



Control Number: 51454



Item Number: 1

Addendum StartPage: 0



Application for Sale, Transfer, or Merger of a Retail Public Utility

Pursuant to Texas Water Code § 13.301 and 16 Texas Administrative Code § 24.239

Sale, Transfer, or Merger (STM) Application Instructions

- I. **COMPLETE:** In order for the Commission to find the application sufficient for filing, the Applicant should:
 - i. Provide an answer to every question and submit any required attachment applicable to the STM request (i.e., agreements or contracts).
 - ii. Use attachments or additional pages to answer questions as necessary. If you use attachments or additional pages, reference their inclusion in the form.
 - iii. Provide all mapping information as detailed in Part G: Mapping & Affidavits.
- II. **FILE:** Seven (7) copies of the completed application with numbered attachments. One copy should be filed with no permanent binding, staples, tabs, or separators; and 7 copies of the portable electronic storage medium containing the digital mapping data.
 - i. **SEND TO:** Public Utility Commission of Texas, Attention: Filing Clerk, 1701 N. Congress Avenue, P.O. Box 13326, Austin, Texas 78711-3326 (**NOTE: Electronic documents may be sent in advance of the paper copy, however they will not be processed and added to the Commission's on-line Interchange until the paper copy is received and file-stamped in Central Records.**)
- III. The application will be assigned a docket number, and an administrative law judge (ALJ) will issue an order requiring Commission Staff to file a recommendation on whether the application is sufficient. The ALJ will issue an order after Staff's recommendation has been filed:
 - i. **DEFICIENT (Administratively Incomplete):** Applicants will be ordered to provide information to cure the deficiencies by a certain date, usually 30 days from ALJ's order. ***Application is not accepted for filing.***
 - ii. **SUFFICIENT (Administratively Complete):** Applicants will be ordered by the ALJ to give appropriate notice of the application using the notice prepared by Commission Staff. ***Application is accepted for filing.***
- IV. Once the Applicants issue notice, a copy of the actual notice sent and an affidavit attesting to notice should be filed in the docket assigned to the application. Recipients of notice may request a hearing on the merits.

HEARING ON THE MERITS: An affected party may request a hearing within 30 days of notice. In this event, the application may be referred to the State Office of Administrative Hearings (SOAH) to complete this request.
- V. **TRANSACTION TO PROCEED:** at any time following the provision of notice, or prior to 120 days from the last date that proper notice was given, Commission Staff will file a recommendation for the transaction to proceed as proposed or recommend that the STM be referred to SOAH for further investigation. The Applicants will be required to file an update in the docket to the ALJ every 30 days following the approval of the transaction. The transaction must be completed within six (6) months from the ALJ's order (Note: The Applicants may request an extension to the 6 month provision for good cause).
- VI. **FILE:** Seven (7) copies of completed transaction documents and documentation addressing the transfer or disposition of any outstanding deposits. After receiving all required documents from the Applicants, the application will be granted a procedural schedule for final processing. The Applicants are requested to consent in writing to the proposed maps and certificates, or tariff if applicable.
- VII. **FINAL ORDER:** The ALJ will issue a final order issuing or amending the applicable CCNs.

FAQ:

Who can use this form?

Any retail public utility that provides water or wastewater service in Texas.

Who is required to use this form?

A retail public utility that is an investor owned utility (IOU) or a water supply corporation (WSC) prior to any STM of a water or sewer system, or utility, or prior to the transfer of a portion of a certificated service area.

Terms

Transferor: Seller

Transferee: Purchaser

CCN: Certificate of Convenience and Necessity

STM: Sale, Transfer, or Merger

IOU: Investor Owned Utility

20 OCT 22 AM 10:18

Application Summary

Transferor: Aqua Utilities, Inc.

(selling entity)

CCN No.s: 11157 and 20453

☒ Sale
 ☒ Transfer
 ☐ Merger
 ☒ Consolidation
 ☐ Lease/Rental

Transferee: Aqua Texas, Inc.

(acquiring entity)

CCN No.s: 13203 and 21065

☒ Water
 ☒ Sewer
 ☐ All CCN
 ☒ Portion CCN
 ☒ Facilities transfer

County(ies): Victoria

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Please mark the items included in this filing

<input type="checkbox"/> Contract, Lease, Purchase, or Sale Agreement	Part A: Question 1
<input checked="" type="checkbox"/> Tariff including Rate Schedule	Part B: Question 4
<input checked="" type="checkbox"/> List of Customer Deposits	Part B: Question 5
<input type="checkbox"/> Partnership Agreement	Part C: Question 7
<input type="checkbox"/> Articles of Incorporation and By-Laws (WSC)	Part C: Question 7
<input checked="" type="checkbox"/> Certificate of Account Status	Part C: Question 7
<input checked="" type="checkbox"/> Financial Audit	Part C: Question 10
<input type="checkbox"/> Application Attachment A & B	Part C: Question 10
<input type="checkbox"/> Disclosure of Affiliated Interests	Part C: Question 10
<input checked="" type="checkbox"/> Capital Improvement Plan	Part C: Question 10
<input checked="" type="checkbox"/> List of Assets to be Transferred	Part D: 11.B
<input type="checkbox"/> Developer Contribution Contracts or Agreements	Part D: 11.D
<input checked="" type="checkbox"/> Enforcement Action Correspondence	Part E: Question 18 (Part D: Q12)
<input checked="" type="checkbox"/> TCEQ Compliance Correspondence	Part F: Question 22
<input type="checkbox"/> TCEQ Engineering Approvals	Part F: Question 24
<input type="checkbox"/> Purchased Water Supply or Treatment Agreement	Part F: Question 26
<input checked="" type="checkbox"/> Detailed (large scale) Map	Part G: Question 29
<input checked="" type="checkbox"/> General Location (small scale) Map	Part G: Question 29
<input checked="" type="checkbox"/> Digital Mapping Data	Part G: Question 29
<input checked="" type="checkbox"/> Signed & Notarized Oath	Page 13-14

Part A: General Information

1. Describe the proposed transaction, including the effect on all CCNs involved, and provide details on the existing or expected land use in the area affected by the proposed transaction. Attach all supporting documentation, such as a contract, a lease, or proposed purchase agreements:

The proposed transaction this application requests approval for involves assets used and useful for the Brentwood Subdivision public drinking water system (PWS ID No. 2350005) and Brentwood Manor Wastewater Treatment Facility (WQ 0010742001) in Victoria County, Texas.

See Attachment 1.

2. The proposed transaction will require (check all applicable):

For **Transferee** (Purchaser) CCN:

- ☐ Obtaining a NEW CCN for Purchaser
☐ Transfer all CCN into Purchaser's CCN (Merger)
☒ Transfer Portion of CCN into Purchaser's CCN
☐ Transfer all CCN to Purchaser and retain Seller CCN
☐ Uncertificated area added to Purchaser's CCN

For **Transferor** (Seller) CCN:

- ☐ Cancellation of Seller's CCN
☒ Transfer of a Portion of Seller's CCN to Purchaser
☐ Only Transfer of Facilities, No CCN or Customers
☐ Only Transfer of Customers, No CCN or Facilities
☐ Only Transfer CCN Area, No Customers or Facilities

Part B: Transferor Information

Questions 3 through 5 apply only to the *transferor* (current service provider or seller)

3. A. Name: Aqua Utilities, Inc.
(individual, corporation, or other legal entity)
☐ Individual ☒ Corporation ☐ WSC ☐ Other: _____
- B. Mailing Address: 1106 Clayton Lane, Suite 400 W, Austin, Texas 78723

Phone: (512) 990-4400 Email: Not applicable.

- C. Contact Person. Please provide information about the person to be contacted regarding this application. Indicate if this person is the owner, operator, engineer, attorney, accountant, or other title.

Name: Geoffrey P. Kirshbaum Title: Attorney

Mailing Address: Terrill & Waldrop, 810 West 10th Street, Austin, Texas 78701

Phone: (512) 474-9100 Email: gkirshbaum@terrilwaldrop.com

4. If the utility to be transferred is an Investor Owned Utility (IOU), for the most recent rate change, attach a copy of the current tariff and complete A through B: See Attachment 7 - Tariffs issued in PUC Docket No. 50573.

A. Effective date for most recent rates: March 1, 2020

- B. Was notice of this increase provided to the Public Utility Commission of Texas (Commission) or a predecessor regulatory authority?

☐ No ☒ Yes Application or Docket Number: PUC Docket No. 50573

If the transferor is a Water Supply or Sewer Service Corporation, provide a copy of the current tariff.

5. For the customers that will be transferred following the approval of the proposed transaction, check all that apply:

☐ There are no customers that will be transferred

See Attachment 5.

☒ # of customers without deposits held by the transferor 134

☒ # of customers with deposits held by the transferor* 19

*Attach a list of all customers affected by the proposed transaction that have deposits held, and include a customer indicator (name or account number), date of each deposit, amount of each deposit, and any unpaid interest on each deposit.

Part C: Transferee Information

Questions 6 through 10 apply only to the *transferee* (purchaser or proposed service provider)

6. A. Name: Aqua Texas, Inc.

(individual, corporation, or other legal entity)

☐ Individual ☐ Corporation ☐ WSC ☐ Other:

B. Mailing Address: 1106 Clayton Lane, Suite 400W, Austin, Texas 78723

Phone: (512) 990-4400 Email: Not applicable.

C. Contact Person. Provide information about the person to be contacted regarding this application. Indicate if this person is the owner, operator, engineer, attorney, accountant, or other title.

Name: Geoffrey P. Krishbaum Title: Attorney

Address: Terrill & Waldrop, 810 West 10th Street, Austin, Texas 78701

Phone: (512) 474-9100 Email: gkrishbaum@terriwaldrop.com

D. If the transferee is someone other than a municipality, is the transferee current on the Regulatory Assessment Fees (RAF) with the Texas Commission on Environmental Quality (TCEQ)?

