	75 %	85 %	90 %	95 %
Total daily demand as % of pumping capacity for 3 or more days in a week	75 %	85 %	90 %	95 %
Storage capacity	Storage Tank Level drops within 4 ft. of low level lock out 3 or more days in a week.	Storage does not refill prior to 6 pm or tank drops within 3 ft. of low level lock out 3 or more days in a week.	Low level lock out is reached more than once in a week.	Low level lock out is reached more than twice in a week.
Well Pump Runs ___ hours per day more than 3 days per week	16 hrs	18 hrs	20 hrs	22 hrs

Supply or water demand management measures including, but not limited to, pro rata curtailment of water deliveries to or diversions by wholesale water customers as provided in with Texas Water Code §11.039 may be implemented by the Vice President of Operations as authorized in Section 12 of this plan.

Supply Based Triggers - For those systems where Aqua Texas pumps water from a ground water district or purchases water from wholesalers, the district or wholesale supplier will formally notify Aqua Texas of one or more precipitating events triggering a stage of the district or wholesaler’s drought contingency plan. Upon enactment of a stage in the district, authority or wholesaler’s drought contingency plan, Aqua Texas will correspondingly implement the same or equivalent stage in its service area. Aqua Texas can modify its plan to match the watering schedules, daily watering hours or other specific restrictions of a wholesaler, district or other authority if asked to do so. Aqua Texas will notify customers of any changes in days, hours or other provisions

prior to enforcing provisions of the plan. When Aqua Texas must self regulate to comply with ground water permit limitations, water restrictions may be enacted to ensure compliance with permit limits.

Specific triggers for systems utilizing water managed by LCRA as a source are included in Appendix B of this plan. These triggers shall supersede any other criteria listed within this plan when the criterion within Appendix B initiates a more restrictive water conservation stage.

SECTION 8 Non Drought Related Conservation Awareness

Aqua Texas will voluntarily perform the following actions during late Spring and Summer as an integral part of the UDCP when there is no declared drought or other water supply emergencies:

- Aqua Texas will operate its system under normal conditions.
- Aqua Texas will insure that each operator has received a copy of the UDCP.
- Aqua Texas will encourage customers to follow water conservation practices at all times.
- Aqua Texas will urge customers to water lawns on the conservation awareness schedule, avoid unnecessary and excessive watering and to keep evaporative losses to a minimum.
- Aqua Texas will seek to identify and repair leaks in a timely fashion. Customers will be encouraged to notify Aqua Texas of any known or observed leaks.

SECTION 9 Water Conservation Awareness Period – Voluntary Restrictions

Goal – 5 % Reduction in usage

Aqua Texas will encourage customers to follow the voluntarily conservation awareness practices below between May and September when not already in a declared drought or mandatory water restriction period. **For systems utilizing water managed by LCRA as a source, the landscape irrigation restrictions in this section are required to be observed at all times.** Customers will be notified in writing each spring that Voluntary Restrictions are in place and encouraged to follow water conservation practices.

Voluntary Practices to Reduce Water Consumption

- Follow the suggested twice weekly schedule for lawn watering as contained in Section 10 with hose end sprinklers or automatic irrigation systems and water between the following times:

Midnight to 10:00 a.m. & 8:00 p.m. to Midnight on the designated watering day.

- Water garden, trees, flowers or other landscaped areas with hand held hose, a faucet filled bucket or watering can any day between 6:00 p.m. – 10:00 a.m., but avoid unattended hoses.
- Soaker Hoses – Anywhere except lawns 8 p.m. – 10:00 a.m. any day
- Car washing with bucket or hand-held hose with automatic shut-off.
- Draw less water for bath or reduce shower time.
- Do not let water run while shaving, dish washing, brushing teeth, etc.
- Keep pools covered if not used on a daily basis.
- Use water displacement device in toilet tank.
- Install aerators on faucets.
- Utilize water reuse where possible.
- Replacement or retrofits with ultra low flow fixtures is encouraged.
- Do not use hose to wash off driveways, sidewalks, or streets. Use a broom or blower.
- Use Commercial Car Washes that Recycle Water.

SECTION 10 MANDATORY WATER RESTRICTIONS

<u>Stage I – Mandatory Restrictions</u>	<u>Stage II – Mandatory Restrictions</u>	<u>Stage III– Mandatory Restrictions</u> <u>Critical Stage</u>	<u>Stage IV– Mandatory Restrictions</u> <u>Severe Stage</u>
Goal - 10 % Reduction	Goal - 20 % Reduction	Goal - 30 % Reduction	Goal - ≥40 % Reduction
If the triggers identified in the UDCP are met or critical system capacities are being threatened, Aqua Texas will activate Stage I . Comply with TWICE WEEKLY lawn watering schedule: DESIGNATED DAYS & HOURS ONLY	Whenever production or critical system capacity triggers are reached, Aqua Texas will activate Stage II measures of its UDCP. Comply with TWICE WEEKLY lawn watering schedule: DESIGNATED DAYS & HOURS ONLY	Whenever system failures are a concern or the possibility of outages exists, Aqua Texas will activate the Stage III measures of its UDCP. Comply with ONCE WEEKLY lawn watering schedule. DESIGNATED DAYS & HOURS ONLY	Whenever system failures are imminent or there are outages, Aqua Texas will activate the Stage IV measures of its UDCP. LAWN WATERING PROHIBITED
<p><u>Actions required of Customers</u></p> <ul style="list-style-type: none"> Continued water conservation practices and voluntary reductions in water use in general. Mandatory compliance with “Required Reductions” listed below. <p><u>Actions initiated by Aqua Texas</u></p> <ul style="list-style-type: none"> Flushing is limited to dead end mains and then only to maintain water quality. Check for and promptly fix leaks. <p><u>Required Customer Restrictions</u></p> <ul style="list-style-type: none"> Automatic Irrigation Systems WATERING SCHEDULES Midnight to 10 a.m. & 8:00 p.m. to Midnight Hose End Sprinkler– <u>Same as above</u> Hand Held Hose, faucet filled bucket or watering can - Watering landscape areas allowed <u>ANY DAY at designated hours</u>. No unattended hoses. Midnight to 10:00 a.m. 7:00 p.m. to Midnight Soaker Hoses – Landscaped areas, <u>ANY DAY</u> from: Midnight to 10:00 a.m. 8:00 p.m. to Midnight Car washing - bucket or hand-held hose with automatic shut-off; 1 time every other week, or use a commercial car wash. No washing of driveways, sidewalks, or streets. No new filling or refilling of pools, but topping off of existing pools allowed. 	<p><u>Actions required of Customers</u></p> <ul style="list-style-type: none"> Continued water conservation practices and voluntary reductions in water use in general. Mandatory compliance with “Required Reductions” listed below. <p><u>Actions initiated by Aqua Texas</u></p> <ul style="list-style-type: none"> Flushing is limited to dead end mains and then only to maintain water quality. Check for and fix leaks promptly. <p><u>Required Customer Restrictions</u></p> <ul style="list-style-type: none"> Automatic Irrigation System WATERING SCHEDULES Midnight to 4:00 a.m. 8:00 p.m. to Midnight Hose End Sprinkler – Midnight to 9:00 a.m. 7:00 p.m. to Midnight Hand Held Hose, faucet filled bucket or watering can - Watering landscape areas allowed <u>ANY DAY at designated hours</u>. No unattended hoses 7:00 a.m. to 10:00 a.m. 7:00 p.m. to 10:00 p.m. Soaker Hoses – Landscaped areas, <u>no lawns, ANY DAY</u> from: Midnight to 10:00 a.m. 8:00 p.m. to Midnight No washing of <u>cars</u>, driveways, sidewalks, or streets. No new filling or refilling of pools, but topping off of existing pools allowed on designated days. 	<p><u>Actions required of Customers</u></p> <ul style="list-style-type: none"> Continued water conservation practices and voluntary reductions in water use in general. Mandatory compliance with “Required Reductions” listed below. <p><u>Actions initiated by Aqua Texas</u></p> <ul style="list-style-type: none"> Flushing is limited to dead end mains and then only to maintain water quality Check for and fix leaks promptly. <p><u>Required Customer Restrictions</u></p> <ul style="list-style-type: none"> Automatic Irrigation System WATERING SCHEDULES Midnight to 4:00 a.m. 8:00 p.m. to Midnight Hose End Sprinkler – Midnight to 9:00 a.m. 7:00 p.m. to Midnight Hand Held , faucet filled bucket or watering can - Landscaped areas, pot plants & Lawns – ONLY DESIGNATED DAYS No unattended hoses. 7:00 a.m. to 9:00 a.m. 7:00 p.m. to 9:00 p.m. Soaker Hoses – FOUNDATIONS ONLY DESIGNATED DAYS 6:00 a.m. to 9:00 a.m. 7:00 p.m. to 10:00 p.m. No washing of cars, drives, streets, sidewalks. No new filling or refilling, but topping off of existing pools allowed on designated days. 	<p><u>Actions required of Customers</u></p> <ul style="list-style-type: none"> Continued water conservation practices and voluntary reductions in water use in general. Mandatory compliance with “Required Reductions” listed below. <p><u>Actions initiated by Aqua Texas</u></p> <ul style="list-style-type: none"> Flushing is limited to dead end mains and then only to maintain water quality. Check for and fix leaks promptly. <p><u>Required Customer Restrictions</u></p> <ul style="list-style-type: none"> Automatic Irrigation System Prohibited at all times! Hose End Sprinklers– Prohibited at all times! Hand Held Hose – Prohibited at all times! Watering Can - Landscaped areas & pot plants – ONLY DESIGNATED DAY 7:00 a.m. to 9:00 a.m. 7:00 p.m. to 9:00 p.m. Soaker Hoses – FOUNDATIONS ONLY DESIGNATED DAY 6:00 a.m. to 9:00 a.m. 7:00 p.m. to 10:00 p.m. No washing of cars, drives, streets, sidewalks. No new filling, refilling, or topping off of pools. No non-essential use, i.e., decorative fountains. Newly planted trees or shrubs ANY DAY: soaker bag or watering can.

<u>Stage I – Mandatory Restrictions</u>	<u>Stage II – Mandatory Restrictions</u>	<u>Stage III– Mandatory Restrictions Critical Stage</u>	<u>Stage IV– Mandatory Restrictions Severe Stage</u>
<p><u>Customer Consumption Limit:</u> Aqua Texas can establish a monthly customer consumption limit if necessary to ensure meeting required reduction.</p>	<p><u>Customer Consumption Limit:</u> Aqua Texas can establish a monthly customer consumption limit if necessary to ensure meeting required reduction.</p>	<p><u>Customer Consumption Limit:</u> Aqua Texas can establish a monthly customer consumption limit if necessary to ensure meeting required reduction.</p>	<p><u>Customer Consumption Limit:</u> Aqua Texas can establish a monthly customer consumption limit if necessary to ensure meeting required reduction.</p>
<p><u>Penalties or Consequences</u></p> <ul style="list-style-type: none"> Warnings for excessive consumption. Installation of flow restrictors for <u>2nd violation</u> of Stage I Restrictions. Service cutoff & reconnection fee for <u>3rd violation</u> of Stage I Restrictions 	<p><u>Penalties or Consequences</u></p> <ul style="list-style-type: none"> Warnings for excessive consumption. Installation of flow restrictors for <u>2nd violation</u> of Stage II Restrictions. Service cutoff & reconnection fee for <u>3rd violation</u> of Stage II Restrictions 	<p><u>Penalties or Consequences</u></p> <ul style="list-style-type: none"> Installation of flow restrictors for <u>1st violation</u> of Stage III Restrictions. Service cutoff & reconnection fee for <u>2nd violation</u> of Stage III Restrictions 	<p><u>Penalties or Consequences</u></p> <ul style="list-style-type: none"> Installation of flow restrictors for <u>1st violation</u> of Stage IV Restrictions. Service cutoff & reconnection fee for <u>2nd violation</u> of Stage IV Restrictions.

TWICE WEEKLY WATERING SCHEDULE
(Applicable During Conservation Awareness or Stages I or II)

House No. Ends In 2 or 9	House No. Ends In 1 or 5	House No. Ends In 6 or 7	House No. Ends In 0 or 3	House No. Ends In 4 or 8
Monday Thursday	Tuesday Friday	Wednesday Saturday	Thursday Sunday	Friday Monday

ONCE WEEKLY WATERING SCHEDULE
(Applicable During Stage III– Mandatory Restrictions)

House No. Ends In 2 or 9	House No. Ends In 1 or 5	House No. Ends In 6 or 7	House No. Ends In 0 or 3	House No. Ends In 4 or 8
Monday	Tuesday	Wednesday	Thursday	Friday

SECTION 11 Criteria For Termination of Restrictions

The termination, lifting, or partial lifting of a particular restriction level will be evaluated on a case by case basis. Any reduction in restriction level will occur only when in the opinion of the Vice President of Operations, the Operations Area Manager or their designee determines conditions warrant such a change. Customers will be informed of any such change as soon as possible in a manner consistent with Section 2 of this plan.

SECTION 12 Wholesale Contract Provisions

New wholesale contracts shall include standard language requiring the customer adhere to the Aqua Texas’s mandatory drought reduction goals. Aqua Texas will include a provision in every wholesale water contract entered into or renewed after adoption of the plan, in case of shortage of water resulting from drought, the water to be distribution shall be divided in accordance with Texas Water Code §11.039.