☐ No ☒ Yes ☐ N/A

E. If the transferee is an IOU, is the transferee current on the Annual Report filings with the Commission?

☐ No ☒ Yes ☐ N/A

7. The legal status of the transferee is:

☐ Individual or sole proprietorship

☐ Partnership or limited partnership (*attach* Partnership agreement)

☒ Corporation

Charter number (as recorded with the Texas Secretary of State): Texas Taxpayer Number: 32014405503; Texas SOS File Number 0800304878

☐ Non-profit, member-owned, member controlled Cooperative Corporation [Article 1434(a) Water Supply or Sewer Service Corporation, incorporated under TWC Chapter 67]

Charter number (as recorded with the Texas Secretary of State): _____

☐ Articles of Incorporation and By-Laws established (*attach*)

☐ Municipally-owned utility

☐ District (MUD, SUD, WCID, FWSD, etc.)

- ☐ County
- ☐ Affected County (a county to which Subchapter B, Chapter 232, Local Government Code, applies)
- ☐ Other (please explain): _____

8. If the transferee operates under any d/b/a, provide the name below:

Name: Aqua Texas

9. If the transferee's legal status is anything other than an individual, provide the following information regarding the officers, members, or partners of the legal entity applying for the transfer:

Name: See Attachment 3.

Position: _____ Ownership % (if applicable): 0.00%

Address: _____

Phone: _____ Email: _____

Name: _____

Position: _____ Ownership % (if applicable): 0.00%

Address: _____

Phone: _____ Email: _____

Name: _____

Position: _____ Ownership % (if applicable): 0.00%

Address: _____

Phone: _____ Email: _____

Name: _____

Position: _____ Ownership % (if applicable): 0.00%

Address: _____

Phone: _____ Email: _____

10. **Financial Information**

The transferee Applicant must provide accounting information typically included within a balance sheet, income statement, and statement of cash flows. If the Applicant is an existing retail public utility, this must include historical financial information and projected financial information. However, projected financial information is only required if the Applicant proposes new service connections and new investment in plant, or if requested by Staff. If the Applicant is a new market entrant and does not have its own historical balance sheet, income statement, and statement of cash flows information, then the Applicant should establish a five-year projection taking the historical information of the transferor Applicant into consideration when establishing the projections.

Historical Financial Information may be shown by providing any combination of the following that includes necessary information found in a balance sheet, income statement, and statement of cash flows:

1. Completed Appendix A;
2. Documentation that includes all of the information required in Appendix A in a concise format; or
3. Audited financial statements issued within 18 months of the application filing date. This may be provided electronically by providing a uniform resource locator (URL) or a link to a website portal.

Please see Essential Utilities, Inc. (f/k/a Aqua America, Inc.) 2019 Annual Report excerpts at Attachment 4.

Projected Financial Information may be shown by providing any of the following:

1. Completed Appendix B;
2. Documentation that includes all of the information required in Appendix B in a concise format;
3. A detailed budget or capital improvement plan, which indicates sources and uses of funds required, including improvements to the system being transferred; or
4. A recent budget and capital improvements plan that includes information needed for analysis of the operations test (16 Tex. Admin. Code § 24.11(e)(3)) for the system being transferred and any operations combined with the system. This may be provided electronically by providing a uniform resource locator (URL) or a link to a website portal. N/A – While investment in plant and connection additions may occur after the transaction just as before, the proposed transaction that is the subject of this application will have no impact on whether such investment or connections occur.

Part D: Proposed Transaction Details

11. A. Proposed Purchase Price: \$ _____

If the transferee Applicant is an investor owned utility (IOU) provide answers to B through D.

B. Transferee has a copy of an inventory list of assets to be transferred (*attach*):

☐ No ☒ Yes ☐ N/A

Not applicable. Please see
Attachment 6 - Accounting Entry
Explanation and Asset Listing.

Total Original Cost of Plant in Service: \$ _____

Accumulated Depreciation: \$ _____

Net Book Value: \$ _____

C. **Customer contributions in aid of construction (CIAC):** Have the customers been billed for any surcharges approved by the Commission or TCEQ to fund any assets currently used and useful in providing utility service? Identify which assets were funded, or are being funded, by surcharges on the list of assets.

☐ No ☐ Yes

Total Customer CIAC: \$ _____

Accumulated Amortization: \$ _____

D. **Developer CIAC:** Did the transferor receive any developer contributions to pay for the assets proposed to be transferred in this application? If so, identify which assets were funded by developer contributions on the list of assets and provide any applicable developer agreements.

☐ No ☐ Yes

Total developer CIAC: \$ _____

Accumulated Amortization: \$ _____

12. A. Are any improvements or construction required to meet the minimum requirements of the TCEQ or Commission and to ensure continuous and adequate service to the requested area to be transferred plus any area currently certificated to the transferee Applicant? Attach supporting documentation and any necessary TCEQ approvals, if applicable.

☐ No ☒ Yes

B. If yes, describe the source and availability of funds and provide an estimated timeline for the construction of any planned or required improvements:

Aqua Texas, Inc. has the financial ability through customer collections and infusions of capital from lenders, as well as capital contributions from its parent Essential Utilities, Inc. f/k/a Aqua America, Inc., to make any required improvements necessary to meet TCEQ and PUC minimum requirements for continuous and adequate service. An estimated schedule for projects listed in Attachment 9 is included therein.

13. Provide any other information concerning the nature of the transaction you believe should be given consideration:

The transaction will serve the public interest by facilitating efficient operation and regulation of all the Aqua Texas systems currently operated in Texas by consolidating them under a single corporate entity, Aqua Texas, Inc., possessing regional water and wastewater CCN numbers. Additionally, recent changes to PUC annual reporting requirements call for filing CCN-specific reports. PUC Staff has specifically expressed a preference that Aqua Texas, Inc. complete this consolidation process started several years ago when CCNs were administered by the TCEQ to facilitate this reporting and to simplify future rate cases. This transaction will bring Aqua Texas, Inc. closer to having its CCNs, systems, and service areas aligned with regional CCN numbers, but does not request a change to existing rates applicable to customers proposed for transfer.

14. Complete the following proposed entries (listed below) as shown in the books of the Transferee (purchaser) after the acquisition. Debits (positive numbers) should equal credits (negative numbers) so that all line items added together equal zero. Additional entries may be made; the following are suggested only, and not intended to pose descriptive limitations:

Utility Plant in Service: \$ _____

Accumulated Depreciation of Plant: \$ _____

Cash: \$ _____

Notes Payable: \$ _____

Mortgage Payable: \$ _____

(Proposed) Acquisition Adjustment*: \$ _____

* Acquisition Adjustments will be subject to review under 16 TAC § 24.41(d) and (e)

Other (NARUC account name & No.): _____

Other (NARUC account name & No.): _____

See Attachment 6 - Accounting
Entry Explanation and Asset
Listing

15. A. Explain any proposed billing change (NOTE: If the acquiring entity is an IOU, the IOU may not change the rates charged to the customers through this STM application. Rates can only be changed through the approval of a rate change application.)

No billing change is proposed to take place as a result of the proposed transaction.

B. If transferee is an IOU, state whether or not the transferee intends to file with the Commission, or an applicable municipal regulatory authority, an application to change rates for some or all of its customers as a result of the transaction within the next twelve months. If so, provide details below:

Transferee does not intend to file an application to change rates for any customers as a result of the proposed transaction. Other factors would drive any decision regarding rate changes.

Part E: CCN Obtain or Amend Criteria Considerations

16. Describe, in detail, the anticipated impact or changes in the quality of retail public utility service in the requested area as a result of the proposed transaction:

The quality of service will remain at a high level due to the experienced operators employed by Aqua Texas, Inc. and will meet or exceed current levels. Aqua Texas, Inc. will deal promptly with any service issues which may arise.

17. Describe the transferee's experience and qualifications in providing continuous and adequate service. This should include, but is not limited to: other CCN numbers, water and wastewater systems details, and any corresponding compliance history for all operations.

See Attachment 1. A report describing the compliance status for Aqua Texas' systems is included as Attachment 9. A TCEQ Compliance History Report for Aqua Texas, Inc. is included as Attachment 8. Aqua Texas, Inc. will provide additional system detail information to the Commission upon request. However, the Commission should bear in mind that the same personnel will manage and operate the Brentwood systems after the proposed transfer to Aqua Texas, Inc. as before.

18. Has the transferee been under an enforcement action by the Commission, TCEQ, Texas Department of Health (TDH), the Office of the Attorney General (OAG), or the Environmental Protection Agency (EPA) in the past five (5) years for non-compliance with rules, orders, or state statutes? Attach copies of any correspondence with the applicable regulatory agency(ies)

☐ No

☒ Yes

Please see Attachment 9.

19. Explain how the environmental integrity or the land will be impacted or disrupted as a result of the proposed transaction:

There will be no change with respect to environmental integrity or land impact/disruption as a result of the proposed transaction.

20. How will the proposed transaction serve the public interest?

The transaction will serve the public interest by facilitating efficient operation and regulation of all the Aqua Texas systems currently operated in Texas by consolidating them under a single corporate entity, Aqua Texas, Inc., possessing regional water and wastewater CCN numbers. Additionally, recent changes to PUC annual reporting requirements call for filing CCN-specific reports. PUC Staff has specifically expressed a preference that Aqua Texas, Inc. complete this consolidation process started several years ago when CCNs were administered by the TCEQ to facilitate this reporting and to simplify future rate cases. This transaction will bring Aqua Texas, Inc. closer to having its CCNs, systems, and service areas aligned with regional CCN numbers, but does not request a change to existing rates applicable to customers proposed for transfer. Please also see Attachment 1.

21. List all neighboring water or sewer utilities, cities, districts (including ground water conservation districts), counties, or other political subdivisions (including river authorities) providing the same service within two (2) miles from the outer boundary of the requested area affected by the proposed transaction:

Please see Attachment 10.

Part F: TCEQ Public Water System or Sewer (Wastewater) Information

Complete Part F for EACH Public Water or Sewer system to be transferred subject to approval of the transaction. Attach a separate sheet with this information if you need more space for additional systems being transferred.

22. A. For Public Water System (PWS):

TCEQ PWS Identification Number: 2350005 (7 digit ID)

Name of PWS: Brentwood Subdivision

Date of last TCEQ compliance inspection: _____ (attach TCEQ letter)

Subdivisions served: Brentwood Manor and Huntington

B. For Sewer service:

TCEQ Water Quality (WQ) Discharge Permit Number: WQ 0010 - 742001 (8 digit ID)

Name of Wastewater Facility: Brentwood Manor Wastewater Treatment Facility

Name of Permittee: Aqua Texas, Inc.

Date of last TCEQ compliance inspection: _____ (attach TCEQ letter)

Subdivisions served: Brentwood Manor

Date of application to transfer permit submitted to TCEQ: July 1, 2019

23. List the number of existing connections, by meter/connection type, to be affected by the proposed transaction:

Water				Sewer	
	Non-metered		2"	145	Residential
153	5/8" or 3/4"		3"	0	Commercial
	1"		4"	0	Industrial
	1 1/2"		Other	0	Other
Total Water Connections:			153	Total Sewer Connections:	145

24. A. Are any improvements required to meet TCEQ or Commission standards?

☒ No ☐ Yes

B. Provide details on each required major capital improvement necessary to correct deficiencies to meet the TCEQ or Commission standards (attach any engineering reports or TCEQ approval letters):

Description of the Capital Improvement:	Estimated Completion Date:	Estimated Cost:

C. Is there a moratorium on new connections?

☒ No ☐ Yes:

25. Does the system being transferred operate within the corporate boundaries of a municipality?

☒ No ☐ Yes: _____ (name of municipality)

If yes, indicate the number of customers within the municipal boundary.

Water: _____ Sewer: _____

26. A. Does the system being transferred purchase water or sewer treatment capacity from another source?

☒ No ☐ Yes: If yes, attach a copy of purchase agreement or contract.

Capacity is purchased from: _____

Water: _____

Sewer: _____

B. Is the PWS required to purchase water to meet capacity requirements or drinking water standards?

☒ No ☐ Yes

C. What is the amount of water supply or sewer treatment purchased, per the agreement or contract? What is the percent of overall demand supplied by purchased water or sewer treatment (if any)?

	Amount in Gallons	Percent of demand
Water:		0.00%
Sewer:		0.00%

D. Will the purchase agreement or contract be transferred to the Transferee?

☒ No ☐ Yes:

27. Does the PWS or sewer treatment plant have adequate capacity to meet the current and projected demands in the requested area?

☐ No ☒ Yes:

28. List the name, class, and TCEQ license number of the operator that will be responsible for the operations of the water or sewer utility service:

Name (as it appears on license)	Class	License No.	Water or Sewer
See Attachment 12			

Part G: Mapping & Affidavits

ALL applications require mapping information to be filed in conjunction with the STM application.
Read question 29 A and B to determine what information is required for your application.

29. A. For applications requesting to transfer an entire CCN, without a CCN boundary adjustment, provide the following mapping information with each of the seven (7) copies of the application:

1. A general location (small scale) map identifying the requested area in reference to the nearest county boundary, city, or town. The following guidance should be adhered to:
 - i. If the application requests to transfer certificated service areas for both water and sewer, separate maps must be provided for each.
 - ii. A hand drawn map, graphic, or diagram of the requested area is not considered an acceptable mapping document.

- iii. To maintain the integrity of the scale and quality of the map, copies must be exact duplicates of the original map. Therefore, copies of maps cannot be reduced or enlarged from the original map, or in black and white if the original map is in color.

- 2. A detailed (large scale) map identifying the requested area in reference to verifiable man-made and natural landmarks such as roads, rivers, and railroads. The Applicant should adhere to the following guidance:
 - i. The map must be clearly labeled and the outer boundary of the requested area should be marked in reference to the verifiable man-made or natural landmarks. These verifiable man-made or natural landmarks must be labeled and marked on the map as well.
 - ii. If the application requests an amendment for both water and sewer certificated service area, separate maps need to be provided for each.
 - iii. To maintain the integrity of the scale and quality of the map, copies must be exact duplicates of the original map. Therefore, copies of maps cannot be reduced or enlarged from the original map, or in black and white if the original map is in color.
 - iv. The outer boundary of the requested area should not be covered by any labels, roads, city limits or extraterritorial jurisdiction (ETJ) boundaries.

- B. For applications that are requesting to include area not currently within a CCN, or for applications that require a CCN amendment (any change in a CCN boundary), such as the transfer of only a portion of a certificated service area, provide the following mapping information with each of the seven (7) copies of the application:

See
Attachment
11.

- 1. A general location (small scale) map identifying the requested area with enough detail to locate the requested area in reference to the nearest county boundary, city, or town. Please refer to the mapping guidance in part A 1 (above).
- 2. A detailed (large scale) map identifying the requested area with enough detail to accurately locate the requested area in reference to verifiable man-made or natural landmarks such as roads, rivers, or railroads. Please refer to the mapping guidance in part A 2 (above).
- 3. One of the following identifying the requested area:
 - i. A metes and bounds survey sealed or embossed by either a licensed state land surveyor or a registered professional land surveyor. Please refer to the mapping guidance in part A 2 (above);
 - ii. A recorded plat. If the plat does not provide sufficient detail, Staff may request additional mapping information. Please refer to the mapping guidance in part A 2 (above); or
 - iii. Digital mapping data in a shapefile (SHP) format georeferenced in either NAD 83 Texas State Plane Coordinate System (US Feet) or in NAD 83 Texas Statewide Mapping System (Meters). The digital mapping data shall include a single, continuous polygon record. The following guidance should be adhered to:
 - a. The digital mapping data must correspond to the same requested area as shown on the general location and detailed maps. The requested area must be clearly labeled as either the water or sewer requested area.
 - b. A shapefile should include six files (.dbf, .shp, .shx, .sbx, .sbn, and the projection (.prj) file).
 - c. The digital mapping data shall be filed on a data disk (CD or USB drive), clearly labeled, and filed with Central Records. Seven (7) copies of the digital mapping data is also required.

Part H: Notice Information

The following information will be used to generate the proposed notice for the application.

DO NOT provide notice of the application until it is found sufficient and the Applicants are ordered to provide notice.

30. Complete the following using verifiable man-made or natural landmarks such as roads, rivers, or railroads to describe the requested area (to be stated in the notice documents). Measurements should be approximated from the outermost boundary of the requested area:

The total acreage of the requested area is approximately: 174.00

Number of customer connections in the requested area: 75

Affected subdivision : Brentwood Subdivision

The closest city or town: Victoria

Approximate mileage to closest city or town center: 5

Direction to closest city or town: South, West, and East

The requested area is generally bounded on the North by: US 59 Business

on the East by: Holt Road

on the South by: US 59

on the West by: Burroughsville Road

31. A copy of the proposed map will be available at: Aqua Texas, 1106 Clayton Ln, Suite 400 W, Austin, Texas 78723

32. What effect will the proposed transaction have on an average bill to be charged to the affected customers? Take into consideration the average consumption of the requested area, as well as any other factors that would increase or decrease a customer's monthly bill.

☒ All of the customers will be charged the same rates they were charged before the transaction.

☐ All of the customers will be charged different rates than they were charged before the transaction.

☐ higher monthly bill ☐ lower monthly bill

☐ Some customers will be charged different rates than they were charged before
(i.e. inside city limit customers)

☐ higher monthly bill ☐ lower monthly bill

Oath for Transferor (Transferring Entity)

STATE OF TEXAS

COUNTY OF TRAVIS

I, Robert L. Laughman

being duly sworn, file this application for sale,
transfer,

merger, consolidation, acquisition, lease, or
rental, as

Aqua Utilities, Inc.

(owner, member of partnership, title as officer of corporation, or authorized representative)

I attest that, in such capacity, I am qualified and authorized to file and verify such application, am personally familiar with the documents filed with this application, and have complied with all the requirements contained in the application; and, that all such statements made and matters set forth therein with respect to Applicant are true and correct. Statements about other parties are made on information and belief. I further state that the application is made in good faith and that this application does not duplicate any filing presently before the Commission.

I further state that I have been provided with a copy of the 16 TAC § 24.239 Commission rules. I am also authorized to agree and do agree to be bound by and comply with any outstanding enforcement orders of the Texas Commission on Environmental Quality, the Public Utility Commission of Texas or the Attorney General which have been issued to the system or facilities being acquired and recognize that I will be subject to administrative penalties or other enforcement actions if I do not comply.



AFFIANT

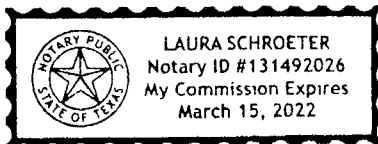
(Utility's Authorized Representative)

If the Affiant to this form is any person other than the sole owner, partner, officer of the Applicant, or its attorney, a properly verified Power of Attorney must be enclosed.