In the event that pro rata curtailment is deemed necessary, the Vice President of Operations or his designee is hereby authorized to initiate allocations of water supplies in accordance with Texas Water Code §11.039.

Enforcement actions for non-compliance with either pro rata water reductions by wholesale customers will vary according to the specifics of each wholesale customer's contract.

SECTION 13 Coordination with Regional Planning Groups (RPG)

Aqua Texas, Inc. has provided a copy of this Plan to all RPGs in which it owns and operates public water systems. A copy of the transmittal letter to the planning group is provided in Appendix A.

SECTION 14 TCEQ Notification

Aqua Texas shall notify the executive director of the Texas Commission on Environmental Quality within five (5) business days of the implementation of any mandatory provisions of the Drought Contingency Plan.

SECTION 15 Public Participation

Aqua Texas has met with homeowners' associations at several water systems in the past susceptible to drought to discuss specific drought restrictions and the plan in general. Aqua Texas will continue to meet with homeowner groups and other customer associations on request to further provide opportunity for customer input. Aqua Texas shall make the plan available to any customer upon request and share its content in education materials prepared as part of but not limited to the educational activities outlined in Section 2 of this plan.

SECTION 16 Plan Review and Updates

This Plan was developed to meet the requirements in 30 TAC § 288.20 and § 288.22 to submit a Drought Contingency Plan and provide the community and water customers with essential drought contingency response information, regulations, and services. The Plan will be reviewed at minimum every five (5) years and updated as needed based on major developments in Aqua Texas's water service areas. The next scheduled plan review and update will occur in 2020.

Appendix A

RPG Notification Cover Letter

Sent to Regions: B, C, D, F, G, H, I, J, K, L, M, N & P

Appendix B

LCRA Drought Level Triggers Addendum

To be used for any system utilizing water from a source under the authority of LCRA.

Initiation and Termination of Response Stages

Aqua Texas Area shall monitor water supply and demand conditions on a regular basis and shall determine when conditions warrant initiation and termination of each stage of this Plan in accordance with LCRA's Water Management Plan. Water supply conditions will be determined by the source of supply, system capacity, and weather conditions. Water demand will be measured by the peak daily demands on the system.

Public notification of the initiation or termination of drought response stages shall be by a variety of ways, examples include: direct mail, e-mail and automated telephone calls, signs posted at entry points to the service area or a combination of these methods.

The following triggering criteria shall apply to Aqua Texas system(s) and customer service area utilizing water under the authority of LCRA:

7.1 Triggering Criteria for Initiation and Termination of Drought Response Stages

1. STAGE 1 - Mild Water Shortage Conditions

- A. **Requirements for initiation** - Customers shall be required to adhere to the Stage 1 Drought Response Measures when one or a combination of such triggering criteria occurs:
1. Treatment Capacity:
 - For surface water plants when total daily water demand equals or exceeds 75 percent of the total operating system treatment capacity for three consecutive days, or 85 percent on a single day; or
 2. Water Supply:
 - Combined storage of Lakes Travis and Buchanan reaches 1.4 million acre-feet in accordance with the LCRA Drought Contingency Plan for Firm Water Customers (DCP).
- B. **Requirements for termination** - Stage 1 of the plan may be rescinded when:
1. Treatment Capacity:
 - The water treatment plant capacity condition listed above as a triggering event for Stage 1 has ceased to exist for five consecutive days; or
 2. Water Supply:
 - LCRA announces that voluntary restrictions by its firm raw water customers are no longer needed in accordance with the LCRA DCP.

2. STAGE 2 - Moderate Water Shortage Conditions (Mandatory Measures)

- A. **Requirements for initiation** - Customers shall be required to adhere to the Stage 2 Drought Response Measures when one or a combination of such triggering criteria occurs:
1. Treatment Capacity:
 - For surface water systems, when total daily water demand equals or exceeds 85 percent of the total operating system treatment capacity for three consecutive days, or 95 percent on a single day; or
 2. Water Supply:
 - Combined storage of Lakes Travis and Buchanan reaches 900,000 acre-feet in accordance with the LCRA DCP.
- B. **Requirements for termination** - Stage 2 of the Plan may be rescinded when:
1. Treatment Capacity:
 - The water treatment plant capacity condition listed above as a triggering event for Stage 2 has ceased to exist for five consecutive days.
 2. Water Supply:
 - LCRA announces that voluntary compliance to implement a utility's mandatory water restrictions are no longer needed in accordance with the LCRA DCP.

Upon termination of Stage 2, Stage 1 becomes operative.

3. STAGE 3 - Severe Water Shortage Conditions (Mandatory Measures)

- A. **Requirements for initiation** - Customers shall be required to adhere to the Stage 3 Drought Response Measures when one or a combination of such triggering criteria occurs:
1. Treatment Capacity:
 - For surface water systems, when total daily water demand equals or exceeds 90 percent of the total operating system treatment capacity for three consecutive days, or 97 percent on a single day.
 2. Water Supply:
 - Combined storage of Lakes Travis and Buchanan reaches 750,000 acre-feet, in accordance with the LCRA DCP, **or**
 - The LCRA Board declares a drought worse than the Drought of Record or other water supply emergency and orders the mandatory curtailment of firm water supplies.
- B. **Requirements for termination** - Stage 3 of the Plan may be rescinded when:
1. Treatment Capacity:
 - The water treatment plant capacity condition listed above as a triggering event for Stage 3 has ceased to exist for five consecutive days.

2. Water Supply:

- LCRA announces that mandatory water restrictions for firm water customers are no longer required in accordance with the LCRA DCP.

Upon termination of Stage 3, Stage 2 becomes operative.

4. STAGE 4- Critical Water Conditions

A. **Requirements for initiation** - Customers shall be required to adhere to the Stage 4 Drought Response Measures when one or a combination of such triggering criteria occurs:

1. Treatment Capacity:

- For surface water systems, when total daily water demand equals or exceeds 95 percent of the total operating system treatment capacity for three consecutive days, or 97 percent on a single day.

2. Water Supply:

- Combined storage of Lakes Travis and Buchanan reaches 600,000 acre-feet, in accordance with the LCRA DCP, **or**
- The LCRA Board declares a prolonged drought worse than the Drought of Record or other water supply emergency and orders the mandatory curtailment of firm water supplies at a level more severe than in Stage 3.

B. **Requirements for termination** - Stage 4 of the Plan may be rescinded when:

1. Treatment Capacity:

- The water treatment plant capacity condition listed above as a triggering event for Stage 4 has ceased to exist for five consecutive days; or

2. Water Supply:

- LCRA announces that mandatory water restrictions for firm water customers are no longer required in accordance with the LCRA DCP.

Upon termination of Stage 4, Stage 3 becomes operative.