SUBSCRIBED AND SWORN BEFORE ME, a Notary Public in and for the State of Texas

this day the 13 of October, 2020

SEAL



**NOTARY PUBLIC IN AND FOR THE
STATE OF TEXAS**

Laura Schroeter

PRINT OR TYPE NAME OF NOTARY

My commission expires: 03/15/2022

Oath for Transferee (Acquiring Entity)

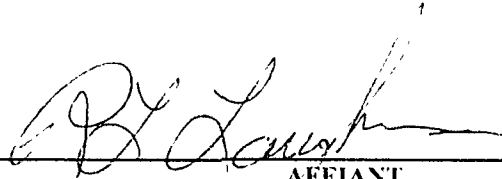
STATE OF TEXAS

COUNTY OF TRAVIS

I, Robert L. Laughman being duly sworn, file this application for sale, transfer, merger, consolidation, acquisition, lease, or rental, as Aqua Texas, Inc
(owner, member of partnership, title as officer of corporation, or authorized representative)

I attest that, in such capacity, I am qualified and authorized to file and verify such application, am personally familiar with the documents filed with this application, and have complied with all the requirements contained in the application; and, that all such statements made and matters set forth therein with respect to Applicant are true and correct. Statements about other parties are made on information and belief. I further state that the application is made in good faith and that this application does not duplicate any filing presently before the Commission.

I further state that I have been provided with a copy of the 16 TAC § 24.239 Commission rules. I am also authorized to agree and do agree to be bound by and comply with any outstanding enforcement orders of the Texas Commission on Environmental Quality, the Public Utility Commission of Texas or the Attorney General which have been issued to the system or facilities being acquired and recognize that I will be subject to administrative penalties or other enforcement actions if I do not comply.

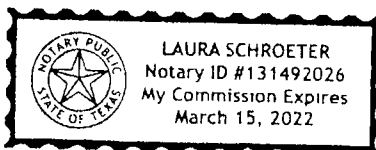


AFFIANT
(Utility's Authorized Representative)

If the Affiant to this form is any person other than the sole owner, partner, officer of the Applicant, or its attorney, a properly verified Power of Attorney must be enclosed.

SUBSCRIBED AND SWORN BEFORE ME, a Notary Public in and for the State of Texas
this day the 13 of October, 2020

SEAL



**NOTARY PUBLIC IN AND FOR THE
STATE OF TEXAS**

Laura Schroeter
PRINT OR TYPE NAME OF NOTARY

My commission expires: 03/15/2022

Aqua Texas’ Application for Sale, Transfer, or Merger of a Retail Public Utility – Brentwood

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ATTACHMENT 1

OVERVIEW

Part A – General Information

1. Describe the proposed transaction, including the effect on all CCNs involved, and provide details on the existing or expected land use in the area affected by the proposed transaction. Attach all supporting documentation, such as a contract, a lease, or proposed purchase agreements.

The proposed transaction that this Application requests approval for involves an asset purchase and acquisition by Aqua Texas, Inc. of the Brentwood Subdivision (“Brentwood”) water system (PWD ID No. 2350005) assets and the Brentwood Manor Wastewater Treatment Facility (“Brentwood”) sewer system (TCEQ Permit No. WQ0010742-001) assets owned and operated by Aqua Utilities, Inc. d/b/a Aqua Texas, and the certificated areas that correspond to those systems. Aqua Texas, Inc. requests that the systems and service areas covered by this application be transferred to Aqua Texas, Inc. for future operation under water CCN No. 13203 and sewer CCN No. 21065 applicable to most of Aqua Texas’ geographic Southeast Region operations. Aqua Utilities, Inc.’s water CCN No. 11157 and sewer CCN No. 20453 should not be canceled until all remaining systems and service areas operating under those numbers are transferred to Aqua Texas, Inc. in other applications.

Both applicants are subsidiaries of Essential Utilities, Inc. (formerly known as Aqua America, Inc.). The transaction strictly involves an asset sale/acquisition/transfer between Essential Utilities, Inc. subsidiaries. While legal ownership and responsibility for the assets will be placed under a different corporate entity, day-to-day utility operations and applicable retail public utility rates will not change as a result of the proposed transaction or this Application.

This Application is seeking to transfer the Brentwood systems to Aqua Texas’ Southeast Region to facilitate Aqua Texas’ regional operations. To complete the consolidation of all Aqua Texas’ Southeast Region systems and service areas under Aqua Texas, Inc. and its water and sewer CCN numbers, additional applications will be necessary under separate cover. Yet, if approved, the transaction proposed in this Application will contribute to consolidation of Aqua Texas’ Southeast Region systems under regional water and sewer CCN numbers.

Aqua Texas, Inc. does not seek to change rates for customers of the systems proposed for transfer in this Application, but Aqua Texas, Inc. plans to operate the particular systems proposed for transfer as part of its Southeast Region and include them, along with their respective service areas, under Aqua Texas, Inc.’s established Southeast Region water and sewer CCN numbers primarily because of location considerations. These particular systems are located in Victoria County,

Texas. Since its last regional base rate filings, Aqua Utilities, Inc. has found that it is most efficient to use personnel from its Southeast Region operations for these systems since acquiring other systems located nearby in Wharton County, Texas, in 2011. Therefore, Aqua Texas, Inc. seeks to include these systems under its Southeast Region CCNs in anticipation of seeking alignment of these systems with other Southeast Region systems for ratemaking purposes in a future base rate application. In the meantime, this CCN arrangement would facilitate alignment between Aqua Texas, Inc.'s Southeast Region operations and reporting.

The executed documents that support the proposed transaction are included in **Attachment 2**. Final documents evidencing closing of the transaction will be prepared if the Commission provides approval for the transaction to close. Existing land uses in the areas affected by the application are residential. Existing land uses are not anticipated to change as a result of the proposed transaction in this Application.

Aqua's experience in providing continuous and adequate service:

Aqua Texas, Inc. is a subsidiary of Essential Utilities, Inc. f/k/a Aqua America, Inc., one of the largest publicly traded water utilities in America. Aqua Texas, Inc. currently holds CCN Nos. 13201 and 21059 applicable to its North Region systems, 13203 and 21065 applicable to its Southeast Region systems, and 13254 and 21116 applicable to nearly all its Southwest Region systems.. Aqua Texas, Inc. and, Aqua Utilities, Inc. (collectively, "Aqua") currently operate more than 375 water and sewer systems in Texas. While Aqua Texas, Inc. is a distinct Essential Utilities, Inc. subsidiary from Aqua Utilities, Inc. and its subsidiaries, Aqua Texas, Inc. will use the same experienced management and staff after the proposed transfer. Aqua Texas, Inc. will continue to possess the financial ability to make all necessary repairs and improvements to the transferred water and wastewater systems needed to keep them in compliance with PUC and TCEQ requirements.

In addition to implementing action items under an extensive Agreed Compliance Order inherited in 2003 from Aqua predecessors, Aqua has diligently worked to implement other needed improvements for systems it has acquired over the years. Aqua has also acquired systems from prior owners who did not fully implement needed improvements with the aim of resolving those issues and improving the quality of service for customers. While Aqua has made good faith efforts to proactively address such issues, Aqua entities have occasionally received notices of violation from TCEQ before an issue was addressed. In these instances, Aqua has worked with TCEQ to resolve the issue and will continue that practice following the proposed transaction.

AQUA UTILITIES, INC
Unanimous Consent of Sole Shareholder
October 1, 2017

THE UNDERSIGNED, being the sole shareholder ("Shareholder") of **Aqua Utilities, Inc.** (the "Company"), a Texas corporation, in accordance with the authority contained in the Bylaws of the Company and the laws of the State of Texas, hereby consents in writing that the following Resolution shall have the same force and effect as if adopted at a Special Meeting of the Shareholders of the Company, duly called and held in accordance with the law and such Bylaws of the Company:

WHEREAS, the Shareholder, after due consideration, believes that it is in the best interest of the Company to transfer all the Company's assets within the State of Texas and that are used and useful in the provision of regulated water and wastewater services ("Assets") to its affiliate company, **Aqua Texas, Inc.**; and

WHEREAS, Aqua Texas agrees to accept the Assets and to assume sole and complete responsibility for delivering the regulated water and wastewater services now provided by the Company;

NOW, THEREFORE, BE IT

RESOLVED, the Plan and Agreement of Asset Transfer between the Company and Aqua Texas, Inc. which is attached hereto as **Exhibit A** as a "Plan of Reorganization" within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended, and the regulations there under, is approved and the Company is authorized to take such action that will cause the transfer to qualify as a reorganization under Section 368(a) (1) (A) of the Code.

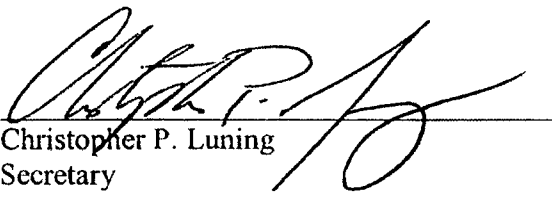
IN WITNESS WHEREOF, this Unanimous Consent of the Sole Shareholder has been executed as of the day and year set forth above.

AQUA AMERICA, INC.

By: 

Christopher H. Franklin
Chief Executive Officer

FILED with the undersigned as Secretary of the Company as of the day and year set forth above.