5. Emergency Water Conditions

A. **Requirements for initiation** - Customers shall be required to adhere to the Stage 5 Drought Response Measures when one or a combination of such triggering criteria occurs:

1. Treatment Capacity:

- Major water line breaks, loss of distribution pressure, or pump system failures that cause substantial loss in its ability to provide water service.

2. Water Supply:

- Natural or man-made contamination of the water supply source; or
- Any other emergency water supply or demand conditions that the LCRA general manager or the LCRA Board determines that either constitutes a water supply emergency or is associated with a prolonged drought worse than

the Drought of Record requiring the mandatory curtailment of firm water supplies at a level more severe than in Stage 4.

B. Requirements for termination – Emergency Water Conditions may be rescinded when:

1. Treatment Capacity:

- The water treatment plant capacity condition listed above as a triggering event has ceased to exist for five consecutive days; or

2. Water Supply:

- LCRA announces that mandatory water restrictions for firm water customers are no longer required in accordance with the LCRA DCP.

Upon termination of Stage 5, Stage 4 becomes operative.

AQUA TEXAS, INC

**Applies to all Public Water Systems Owned and
Operated by Aqua Texas, Inc.**

*Developed to Meet Requirements
Outlined in 30 TAC § 288.20 and § 288.22*

50A
Adopted March 6, 2020



Bob Laughman, President

AQUA TEXAS, INC.

USER DROUGHT CONTINGENCY PLAN (UDCP) All Public Water System Owned and Operated by Aqua Texas, Inc.

Introduction

Aqua Texas, Inc. (Aqua Texas) has developed this User Drought Contingency Plan (UDCP) to enable it to manage its water systems and water resources during drought conditions, periods of abnormally high usage, system contamination, and extended reduction in ability to supply water due to equipment failure or other emergencies in a conscientious, fair, and appropriate manner. It is not designed to punish, stigmatize, or criticize anyone about their usage of water. Its sole intent is to maintain an adequate supply of water during the various stages of drought conditions or other water supply emergencies, which may occur from time to time and to enable Aqua Texas to comply with the requirements of a court, government agency, ground water district, wholesale provider or other authority.

Aqua Texas believes that significant reductions in water usage can be achieved through voluntary efforts by customers. Implementation of voluntary water conservation measures and conscientious water use practices are encouraged at all times; however, additional water use restrictions are required in cases of extreme drought, periods of abnormally high usage, system contamination, or extended reduction in ability to supply water due to equipment failure.

SECTION 1 Declaration of Policy, Purpose, and Intent

Aqua Texas, in its continuing effort to maintain an adequate supply of high quality water, has prepared this User Drought Contingency Plan (UDCP or plan). In order to maintain supply, storage, and pressure or to comply with regulatory requirements, temporary restrictions may be necessary to limit non-essential water usage. This UDCP has been guided by TCEQ Requirements & Rules.

SECTION 2 Public Education

Aqua Texas will periodically provide customers with information about the Plan, including information about the conditions under which each stage of the Plan is to be initiated or terminated and the water use restrictions to be implemented in each stage. Drought plan information will be provided by:

- utility bill inserts; or,
- other direct mail notices will be provided if necessary, to provide timely information.
- Additional information will be posted on the company website under “Alerts & Outages”

SECTION 3 Notice Requirements

Written notice will be provided to each customer by mail or hand delivery prior to implementation or termination of each stage of the water restriction program. Notice will be mailed to each customer at least 72 hours prior to the start of new or modified water use restrictions. If notice is hand delivered, Aqua Texas will not 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 notice when it is necessary to move to Stage III or Stage IV will inform customers that violating the restrictions on sprinklers, automatic irrigations systems or use of other unauthorized irrigation may result in installation of a flow restrictor without a prior separate written notice.

Notification to the TCEQ by telephone at (512) 239-4691, or electronic mail at PDWS@tceq.texas.gov 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 of implementation including a copy of the utility's restriction notice. A status report of the restriction program is required to be filed with the TCEQ at the initiation and termination of mandatory water use restrictions (i.e., Stages III and IV).

SECTION 4 Violations of Mandatory Restrictions: Stage I, Stage II or Stage III

1. First violation:

Stage I or Stage II - The customer will be notified by written notice, hanging tag or letter, of their specific violation of required restrictions, reductions or for excessive usage. The customer will be provided a copy of the User Drought Contingency Plan.

Stage III or IV - Aqua Texas may install a flow restricting device as described below without a prior written notice for violation of restrictions on sprinklers, automatic irrigation systems or use of hoses.

2. Subsequent violations:

- a. After the first written notice, Aqua Texas may install a flow-restricting device in the line to limit the amount of water that will pass through the meter in a 24-hour period. The flow restrictor may be left in the line for up to 60 days or until the wholesale provider or district requirements are ended. Aqua Texas may charge the customer for the actual cost of installing and removing the flow-restricting device, not to exceed \$50.00 for installation and \$50.00 for removal. The customer will be provided a copy of the User Drought Contingency Plan.
- b. If the customer violates the required reductions/restrictions after installation of a flow restrictor, after written notice, Aqua Texas may discontinue service at the meter for up to 7 days, or until the end of the calendar month, whichever is less. The customer will be charged a \$50 reconnect fee for restoration of service. Further violations will result in disconnection and additional reconnect fees.

SECTION 5 Exemptions or Variances

Aqua Texas may grant any customer an exemption or variance from the UDCP for good cause **upon written request**. A customer who is refused an exemption or variance by Aqua Texas may appeal the denial in writing to the TCEQ. Aqua Texas will treat all customers equally concerning exemptions and variances and will not discriminate in granting exemptions and variances. No exemption or variance will be retroactive or otherwise justify any violation of this Plan occurring prior to the issuance of the variance.

SECTION 6 Response Stages

Unless there is an immediate and extreme reduction in an aquifer level; water availability or production; critical system capacity; or other absolute necessity to declare an emergency or severe condition, Aqua Texas will progress sequentially from Stage 1 through more restrictive stages. If, after a reasonable period of time, demand is not reduced enough to alleviate the conditions that initiated restrictions or to comply with restrictions required by a court, district, government agency, wholesale provider or other authority, some outdoor water use provisions in a particular Stage may be modified or further restricted or more restrictive Stages implemented as necessary to achieve the necessary reductions. In addition to restricted watering times, maximum monthly or weekly customer usage targets may be implemented and enforced in the same manner as the restrictions listed below. Notice of any modified restrictions or of a more stringent stage will be provided to customers in accordance with Section 3. **In order to comply with the requirements of an underground district, wholesale provider or other authority, Aqua Texas may skip a less restrictive stage and immediately implement a more restrictive stage.**

VOLUNTARY CONSERVATION AWARENESS (VOLUNTARY RESTRICTIONS) – See Section 9 below

STAGE I – MANDATORY WATER RESTRICTIONS – See Chart on Page 5

STAGE II – MANDATORY WATER RESTRICTIONS – See Chart on Page 5

STAGE III – MANDATORY WATER RESTRICTIONS - CRITICAL STAGE – See Chart on Page 5

STAGE IV – MANDATORY WATER RESTRICTIONS - SEVERE STAGE – See Chart on Page 5

SECTION 7 Drought, Demand & Critical System Capacity Stage Triggers

Water System Supply Contamination or Outage: In the event of system supply contamination or system outage, Aqua Texas may immediately implement the response measures of **Stage IV**. Notification to TCEQ shall be made immediately by calling (512) 239-4691, or electronic mail at PDWS@tceq.texas.gov. The appropriate regional office shall also be notified.

If any single demand based trigger condition is met for a given restriction stage, then most restrictive stage triggered will be evaluated for implementation.

Demand Based Triggers:

<u>Trigger</u>	<u>Stage I Mandatory</u>	<u>Stage II Mandatory</u>	<u>Stage III Mandatory</u>	<u>Stage IV Mandatory</u>
Percent of water treatment capacity reached for 3 or more days in a week	75 %	85 %	90 %	95 %
Total daily demand as % of pumping capacity for 3 or more days in a week	75 %	85 %	90 %	95 %
Storage capacity	Storage Tank Level drops within 4 ft. of low level lock out 3 or more days in a week.	Storage does not refill prior to 6 pm or tank drops within 3 ft. of low level lock out 3 or more days in a week.	Low level lock out is reached more than once in a week.	Low level lock out is reached more than twice in a week.
Well Pump Runs ___ hours per day more than 3 days per week	16 hrs	18 hrs.	20 hrs.	22 hrs.

Supply or water demand management measures including, but not limited to, pro rata curtailment of water deliveries to or diversions by wholesale water customers as provided in with Texas Water Code §11.039 may be implemented by the Director of Operations as authorized in Section 12 of this plan.

Supply Based Triggers - For those systems where Aqua Texas pumps water from a ground water district or purchases water from wholesalers, the district or wholesale supplier will formally notify Aqua Texas of one or more precipitating events triggering a stage of the district or wholesaler’s drought contingency plan. Upon enactment of a stage in the district, authority or wholesaler’s drought contingency plan, Aqua Texas will correspondingly implement the same or equivalent stage in its service area. Aqua Texas can modify its plan to match the watering schedules, daily watering hours or other specific restrictions of a wholesaler, district or other authority if asked to do so. Aqua Texas will notify customers of any changes in days, hours or other provisions

prior to enforcing provisions of the plan. When Aqua Texas must self regulate to comply with ground water permit limitations, water restrictions may be enacted to ensure compliance with permit limits.

Specific triggers for systems utilizing water managed by LCRA as a source are included in Appendix B of this plan. These triggers shall supersede any other criteria listed within this plan when the criterion within Appendix B initiates a more restrictive water conservation stage.

SECTION 8 Non Drought Related Conservation Awareness

Aqua Texas will voluntarily perform the following actions during late Spring and Summer as an integral part of the UDCP when there is no declared drought or other water supply emergencies:

- Aqua Texas will operate its system under normal conditions.
- Aqua Texas will ensure that each operator has received a copy of the UDCP.
- Aqua Texas will encourage customers to follow water conservation practices at all times.
- Aqua Texas will urge customers to water lawns on the conservation awareness schedule, avoid unnecessary and excessive watering and to keep evaporative losses to a minimum.
- Aqua Texas will seek to identify and repair leaks in a timely fashion. Customers will be encouraged to notify Aqua Texas of any known or observed leaks.

SECTION 9 Water Conservation Awareness Period – Voluntary Restrictions

Goal – 5 % Reduction in usage

Aqua Texas will encourage customers to follow the voluntarily conservation awareness practices below between May and September when not already in a declared drought or mandatory water restriction period. **For systems utilizing water managed by LCRA as a source, the landscape irrigation restrictions in this section are required to be observed at all times.** Customers will be notified in writing each spring that Voluntary Restrictions are in place and encouraged to follow water conservation practices.

Voluntary Practices to Reduce Water Consumption

- Follow the suggested twice weekly schedule for lawn watering as contained in Section 10 with hose end sprinklers or automatic irrigation systems and water between the following times:

Midnight to 10:00 a.m. & 8:00 p.m. to Midnight on the designated watering day.

- Water garden, trees, flowers or other landscaped areas with handheld hose, a faucet filled bucket or watering can any day between 6:00 p.m. – 10:00 a.m. but avoid unattended hoses.
- Soaker Hoses – Anywhere except lawns 8 p.m. – 10:00 a.m. any day
- Car washing with bucket or hand-held hose with automatic shut-off.
- Draw less water for bath or reduce shower time.
- Do not let water run while shaving, dish washing, brushing teeth, etc.
- Keep pools covered if not used on a daily basis.
- Use water displacement device in toilet tank.
- Install aerators on faucets.
- Utilize water reuse where possible.
- Replacement or retrofits with ultra low flow fixtures is encouraged.
- Do not use hose to wash off driveways, sidewalks, or streets. Use a broom or blower.
- Use Commercial Car Washes that Recycle Water.