Christopher P. Luning
Secretary

AQUA TEXAS, INC
Unanimous Consent of Sole Shareholder
October 1, 2017

THE UNDERSIGNED, being the sole shareholder ("Shareholder") of **Aqua Texas, Inc.** (the "Company"), a Texas corporation, in accordance with the authority contained in the Bylaws of the Company and the laws of the State of Texas, hereby consents in writing that the following Resolutions shall have the same force and effect as if adopted at a Special Meeting of the Shareholders of the Company, duly called and held in accordance with the law and such Bylaws of the Company:

WHEREAS, the Shareholder, after due consideration, believes it is in the best interests of the Company to accept the transfer all of the Texas based assets of its affiliate, **Aqua Utilities, Inc.** that are used and useful in the provision of regulated water and wastewater services ("Assets"); and

WHEREAS, the Company agrees to accept the Assets and assume sole and complete responsibility for delivering the regulated water and wastewater services now provided by Aqua Utilities, Inc.;

NOW, THEREFORE, BE IT

RESOLVED, the Plan and Agreement of Asset Transfer between the Company and Aqua Utilities, Inc. which is attached hereto as **Exhibit A** as a "Plan of Reorganization" within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended, and the regulations there under, is approved and the Company is authorized to take such action that will cause the transfer to qualify as a reorganization under Section 368(a) (1) (A) of the Code; and it is

FURTHER RESOLVED, that the Officers of Company are hereby authorized and empowered to do all things necessary to carry out the actions authorized by these Resolutions, including but not limited to the execution of all necessary and required

documents including without limitation the Plan and Agreement of Asset Transfer and a Bill of Sale;

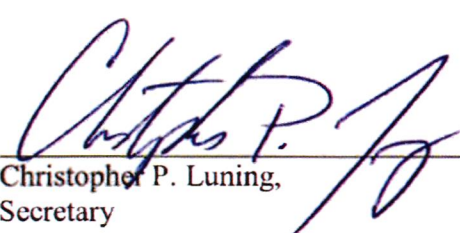
IN WITNESS WHEREOF, this Unanimous Consent of the Sole Shareholder has been executed as of the day and year set forth above.

AQUA AMERICA, INC.

By: 

Christopher H. Franklin
Chief Executive Officer

FILED with the undersigned as Secretary of the Company as of the day and year set forth above.


Christopher P. Luning,
Secretary

PLAN AND AGREEMENT OF ASSET TRANSFER

**between
AQUA UTILITIES, INC.
and
AQUA TEXAS, INC.**

THIS Plan and Agreement of Asset Transfer ("Plan of Transfer"), dated as of the 1st day of October, 2017 is made by and between, **Aqua Utilities, Inc.**, a Texas corporation (the "Company"), and **Aqua Texas, Inc.**, a Texas corporation ("Aqua Texas"), collectively the "Parties".

WITNESSETH:

WHEREAS, both the Company and Aqua Texas are wholly owned subsidiaries of Aqua America, Inc., ("Ultimate Parent"), a Pennsylvania Corporation;

WHEREAS, the Company desires to transfer to Aqua Texas, and Aqua Texas desires to acquire from the Company all of the assets that are used or useful in the provision of regulated water service ("Water Service Business") for all regulated water systems owned by Company within the State of Texas (the "Water Service Territory"); and

WHEREAS, the Company desires to transfer to Aqua Texas, and Aqua Texas desires to acquire from the Company all of the assets that are used or useful in the provision of regulated wastewater service ("Wastewater Business") for all regulated wastewater collection and treatment systems owned by Company within the State of Texas (the "Wastewater Service Territory");

WHEREAS, Aqua Texas will assume all of the liabilities, rights and obligations of both the Water Service Business and the Wastewater Business (collectively "Assumed Obligations") in exchange for the transfer of all of Company's assets within the Water Service Territory and the Wastewater Service Territory;

NOW THEREFORE, in consideration of the covenants made herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereto, intending to be legally bound hereby, agree as follows:

1. In consideration of Aqua Texas' assuming all of the Assumed Obligations of the Water Service Business and to fully perform all of the obligations of the Company related to the Water Service Business, the Company will grant, convey, assign, transfer and deliver to Aqua Texas all of the assets (whether real or personal, tangible or intangible) which are located within the State of Texas and which are used or useful in the Water Service Business, as further described in a Bill of Sale, Assignment and Assumption Agreement and Quitclaim Deeds to be executed by the Company.

2. Aqua Texas hereby agrees to acquire from the Company all of the assets that are used and useful in Water Service Business within the Water Service Territory, to assume all Assumed Obligations in connection with such Water Service Business and to fully perform all of the Assumed Obligations of the Company related to the Water Service Business.

3. In consideration of Aqua Texas' assuming all of the Company's Assumed Obligations incurred in connection with the Wastewater Service Business and its agreement to fully perform all of the Assumed Obligations of the Company related to the Wastewater Service Business, the Company will grant, convey, assign, transfer and deliver to Aqua Texas all of the assets (whether real or personal, tangible or intangible) which are located within the State of Texas and which are used or useful in the Wastewater Service Business, as further described in a Bill of Sale, an Assignment and Assumption Agreement and quitclaim deeds to be executed by the Company.

4. Aqua Texas hereby agrees to acquire from the Company all of the assets which are used and useful in the Wastewater Service Business within the Wastewater Service Territory, to assume all Assumed Obligations incurred in connection with such Wastewater Service Business and to fully perform all of the Assumed Obligations of the Company related to the Wastewater Service Business.

5. Each party shall execute and deliver, upon request, any further documentation and instruments, including but not limited to the Bill of Sale, Assignment and Assumption Agreement and the quitclaim deeds ("Closing Documents"), and shall do and perform any such acts, as may be reasonably necessary to give full effect to the intent of this Plan of Transfer.

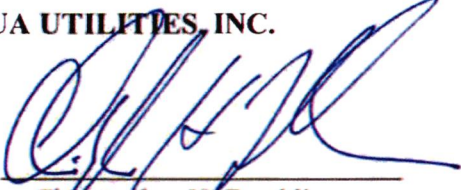
6. This transaction shall be effective upon the date of its execution, but shall be contingent upon; 1) final approval of transactions covered within this Plan of Transfer by the Public Utility Commission of Texas; 2) the approval of the Board of Directors of both Parties to this Plan of Transfer; and 3) the consent of the Sole Shareholder of both Parties to this Plan of Transfer.

7. The transactions necessary to execute this Plan of Transfer shall not become effective until after: (1) the Public Utility Commission of Texas ("PUC") provides approval to complete the transactions in accordance with TEX. WATER CODE § 13.301; and (2) the Closing Documents are finally executed. The effective date of the transactions shall be the date the Closing Documents are finally executed, but all the transactions shall be contingent upon final PUC approval in accordance with TEX. WATER CODE § 13.301. Further, the effectiveness of the transactions necessary to execute this Plan of Transfer shall be contingent upon Aqua Texas' receipt of all appropriate regulatory approvals required by law and necessary to effectively transfer the Company's permits and all assets that are used and useful in the Water Service Business and Wastewater Business.

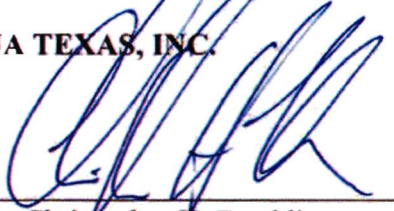
8. This Plan of Transfer shall be governed by the laws of the State of Texas and shall be binding upon and inure to the benefit of the Parties and their respective successors and assigns.

9. This Plan of Transfer may be executed in any number of counterparts, and all such counterparts and copies shall be and constitute one original instrument.

AQUA UTILITIES, INC.

By: 
Name: Christopher H. Franklin
Title: Chief Executive Officer

AQUA TEXAS, INC.

By: 
Name: Christopher H. Franklin
Title: Chief Executive Officer

AQUA UTILITIES, INC.
Unanimous Consent of Directors
October 1, 2017

THE UNDERSIGNED, the members of the Board of Directors of **Aqua Utilities, Inc.** (the “Company”), a Texas corporation, in accordance with the authority contained in the Bylaws of the Company and the laws of the State of Texas, does hereby consent in writing that the following Resolutions shall have the same force and effect as if adopted at a Special Meeting of the Board of Directors of the Company, duly called and held in accordance with the law and such Bylaws of the Company:

WHEREAS, the Director, after due consideration, believe that it is in the best interest of the Company to transfer all its assets within the State of Texas and that are used and useful in the provision of regulated water and wastewater services (“Assets”) to its affiliate company, **Aqua Texas, Inc.**; and

WHEREAS, Aqua Texas, Inc. agrees to assume sole and complete responsibility for the provision of water and wastewater utility services now provided by the Company;

NOW, THEREFORE, BE IT

RESOLVED, the Plan and Agreement of Asset Transfer between the Company and Aqua Texas, Inc. which is attached hereto as **Exhibit A** as a “Plan of Reorganization” within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended, and the regulations there under, is approved and the Company is authorized to take such action that will cause the transfer to qualify as a reorganization under Section 368(a) (1) (A) of the Code; and it is

FURTHER RESOLVED, that the Officers of Company are hereby authorized and empowered to do all things necessary to carry out the actions authorized by these Resolutions, including but not limited to the execution of all necessary and required documents including without limitation the execution of the Plan and Agreement of Asset Transfer and a Bill of Sale.

IN WITNESS WHEREOF, this Unanimous Consent of the Director has been executed as of the day and year set forth above.

AQUA UTILITIES, INC.

By: 

Christopher H. Franklin

By: 

David P. Smeltzer

By: 

Christopher P. Luning

By: 

Richard S. Fox

By: 

Robert L. Laughman

By: 

Daniel J. Schuller

FILED with the undersigned as Secretary of Aqua Utilities, Inc. as of the day and year set forth above.