SECTION 10 MANDATORY WATER RESTRICTIONS

<u>Stage I – Mandatory Restrictions</u>	<u>Stage II – Mandatory Restrictions</u>	<u>Stage III– Mandatory Restrictions Critical Stage</u>	<u>Stage IV– Mandatory Restrictions Severe Stage</u>
Goal - 10 % Reduction	Goal - 20 % Reduction	Goal - 30 % Reduction	Goal - ≥40 % Reduction
<p>If the triggers identified in the UDCP are met or critical system capacities are being threatened, Aqua Texas will activate Stage I. Comply with TWICE WEEKLY lawn watering schedule: DESIGNATED DAYS & HOURS ONLY</p>	<p>Whenever production or critical system capacity triggers are reached, Aqua Texas will activate Stage II measures of its UDCP. Comply with TWICE WEEKLY lawn watering schedule: DESIGNATED DAYS & HOURS ONLY</p>	<p>Whenever system failures are a concern or the possibility of outages exists, <i>Aqua Texas</i> will activate the Stage III measures of its UDCP. Comply with ONCE WEEKLY lawn watering schedule: DESIGNATED DAYS & HOURS ONLY</p>	<p>Whenever system failures are imminent or there are outages, <i>Aqua Texas</i> will activate the Stage IV measures of its UDCP. LAWN WATERING PROHIBITED</p>
<p><u>Actions required of Customers</u></p> <ul style="list-style-type: none"> Continued water conservation practices and voluntary reductions in water use in general. Mandatory compliance with “Required Reductions” listed below. <p><u>Actions initiated by Aqua Texas</u></p> <ul style="list-style-type: none"> Flushing is limited to dead end mains and then only to maintain water quality. Check for and promptly fix leaks. <p><u>Required Customer Restrictions</u></p> <ul style="list-style-type: none"> Automatic Irrigation Systems WATERING SCHEDULES Midnight to 10 a.m. & 8:00 p.m. to Midnight Hose End Sprinkler– <u>Same as above</u> Handheld Hose, faucet filled bucket or watering can - Watering landscape areas allowed <u>ANY DAY at designated hours</u>. No unattended hoses. Midnight to 10:00 a.m. 7:00 p.m. to Midnight Soaker Hoses – Landscaped areas, <u>ANY DAY</u> from: Midnight to 10:00 a.m. 8:00 p.m. to Midnight Car washing - bucket or hand-held hose with automatic shut-off; 1 time every other week or use a commercial car wash. No washing of driveways, sidewalks, or streets. No new filling or refilling of pools but topping off of existing pools allowed. 	<p><u>Actions required of Customers</u></p> <ul style="list-style-type: none"> Continued water conservation practices and voluntary reductions in water use in general. Mandatory compliance with “Required Reductions” listed below. <p><u>Actions initiated by Aqua Texas</u></p> <ul style="list-style-type: none"> Flushing is limited to dead end mains and then only to maintain water quality. Check for and fix leaks promptly. <p><u>Required Customer Restrictions</u></p> <ul style="list-style-type: none"> Automatic Irrigation System WATERING SCHEDULES Midnight to 4:00 a.m. 8:00 p.m. to Midnight Hose End Sprinkler – Midnight to 9:00 a.m. 7:00 p.m. to Midnight Handheld Hose, faucet filled bucket or watering can - Watering landscape areas allowed <u>ANY DAY at designated hours</u>. No unattended hoses. 7:00 a.m. to 10:00 a.m. 7:00 p.m. to 10:00 p.m. Soaker Hoses – Landscaped areas, <u>no lawns, ANY DAY</u> from: Midnight to 10:00 a.m. 8:00 p.m. to Midnight No washing of <u>cars</u>, driveways, sidewalks, or streets. No new filling or refilling of pools but topping off of existing pools allowed on designated days. 	<p><u>Actions required of Customers</u></p> <ul style="list-style-type: none"> Continued water conservation practices and voluntary reductions in water use in general. Mandatory compliance with “Required Reductions” listed below. <p><u>Actions initiated by Aqua Texas</u></p> <ul style="list-style-type: none"> Flushing is limited to dead end mains and then only to maintain water quality. Check for and fix leaks promptly. <p><u>Required Customer Restrictions</u></p> <ul style="list-style-type: none"> Automatic Irrigation System WATERING SCHEDULES Midnight to 4:00 a.m. 8:00 p.m. to Midnight Hose End Sprinkler – Midnight to 9:00 a.m. 7:00 p.m. to Midnight Handheld , faucet filled bucket or watering can - Landscaped areas, pot plants & Lawns – ONLY DESIGNATED DAYS No unattended hoses. 7:00 a.m. to 9:00 a.m. 7:00 p.m. to 9:00 p.m. Soaker Hoses – FOUNDATIONS ONLY DESIGNATED DAYS 6:00 a.m. to 9:00 a.m. 7:00 p.m. to 10:00 p.m. No washing of cars, drives, streets, sidewalks. No new filling or refilling but topping off of existing pools allowed on designated days. 	<p><u>Actions required of Customers</u></p> <ul style="list-style-type: none"> Continued water conservation practices and voluntary reductions in water use in general. Mandatory compliance with “Required Reductions” listed below. <p><u>Actions initiated by Aqua Texas</u></p> <ul style="list-style-type: none"> Flushing is limited to dead end mains and then only to maintain water quality. Check for and fix leaks promptly. <p><u>Required Customer Restrictions</u></p> <ul style="list-style-type: none"> Automatic Irrigation System Prohibited at all times! Hose End Sprinklers- Prohibited at all times! Handheld Hose – Prohibited at all times! Watering Can - Landscaped areas & pot plants – ONLY DESIGNATED DAY 7:00 a.m. to 9:00 a.m. 7:00 p.m. to 9:00 p.m. Soaker Hoses – FOUNDATIONS ONLY DESIGNATED DAY 6:00 a.m. to 9:00 a.m. 7:00 p.m. to 10:00 p.m. No washing of cars, drives, streets, sidewalks. No new filling, refilling, or topping off of pools. No non-essential use, i.e., decorative fountains. No planted trees or shrubs ANY DAY: soaker bag or watering can.

<u>Stage I – Mandatory Restrictions</u>	<u>Stage II – Mandatory Restrictions</u>	<u>Stage III– Mandatory Restrictions Critical Stage</u>	<u>Stage IV– Mandatory Restrictions Severe Stage</u>
<u>Customer Consumption Limit:</u> Aqua Texas can establish a monthly customer consumption limit if necessary, to ensure meeting required reduction	<u>Customer Consumption Limit:</u> Aqua Texas can establish a monthly customer consumption limit if necessary, to ensure meeting required reduction.	<u>Customer Consumption Limit:</u> Aqua Texas can establish a monthly customer consumption limit if necessary, to ensure meeting required reduction	<u>Customer Consumption Limit:</u> Aqua Texas can establish a monthly customer consumption limit if necessary, to ensure meeting required reduction.
<u>Penalties or Consequences</u> <ul style="list-style-type: none"> Warnings for excessive consumption. Installation of flow restrictors for <u>2nd violation</u> of Stage I Restrictions. Service cutoff & reconnection fee for <u>3rd violation</u> of Stage I Restrictions 	<u>Penalties or Consequences</u> <ul style="list-style-type: none"> Warnings for excessive consumption Installation of flow restrictors for <u>2nd violation</u> of Stage II Restrictions. Service cutoff & reconnection fee for <u>3rd violation</u> of Stage II Restrictions 	<u>Penalties or Consequences</u> <ul style="list-style-type: none"> Installation of flow restrictors for <u>1st violation</u> of Stage III Restrictions. Service cutoff & reconnection fee for <u>2nd violation</u> of Stage III Restrictions 	<u>Penalties or Consequences</u> <ul style="list-style-type: none"> Installation of flow restrictors for <u>1st violation</u> of Stage IV Restrictions. Service cutoff & reconnection fee for <u>2nd violation</u> of Stage IV Restrictions.