Christopher P. Luning, Secretary

AQUA TEXAS, INC.
Unanimous Consent of Directors
October 1, 2017

THE UNDERSIGNED, the members of the Board of Directors of **Aqua Texas, Inc.** (the “Company”), a Texas corporation, in accordance with the authority contained in the Bylaws of the Company and the laws of the State of Texas, do hereby consent in writing that the following Resolutions shall have the same force and effect as if adopted at a Special Meeting of the Board of Directors of the Company, duly called and held in accordance with the law and such Bylaws of the Company:

WHEREAS, the Directors, after due consideration, believe that it is in the best interests of the Company to accept the transfer from its affiliate, **Aqua Utilities, Inc.**, of all of affiliate’s assets within the State of Texas and that are used and useful in the provision of regulated water and wastewater services (“Assets”) to its affiliate company; and

WHEREAS, the Company wishes to assume sole and complete responsibility for the provision of water and wastewater utility services now provided by Aqua Utilities, Inc.;

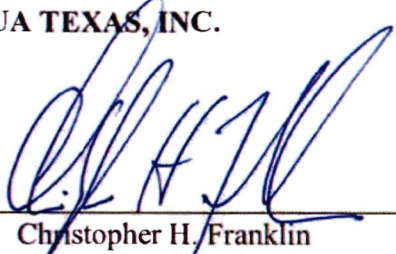
NOW, THEREFORE, BE IT

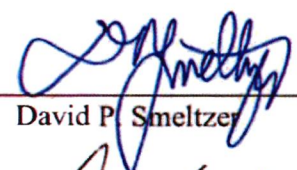
RESOLVED, the Plan and Agreement of Asset Transfer between the Company and Aqua Utilities, Inc. which is attached hereto as **Exhibit A** as a “Plan of Reorganization” within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended, and the regulations there under, is approved and the Company is authorized to take such action that will cause the transfer to qualify as a reorganization under Section 368(a) (1) (A) of the Code; and it is

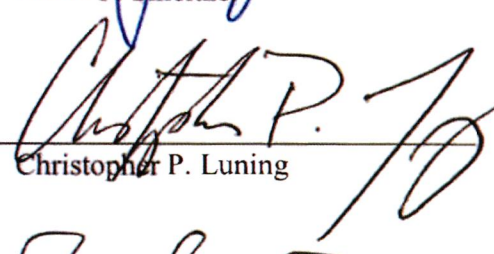
FURTHER RESOLVED, that the Officers of Company are hereby authorized and empowered to do all things necessary to carry out the actions authorized by these Resolutions, including but not limited to the execution of all necessary and required documents including without limitation the execution of the Plan and Agreement of Asset Transfer and a Bill of Sale.

IN WITNESS WHEREOF, this Unanimous Consent of the Directors has been executed as of the day and year set forth above.

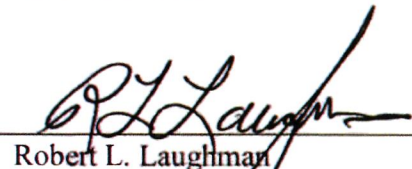
AQUA TEXAS, INC.

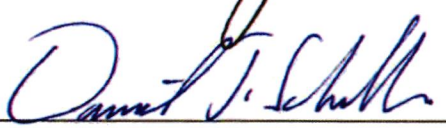
By: 
Christopher H. Franklin

By: 
David P. Smeltzer

By: 
Christopher P. Luning

By: 
Richard S. Fox

By: 
Robert L. Laughman

By: 
Daniel J. Schuller

FILED with the undersigned as Secretary of Aqua Texas, Inc. as of the day and year set forth above.

Christopher P. Luning, Secretary

OFFICERS OF AQUA TEXAS, INC.

Christopher H. Franklin	Chief Executive Officer
Richard S. Fox	EVP, Chief Operating Officer, Regulated Operations
Matthew Rhodes	EVP, Strategy & Corporate Development
Daniel J. Schuller	EVP, Chief Financial Officer
Christopher P. Luning	EVP, General Counsel and Secretary
Robert A. Rubin	SVP, CAO, Controller and Assistant Treasurer
Susan F. Haindl	SVP, Chief Administrative Officer
Christina L. Kelly	SVP, Chief Human Resources Officer
Robert L. Laughman	President

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Shareholders of Essential Utilities, Inc.

Opinions on the Financial Statements and Internal Control over Financial Reporting

We have audited the accompanying consolidated balance sheets, including the consolidated statements of capitalization, of Essential Utilities, Inc. and its subsidiaries (the “Company”) as of December 31, 2019 and 2018, and the related consolidated statements of net income, comprehensive income, equity, and cash flows for each of the three years in the period ended December 31, 2019, including the related notes and schedule of condensed parent company financial statements as of December 31, 2019 and 2018 and for each of the three years in the period ended December 31, 2019 appearing after the signature pages (collectively referred to as the “consolidated financial statements”). We also have audited the Company's internal control over financial reporting as of December 31, 2019, based on criteria established in *Internal Control - Integrated Framework* (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2019 and 2018, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2019 in conformity with accounting principles generally accepted in the United States of America. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2019, based on criteria established in *Internal Control - Integrated Framework* (2013) issued by the COSO.

Basis for Opinions

The Company's management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in Management's Report on Internal Control Over Financial Reporting appearing under Item 9A. Our responsibility is to express opinions on the Company's consolidated financial statements and on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with

generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Critical Audit Matters

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that (i) relates to accounts or disclosures that are material to the consolidated financial statements and (ii) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Rate Regulation and Regulatory Accounting

As described in Notes 1 and 6 to the consolidated financial statements, most of the operating companies of the Company that are regulated public utilities are subject to regulation by the utility commissions of the states in which they operate. Some of the operating companies that are regulated public utilities are subject to rate regulation by county or city government. As of December 31, 2019, regulatory assets were \$878 million and regulatory liabilities were \$518 million. Regulated public utilities follow the Financial Accounting Standards Board's (FASB) accounting guidance for regulated operations, which provides for the recognition of regulatory assets and liabilities as allowed by regulators for costs or credits that are reflected in current rates or are considered probable of being included in future rates. The regulatory assets represent costs that are probable to be fully recovered from customers in future rates while regulatory liabilities represent amounts that are expected to be refunded to customers in future rates or amounts recovered from customers in advance of incurring the costs. The regulatory assets or liabilities are then relieved as the cost or credit is reflected in the Company's rates charged for utility service. If, as a result of a change in circumstances, it is determined that the regulated operating companies no longer meets the criteria to apply regulatory accounting, the operating company would have to discontinue regulatory accounting and write-off the respective regulatory assets and liabilities. Management makes significant judgments and estimates to record regulatory assets and liabilities. For each regulatory jurisdiction with regulated operations, management evaluates at the end of each reporting period, whether the regulatory assets and liabilities continue to meet the probable criteria for future recovery or refund. The evaluation considers factors such as regulatory orders or guidelines, in the same regulatory jurisdiction, of a specific matter or a similar matter, as provided to the Company in the past or to other regulated utilities. In addition, the evaluation may be impacted by changes in the regulatory environment and pending or new legislation that could impact the ability to recover costs through regulated rates. There may be multiple participants to rate or transactional regulatory proceedings who might offer different views on various aspects of such proceedings, and in these instances may challenge our prudence of business policies and practices, seek cost disallowances or request other relief.

The principal considerations for our determination that performing procedures relating to the Company's rate regulation and regulatory accounting is a critical audit matter are there was significant judgment by management in assessing the potential outcomes and related accounting impacts associated with pending rate cases which in turn led to a high degree of

auditor judgment, subjectivity and effort in performing procedures and evaluating audit evidence obtained related to the recovery of regulatory assets and the refund of regulatory liabilities.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included testing the effectiveness of controls relating to management's evaluation of regulatory matters impacting regulatory assets and liabilities. These procedures also included, among others (i) obtaining the Company's correspondence with regulators and assessing the reasonableness of management's judgments regarding the probability of recovery of regulatory assets and refund of regulatory liabilities in light of correspondence with regulators, among other factors, (ii) assessing the reasonableness of management's judgments regarding new and updated regulatory guidance and proceedings and the related accounting implications, and (iii) testing the calculation of regulatory assets and liabilities based on provisions and formulas outlined in regulatory orders and other correspondence.

A handwritten signature in black ink, appearing to read "PricewaterhouseCoopers LLP", is written in a cursive, flowing style.

Philadelphia, Pennsylvania
February 28, 2020

We have served as the Company's auditor since 2000.

ESSENTIAL UTILITIES, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(In thousands of dollars, except per share amounts)

		December 31	
		2019	2018
Assets			
Property, plant and equipment, at cost	\$	8,201,936	\$ 7,648,469
Less accumulated depreciation		1,856,146	1,718,143
Net property plant and equipment		6,345,790	5,930,326
Current assets			
Cash and cash equivalents		1,868,922	3,627
Accounts receivable net		67,137	65,825
Unbilled revenues		40,483	35,400
Inventory, materials and supplies		18,379	15,844
Prepayments and other current assets		16,259	23,337
Assets held for sale		1,558	3,139
Total current assets		2,012,738	147,172
Regulatory assets		878,132	788,076
Deferred charges and other assets net		42,652	39,237
Investment in joint venture		5,984	6,959
Goodwill		63,822	52,726
Operating lease right-of-use assets		12,867	-
Total assets	\$	9,361,985	\$ 6,964,496
Liabilities and Equity			
Essential Utilities stockholders' equity			
Common stock at \$0.50 par value, authorized 300,000,000 shares, issued 223,871,284 and 181,151,827 as of December 31, 2019 and December 31, 2018	\$	111,935	\$ 90,576
Capital in excess of par value		2,636,555	820,378
Retained earnings		1,210,072	1,174,245
Treasury stock, at cost, 3,112,565 and 3,060,206 shares as of December 31, 2019 and December 31, 2018		(77,702)	(75,835)
Total stockholders' equity		3,880,860	2,009,364
Long-term debt, excluding current portion		2,972,349	2,419,115
Less debt issuance costs		29,022	20,651
Long-term debt, excluding current portion, net of debt issuance costs		2,943,327	2,398,464
Commitments and contingencies (See Note 9)			
Current liabilities			
Current portion of long-term debt		105,051	144,515
Loans payable		25,724	15,449
Accounts payable		74,919	77,331
Bank overdraft		10,944	8,950
Accrued interest		29,818	23,300
Accrued taxes		22,775	22,234
Interest rate swap agreements		-	59,779
Other accrued liabilities		49,618	47,389
Total current liabilities		318,849	398,977
Deferred credits and other liabilities			
Deferred income taxes and investment tax credits		936,158	845,403
Customers' advances for construction		95,556	93,343
Regulatory liabilities		517,599	531,027
Operating lease liabilities		11,645	-
Other		102,465	97,182
Total deferred credits and other liabilities		1,663,423	1,566,955
Contributions in aid of construction		555,526	590,736
Total liabilities and equity	\$	9,361,985	\$ 6,964,496

See accompanying notes to consolidated financial statements

ESSENTIAL UTILITIES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF NET INCOME
(In thousands, except per share amounts)

	Years ended December 31,		
	2019	2018	2017
Operating revenues	\$ 889,692	\$ 838,091	\$ 809,525
Operating expenses:			
Operations and maintenance	333,102	308,478	282,253
Depreciation	158,179	146,032	136,302
Amortization	(1,703)	641	422
Taxes other than income taxes	59,955	59,762	56,628
Total operating expenses	549,533	514,913	475,605
Operating income	340,159	323,178	333,920
Other expense (income):			
Interest expense	125,383	99,054	88,543
Interest income	(25,406)	(152)	(202)
Allowance for funds used during construction	(16,172)	(13,023)	(15,211)
Change in fair value of interest rate swap agreements	23,742	59,779	-
Loss on debt extinguishment	18,528	-	-
Gain on sale of other assets	(923)	(714)	(484)
Equity earnings in joint venture	(2,210)	(2,081)	(331)
Other	5,691	1,996	4,953
Income before income taxes	211,526	178,319	256,652
Provision for income taxes (benefit)	(13,017)	(13,669)	16,914
Net income	\$ 224,543	\$ 191,988	\$ 239,738
Net income per common share:			
Basic	\$ 1.04	\$ 1.08	\$ 1.35
Diluted	\$ 1.04	\$ 1.08	\$ 1.35
Average common shares outstanding during the period:			
Basic	215,550	177,904	177,612
Diluted	215,931	178,399	178,175

See accompanying notes to consolidated financial statements.

ESSENTIAL UTILITIES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In thousands of dollars)

	Years ended December 31,		
	2019	2018	2017
Net income	\$ 224,543	\$ 191,988	\$ 239,738
Other comprehensive income, net of tax:			
Unrealized holding gain on investments, net of tax expense of \$102	-	-	191
Comprehensive income	<u>\$ 224,543</u>	<u>\$ 191,988</u>	<u>\$ 239,929</u>

See accompanying notes to consolidated financial statements.

ESSENTIAL UTILITIES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CAPITALIZATION
(In thousands of dollars, except per share amounts)

	December 31,	
	2019	2018
Essential Utilities stockholders' equity:		
Common stock, \$0.50 par value	\$ 111,935	\$ 90,576
Capital in excess of par value	2,636,555	820,378
Retained earnings	1,210,072	1,174,245
Treasury stock, at cost	(77,702)	(75,835)
Accumulated other comprehensive income	-	-
Total stockholders' equity	3,880,860	2,009,364
Long-term debt of subsidiaries (substantially collateralized by utility plant):		
Interest Rate Range	Maturity Date Range	
0.00% to 0.99%	2020 to 2033	3,474
1.00% to 1.99%	2020 to 2039	10,733
2.00% to 2.99%	2024 to 2033	15,674
3.00% to 3.99%	2020 to 2056	655,685
4.00% to 4.99%	2020 to 2059	1,054,791
5.00% to 5.99%	2028 to 2043	60,683
6.00% to 6.99%	2026 to 2036	31,000
7.00% to 7.99%	2022 to 2027	30,751
8.00% to 8.99%	2021 to 2025	5,026
9.00% to 9.99%	2020 to 2026	19,300
		1,887,117
Notes payable to bank under revolving credit agreement, variable rate, due 2023	-	370,000
Unsecured notes payable:		
Bank note at 2.48% due 2019	-	50,000
Bank note at 3.50% due 2020	50,000	50,000
Amortizing notes at 3.00% due 2022	99,356	-
Notes ranging from 3.01% to 3.59%, due 2029 through 2041	490,000	245,000
Notes at 4.28%, due 2049	500,000	112,000
Notes ranging from 5.64% to 5.95%, due 2020 through 2034	50,927	132,427
Total long-term debt	3,077,400	2,563,660
Current portion of long-term debt	105,051	144,545
Long-term debt, excluding current portion	2,972,349	2,419,115
Less: debt issuance costs	29,022	20,651
Long-term debt, excluding current portion, net of debt issuance costs	2,943,327	2,398,464
Total capitalization	\$ 6,824,187	\$ 4,407,828

See accompanying notes to consolidated financial statements.

ESSENTIAL UTILITIES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF EQUITY
(In thousands of dollars, except per share amounts)

	Common stock	Capital in excess of par value	Retained earnings	Treasury stock	Accumulated Other Comprehensive Income	Total
Balance at December 31, 2016	\$ 90,155	\$ 797,513	\$ 1,032,844	\$ (71,113)	\$ 669	\$ 1,850,068
Net income	-	-	239,738	-	-	239,738
Other comprehensive income, net of income tax of \$102	-	-	-	-	191	191
Dividends declared (\$0.7920 per share)	-	-	(140,660)	-	-	(140,660)
Issuance of common stock under dividend reinvestment plan (45,121 shares)	23	1,430	-	-	-	1,453
Repurchase of stock (69,339 shares)	-	-	-	(2,167)	-	(2,167)
Equity compensation plan (169,258 shares)	85	(85)	-	-	-	-
Exercise of stock options (174,527 shares)	87	2,786	-	-	-	2,873
Stock-based compensation	-	6,342	(348)	-	-	5,994
Cumulative effect of change in accounting principle - windfall tax benefit	-	-	982	-	-	982
Other	-	(851)	-	-	-	(851)
Balance at December 31, 2017	90,350	807,135	1,132,556	(73,280)	860	1,957,621
Net income	-	-	191,988	-	-	191,988
Dividends declared (\$0.8474 per share)	-	-	(150,736)	-	-	(150,736)
Issuance of common stock under dividend reinvestment plan (158,205 shares)	79	5,084	-	-	-	5,163
Repurchase of stock (73,898 shares)	-	-	-	(2,555)	-	(2,555)
Equity compensation plan (201,563 shares)	101	(101)	-	-	-	-
Exercise of stock options (91,808 shares)	46	1,413	-	-	-	1,459
Stock-based compensation	-	7,567	(423)	-	-	7,144
Cumulative effect of change in accounting principle - financial instruments	-	-	860	-	(860)	-
Other	-	(720)	-	-	-	(720)
Balance at December 31, 2018	90,576	820,378	1,174,245	(75,835)	-	2,009,364
Net income	-	-	224,543	-	-	224,543
Dividends declared (\$0.9066 per share)	-	-	(188,512)	-	-	(188,512)
Stock issued to finance acquisition (37,370,017 shares)	18,685	1,244,414	-	-	-	1,263,099
Proceeds from stock purchase contracts issued under tangible equity units	-	557,389	-	-	-	557,389
Issuance of common stock from stock purchase contracts (4,846,601 shares)	2,423	(2,423)	-	-	-	-
Issuance of common stock under dividend reinvestment plan (236,666 shares)	118	8,841	-	-	-	8,959
Repurchase of stock (52,359 shares)	-	-	-	(1,867)	-	(1,867)
Equity compensation plan (146,867 shares)	73	(73)	-	-	-	-
Exercise of stock options (119,306 shares)	60	1,838	-	-	-	1,898
Stock-based compensation	-	7,368	(204)	-	-	7,164
Other	-	(1,177)	-	-	-	(1,177)
Balance at December 31, 2019	\$ 111,935	\$ 2,636,555	\$ 1,210,072	\$ (77,702)	\$ -	\$ 3,880,860

See accompanying notes to consolidated financial statements

ESSENTIAL UTILITIES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands of dollars)

	Years ended December 31,		
	2019	2018	2017
Cash flows from operating activities:			
Net income	\$ 224,543	\$ 191,988	\$ 239,738
Adjustments to reconcile net income to net cash flows from operating activities:			
Depreciation and amortization	156,476	146,673	136,724
Deferred income taxes	(10,436)	(14,950)	13,780
Provision for doubtful accounts	5,306	5,305	4,986
Stock-based compensation	7,368	7,567	6,342
(Gain) loss on sale of utility system and market-based business unit	(405)	-	774
Loss on interest rate swap agreements	23,742	59,779	-
Loss on debt extinguishment	18,528	-	-
Settlement of interest rate swap agreements	(83,520)	-	-
Gain on sale of other assets	(923)	(714)	(484)
Net change in receivables, inventory and prepayments	(4,335)	(18,024)	(6,458)
Net change in payables, accrued interest, accrued taxes and other accrued liabilities	5,108	567	(763)
Pension and other postretirement benefits contributions	(8,597)	(14,216)	(16,240)
Other	5,668	4,547	2,919
Net cash flows from operating activities	338,523	368,522	381,318
Cash flows from investing activities:			
Property, plant and equipment additions, including the debt component of allowance for funds used during construction of \$4,231, \$3,332, and \$3,578	(550,273)	(495,737)	(478,089)
Acquisitions of utility systems and other, net	(59,687)	(145,693)	(5,860)
Net proceeds from the sale of utility systems and other assets	2,893	716	1,342
Other	2,464	899	2,223
Net cash flows used in investing activities	(604,603)	(639,815)	(480,384)
Cash flows from financing activities:			
Customers' advances and contributions in aid of construction	9,092	7,458	7,312
Repayments of customers' advances	(6,825)	(6,217)	(6,536)
Net proceeds (repayments) of short-term debt	10,275	11,799	(2,885)
Proceeds from long-term debt	1,434,506	1,331,868	591,024
Repayments of long-term debt	(1,048,471)	(914,125)	(359,068)
Extinguishment of long-term debt	(25,237)	-	-
Change in cash overdraft position	1,993	(12,678)	9,012
Proceeds from issuance of common stock under dividend reinvestment plan	8,959	5,163	1,453
Proceeds from stock issued to finance acquisition	1,263,099	-	-
Proceeds from tangible equity unit issuance	673,642	-	-
Proceeds from exercised stock options	1,898	1,459	2,873
Repurchase of common stock	(1,867)	(2,555)	(2,167)
Dividends paid on common stock	(188,512)	(150,736)	(140,660)
Other	(1,177)	(720)	(851)
Net cash flows from financing activities	2,131,375	270,716	99,507
Net increase (decrease) in cash and cash equivalents	1,865,295	(577)	441
Cash and cash equivalents at beginning of year	3,627	4,204	3,763
Cash and cash equivalents at end of year	\$ 1,868,922	\$ 3,627	\$ 4,204
Cash paid during the year for:			
Interest, net of amounts capitalized	\$ 89,228	\$ 93,630	\$ 81,771
Income taxes	970	2,103	3,177
Non-cash investing activities:			
Property, plant and equipment additions purchased at the period end, but not yet paid	\$ 60,628	\$ 65,285	\$ 45,385
Non-cash utility property contributions	30,693	24,660	39,220

See accompanying notes to consolidated financial statements.