TWICE WEEKLY WATERING SCHEDULE
(Applicable During Conservation Awareness or Stages I or II)

House No. Ends In 2 or 9	House No. Ends In 1 or 5	House No. Ends In 6 or 7	House No. Ends In 0 or 3	House No. Ends In 4 or 8
Monday Thursday	Tuesday Friday	Wednesday Saturday	Thursday Sunday	Friday Monday

ONCE WEEKLY WATERING SCHEDULE
(Applicable During Stage III– Mandatory Restrictions)

House No. Ends In 2 or 9	House No. Ends In 1 or 5	House No. Ends In 6 or 7	House No. Ends In 0 or 3	House No. Ends In 4 or 8
Monday	Tuesday	Wednesday	Thursday	Friday

The above watering schedules may be modified from time to time based on the affected area and the numbering of addresses. This is done to more evenly distribute the number of connections permitted to water on a given day providing better control of peaking demands. This is most commonly necessary in small water systems. Other variations may be used including but not limited to named areas, street names, utilization of a different digit within the house number, etc.

SECTION 11 Criteria for Termination of Restrictions

The termination, lifting, or partial lifting of a restriction level will be evaluated on a case by case basis. Any reduction in restriction level will occur only when in the opinion of the Director of Operations, the Operations Area Manager or their designee determines conditions warrant such a change. Customers will be informed of any such change as soon as possible in a manner consistent with Section 2 of this plan.

SECTION 12 Wholesale Contract Provisions

New wholesale contracts shall include standard language requiring the customer adhere to the Aqua Texas’s mandatory drought reduction goals. Aqua Texas will include a provision in every wholesale water contract

entered into or renewed after adoption of the plan, in case of shortage of water resulting from drought, the water to be distribution shall be divided in accordance with Texas Water Code §11.039.

In the event that pro rata curtailment is deemed necessary, the Director of Operations or his designee is hereby authorized to initiate allocations of water supplies in accordance with Texas Water Code §11.039.

Enforcement actions for non-compliance with either pro rata water reductions by wholesale customers will vary according to the specifics of each wholesale customer's contract.

SECTION 13 Coordination with Regional Planning Groups (RPG)

Aqua Texas, Inc. has provided a copy of this Plan to all RPGs in which it owns and operates public water systems. A copy of the transmittal letter to the planning group is provided in Appendix A.

SECTION 14 TCEQ Notification

Aqua Texas shall notify the executive director of the Texas Commission on Environmental Quality within five (5) business days of the implementation of any mandatory provisions of the Drought Contingency Plan.

SECTION 15 Public Participation

Aqua Texas has met with homeowners' associations at several water systems in the past susceptible to drought to discuss specific drought restrictions and the plan in general. Aqua Texas will continue to meet with homeowner groups and other customer associations on request to further provide opportunity for customer input. Aqua Texas shall make the plan available to any customer upon request and share its content in education materials prepared as part of but not limited to the educational activities outlined in Section 2 of this plan.

SECTION 16 Plan Review and Updates

This Plan was developed to meet the requirements in 30 TAC § 288.20 and § 288.22 to submit a Drought Contingency Plan and provide the community and water customers with essential drought contingency response information, regulations, and services. The Plan will be reviewed at minimum every five (5) years and updated as needed based on major developments in Aqua Texas's water service areas. The next scheduled plan review and update will occur in 2025.

Appendix A

RPG Notification Cover Letter

Sent to Regions: B, C, D, F, G, H, I, J, K, L, M, N & P



March 6, 2020

Regional Water Planning Group Chair:

The enclosed Drought Contingency Plan, which updates the previously adopted 2015 Drought Contingency Plan, was developed by the Aqua Texas to fulfill Texas Commission on Environmental Quality (TCEQ) requirements for retail and wholesale water providers as outlined in Texas Administrative Code Title 30, Chapter 288. It is being forwarded to TCEQ.

If you have any questions on the enclosed plan please contact me at 512-990-4400 x56101.

Sincerely,

A handwritten signature in black ink, appearing to read "Scot W. Foltz". The signature is stylized and written in a cursive-like font.

Scot W. Foltz
Aqua Texas Water
Environmental Compliance Manager

Appendix B

LCRA Drought Level Triggers Addendum

To be used for any system utilizing water from a source under the authority of LCRA.

Initiation and Termination of Response Stages

Aqua Texas Area shall monitor water supply and demand conditions on a regular basis and shall determine when conditions warrant initiation and termination of each stage of this Plan in accordance with LCRA's Water Management Plan. Water supply conditions will be determined by the source of supply, system capacity, and weather conditions. Water demand will be measured by the peak daily demands on the system.

Public notification of the initiation or termination of drought response stages shall be by a variety of ways, examples include direct mail, e-mail and automated telephone calls, signs posted at entry points to the service area or a combination of these methods.

The following triggering criteria shall apply to Aqua Texas system(s) and customer service area utilizing water under the authority of LCRA:

7.1 Triggering Criteria for Initiation and Termination of Drought Response Stages

1. STAGE 1 - Mild Water Shortage Conditions

- A. **Requirements for initiation** - Customers shall be required to adhere to the Stage 1 Drought Response Measures when one or a combination of such triggering criteria occurs:
1. Treatment Capacity:
 - For surface water plants when total daily water demand equals or exceeds 75 percent of the total operating system treatment capacity for three consecutive days, or 85 percent on a single day; or
 2. Water Supply:
 - Combined storage of Lakes Travis and Buchanan reaches 1.4 million acre-feet in accordance with the LCRA Drought Contingency Plan for Firm Water Customers (DCP).
- B. **Requirements for termination** - Stage 1 of the plan may be rescinded when:
1. Treatment Capacity:
 - The water treatment plant capacity condition listed above as a triggering event for Stage 1 has ceased to exist for five consecutive days; or
 2. Water Supply:
 - LCRA announces that voluntary restrictions by its firm raw water customers are no longer needed in accordance with the LCRA DCP.

2. STAGE 2 - Moderate Water Shortage Conditions (Mandatory Measures)

A. **Requirements for initiation** - Customers shall be required to adhere to the Stage 2 Drought Response Measures when one or a combination of such triggering criteria occurs:

1. Treatment Capacity:

- For surface water systems, when total daily water demand equals or exceeds 85 percent of the total operating system treatment capacity for three consecutive days, or 95 percent on a single day; or

2. Water Supply:

- Combined storage of Lakes Travis and Buchanan reaches 900,000 acre-feet in accordance with the LCRA DCP.

B. **Requirements for termination** - Stage 2 of the Plan may be rescinded when:

1. Treatment Capacity:

- The water treatment plant capacity condition listed above as a triggering event for Stage 2 has ceased to exist for five consecutive days.

2. Water Supply:

- LCRA announces that voluntary compliance to implement a utility's mandatory water restrictions are no longer needed in accordance with the LCRA DCP.

Upon termination of Stage 2, Stage 1 becomes operative.

3. STAGE 3 - Severe Water Shortage Conditions (Mandatory Measures)

A. **Requirements for initiation** - Customers shall be required to adhere to the Stage 3 Drought Response Measures when one or a combination of such triggering criteria occurs:

1. Treatment Capacity:

- For surface water systems, when total daily water demand equals or exceeds 90 percent of the total operating system treatment capacity for three consecutive days, or 97 percent on a single day.

2. Water Supply:

- Combined storage of Lakes Travis and Buchanan reaches 750,000 acre-feet, in accordance with the LCRA DCP, **or**
- The LCRA Board declares a drought worse than the Drought of Record or other water supply emergency and orders the mandatory curtailment of firm water supplies.

B. **Requirements for termination** - Stage 3 of the Plan may be rescinded when:

1. Treatment Capacity:

- The water treatment plant capacity condition listed above as a triggering event for Stage 3 has ceased to exist for five consecutive days.

2. Water Supply:

- LCRA announces that mandatory water restrictions for firm water customers are no longer required in accordance with the LCRA DCP.

Upon termination of Stage 3, Stage 2 becomes operative.

4. STAGE 4- Critical Water Conditions

A. **Requirements for initiation** - Customers shall be required to adhere to the Stage 4 Drought Response Measures when one or a combination of such triggering criteria occurs:

1. Treatment Capacity:

- For surface water systems, when total daily water demand equals or exceeds 95 percent of the total operating system treatment capacity for three consecutive days, or 97 percent on a single day.

2. Water Supply:

- Combined storage of Lakes Travis and Buchanan reaches 600,000 acre-feet, in accordance with the LCRA DCP, **or**
- The LCRA Board declares a prolonged drought worse than the Drought of Record or other water supply emergency and orders the mandatory curtailment of firm water supplies at a level more severe than in Stage 3.

B. **Requirements for termination** - Stage 4 of the Plan may be rescinded when:

1. Treatment Capacity:

- The water treatment plant capacity condition listed above as a triggering event for Stage 4 has ceased to exist for five consecutive days; or

2. Water Supply:

- LCRA announces that mandatory water restrictions for firm water customers are no longer required in accordance with the LCRA DCP.

Upon termination of Stage 4, Stage 3 becomes operative.

5. Emergency Water Conditions

A. **Requirements for initiation** - Customers shall be required to adhere to the Stage 5 Drought Response Measures when one or a combination of such triggering criteria occurs:

1. Treatment Capacity:

- Major water line breaks, loss of distribution pressure, or pump system failures that cause substantial loss in its ability to provide water service.

2. Water Supply:

- Natural or man-made contamination of the water supply source; or
- Any other emergency water supply or demand conditions that the LCRA general manager or the LCRA Board determines that either constitutes a water supply emergency or is associated with a prolonged drought worse than

the Drought of Record requiring the mandatory curtailment of firm water supplies at a level more severe than in Stage 4.

B. Requirements for termination – Emergency Water Conditions may be rescinded when:

1. Treatment Capacity:

- The water treatment plant capacity condition listed above as a triggering event has ceased to exist for five consecutive days; or

2. Water Supply:

- LCRA announces that mandatory water restrictions for firm water customers are no longer required in accordance with the LCRA DCP.

Upon termination of Stage 5, Stage 4 becomes operative.

DeAnn Walker
Chairman

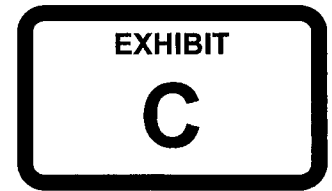
Arthur C. D'Andrea
Commissioner

Shelly L. Botkin
Commissioner

John Paul Urban
Executive Director



Greg Abbott
Governor



Public Utility Commission of Texas

6/16/2020

Mr Kenneth Cline
100 Wild Turkey Court
Liberty Hill TX 78642

RE: Complaint # CP2020060358

Dear Mr Cline:

The Customer Protection Division (CPD) of the Public Utility Commission has received your complaint regarding Aqua Texas, Inc. (Aqua). In the complaint, you told us that your neighborhood is experiencing low water pressure and sometimes no water at all. Additional storage capacity was added, but you believe their system is inadequate.

PUC rules require that they adhere to the requirements from the Texas Commission on Environmental Quality (TCEQ). In their reply, Aqua stated:

“The night of June 10 and the morning of June 11 excessive usage depleted both storage tanks causing the water supply pumps to shut down to prevent damage. Well production as well as system integrity were verified. The system has a history of high water demand and as a result Aqua recently doubled storage capacity. Current storage capacity, based on TCEQ requirements, is adequate for 450 connections. We currently service only 158 connections.”

Aqua had provided our office with a copy of a notice of the Stage I water restrictions for the Rio Ancho neighborhood, dated May 26, 2020, as well as a copy of their Drought Contingency Plan from March 2020. They inform us that they will begin patrolling and issuing water restriction violation notices. Flow restriction devices would be installed for customers who receive multiple violations. This is within their Drought Contingency Plan.

CPD's review of the information provided by you and Aqua determined that Aqua is complying with the rules regarding the adequacy and sufficiency of water utility service. Substantive Rule §24.205 states:



“Each retail public utility which provides water service shall plan, furnish, operate, 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.

(1) The water system quantity and quality requirements of the TCEQ shall be the minimum standards for determining the sufficiency of production, treatment, storage, transmission, and distribution facilities of water suppliers and the safety of the water supplied for household usage. Additional capacity shall be provided to meet the reasonable local demand characteristics of the service area, including reasonable quantities of water for outside usage and livestock.

(2) In cases of drought, periods of abnormally high usage, or extended reduction in ability to supply water due to equipment failure, to comply with a state agency or court order on conservation or other reasons identified in the utility’s approved drought contingency plan required by 30 TAC §288.20 (relating to Drought Contingency Plans for Municipal Uses by Public Water Suppliers), restrictions may be instituted to limit water usage in accordance with the utility’s approved drought contingency plan....”

Aqua’s equipment is sized to meet and exceed the requirements of the TCEQ, however the users connected to the system are largely ignoring the water restrictions that have been set in place. In the past, TCEQ had performed a site visit to assess the low water pressure issues that have been reported from other customers. Aqua was advised that the issue would be resolved if the neighborhood adheres to the water restrictions. As stated, additional capacity had been added to double the amount of available water. Even with this additional capacity, the neighborhood continues to have a high demand on the water system.

Based on the investigation, CPD has determined that Aqua has acted consistently with Substantive Rules §24.205- *Adequacy of Water Utility Service*.

Thank you for the opportunity to address your concerns. If we can assist you with future utility concerns, please contact us toll free through our Customer Assistance Call Center at 1-888-782-8477.

Sincerely,

Kenneth Ford
Investigator
Customer Protection Division
Public Utility Commission of Texas

cc: Aqua Texas, Inc.