Refer to Note 2 – *Acquisitions*, Note 11 – *Long-term Debt and Loans Payable*, and Note 15 – *Employee Stock and Incentive Plan* for a description of non-cash activities.

Customer Deposit Report

Company	Customer	Premises	Deposit Date	Deposit Balance	Interest Balance	Deposit and Interest Balance	Transfer
1317167	913119	654492	12/13/2016	50.00	0.51	50.51	Brentwood
1317167	957681	687047	7/26/2005	100.00	1.27	101.27	Brentwood
1317167	960783	689380	4/13/2000	87.90	1.12	89.02	Brentwood
1317167	960823	689412	8/15/2001	100.00	1.27	101.27	Brentwood
1317167	960998	689548	6/9/2009	50.00	0.66	50.66	Brentwood
1317167	967252	694286	6/9/2015	50.00	0.60	50.60	Brentwood
1317167	1567902	681146	10/17/2014	50.00	0.89	50.89	Brentwood
1317167	1622301	676148	2/1/2011	50.00	0.66	50.66	Brentwood
1317167	2342886	689638	1/12/2018	50.00	0.25	50.25	Brentwood
1317167	2346170	654118	12/15/2017	50.00	0.28	50.28	Brentwood
1317167	2385959	692132	12/1/2017	50.00	0.30	50.30	Brentwood
2317001	967252	694286	6/9/2015	50.00	0.60	50.60	Brentwood
2317168	960998	689548	6/9/2009	50.00	0.66	50.66	Brentwood
2317168	1567902	681146	10/17/2014	50.00	0.89	50.89	Brentwood
2317168	2342886	689638	1/12/2018	50.00	0.25	50.25	Brentwood
2317168	2346170	654118	12/15/2017	50.00	0.28	50.28	Brentwood
2317168	2385959	692132	12/1/2017	50.00	0.30	50.30	Brentwood
				987.90	10.79	998.69	

Customer Deposit Report

Customer Deposit Report

Accounting Entry Explanation and Asset Listing as of December 31, 2019.

All assets proposed for transfer have already been purchased by Aqua America, Inc. subsidiaries in Texas. The transaction simply proposes to transfer the assets to a different Aqua America, Inc. subsidiary, Aqua Texas, Inc., at current values as reflected on the consolidated Aqua Texas books.

asset_id	Sewer	Transfer From	Transfer To	gl_account	NARUC Acct	asset_description
7928511	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	304.40	Misc Site Work & Access Road
7928489	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	304.30	1-8'X10' Precast Concrete Pump House w/2-Berkely Booster Pumps (150gpm) & Electrical
7870346	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	304.30	Standard Chain Link Fence w/Gate, 3 strand BW
7866143	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	304.30	20x20 Sheet Metal Building for pumps
7866132	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	304.30	20x10 Aluminum Siding Building, office
7845700	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	304.50	Survey-Water Plant,Hidden Lake,AAD Development Water
11252790	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	320.30	Repair CL2 System, Brentwood, 2/24/12
7928531	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	320.30	1-Gas Chlorinator & Leak Detection Equipment
7923927	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	320.30	Replaced CL2 Ejector, 10/21/10, Brentwood
7900634	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	320.30	Scale
7900625	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	320.30	Gas Chlorinator
7943992	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	348.50	Other Tangible Property AAD Development
7916511	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	348.50	OTHER TANGIBLE PROPERTY HIDDENLAKE
7831848	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	348.50	OTHER TANGIBLE PROPERTY HIDDEN LAKE
7831859	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	307.20	Well, Emergency Repair
7884401	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	330.40	1 hp Air Compressor
7884412	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	330.40	Plant Site Yard Piping Package
7896345	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	330.40	44000 Gallon Bolted Ground Storage
7906406	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	307.20	Well A-6" Dia., 524' Deep
7906417	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	307.20	Well B-4" Dia., 526' Deep
7928500	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	309.20	Yard Piping
7928520	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	330.40	1-21'X16' Galvanized & Bolted Ground Storage Tank
7884401	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	330.40	1 hp Air Compressor
14560831	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	330.40	Rpld Air Compressor, Brentwood, 3/31/13
26268303	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	330.40	Air Compressor; Brentwood Manor; 7/2015
14560831	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	330.40	Rpld Air Compressor, Brentwood, 3/31/13
14560831	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	330.40	Rpld Air Compressor, Brentwood, 3/31/13
33855125	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	330.40	Install Site Glass, solenoid valve, Warwick Relay
7906406	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	307.20	Well A-6" Dia., 524' Deep
7831839	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	334.40	Automate Meters
7835418	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	334.40	8 Meters Replaced 1/06-7/06
7835226	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	334.40	3 ERT's Replaced 1/06-7/06
7845628	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	334.40	METERS BRENTWOOD
7845691	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	311.40	Replaced #3 Booster Pump (10HP), Brentwood Well Plant, 7/25-7/31/07
7848050	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	334.40	Purchased 24 ERT's w/Connectors, Brentwood, 8/22/08
7848059	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	334.40	Purchased 72 ERT's, Brentwood, 07/30/09
7848211	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	334.40	Purchased 96 5/8" Meters, Brentwood, 6/09
7887603	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	311.40	Upgrade Electrical Controls (9903 Prior Rate Case)
7892561	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	311.20	Pumps - Water: Type Plant Site Package; Horsepower Greater than 75;
7894131	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	311.20	Well Pump>5hp (9903 Prior Rate Case)

asset_id	Sewer	Transfer From	Transfer To	gl_account	NARUC Acct	asset_description
7893235	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	311 20	Pumps - Water: Type Unknown, Horsepower 6-10,
7893246	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	311 20	Pumps - Water: Type Unknown; Horsepower 6-10,
7891572	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	311 20	Pumps - Water: Type Unknown; Horsepower 16-20,
7919145	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	334.40	ERT Replacement, 8/09-10/09, Brentwood
7922903	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	311 40	Repaired Mercer Controls & Dialog Elite Controller, Brentwood, 7/1/07
7944003	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	311.20	Pump, Well
7831839	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	334.40	Automate Meters
11924715	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	334.40	Meter:5/8"
7944003	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	311 20	Pump, Well
14560834	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	311.20	5HP Well Motor, Brentwood, 3/29/13
14560837	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	311 40	Booster Pump Repair,Brentwood, 2/28/13
26268290	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	311 40	10HP Booster #2 Motor; Brentwood Manor, 9/2015
26268297	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	311 40	10HP Booster #1 Motor, Brentwood Manor; 9/2015
26268300	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	311.40	10HP Booster #3 Motor, Brentwood Manor; 9/2015
14560837	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	311 40	Booster Pump Repair,Brentwood, 2/28/13
7922903	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	311 40	Repaired Mercer Controls & Dialog Elite Controller, Brentwood, 7/1/07
7922903	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	311 40	Repaired Mercer Controls & Dialog Elite Controller, Brentwood, 7/1/07
14560837	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	311.40	Booster Pump Repair,Brentwood, 2/28/13
32719132	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	311 20	Replace Size 2 Contactors Booster #1 and #2
26268297	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	311 40	10HP Booster #1 Motor, Brentwood Manor; 9/2015
26268290	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	311 40	10HP Booster #2 Motor; Brentwood Manor, 9/2015
26268300	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	311.40	10HP Booster #3 Motor, Brentwood Manor; 9/2015
7887603	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	311 40	Upgrade Electrical Controls (9903 Prior Rate Case)
7845691	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	311 40	Replaced #3 Booster Pump (10HP), Brentwood Well Plant, 7/25-7/31/07
26268297	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	311.40	10HP Booster #1 Motor, Brentwood Manor; 9/2015
26268297	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	311 40	10HP Booster #1 Motor, Brentwood Manor; 9/2015
26268300	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	311 40	10HP Booster #3 Motor; Brentwood Manor, 9/2015
26268290	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	311.40	10HP Booster #2 Motor, Brentwood Manor, 9/2015
26268290	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	311 40	10HP Booster #2 Motor, Brentwood Manor; 9/2015
7887603	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	311 40	Upgrade Electrical Controls (9903 Prior Rate Case)
7845691	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	311 40	Replaced #3 Booster Pump (10HP), Brentwood Well Plant, 7/25-7/31/07
7845673	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	333 40	SERVICE BLANKET BRENTWOOD
10899443	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	333.40	Service Line:Unspecified size
11252955	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	333 40	Service Line.Unspecified size
11252955	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	333.40	Service Line:Unspecified size
15237009	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	333 40	Service Line.Unspecified size:
22204751	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	333 40	Service Line 1"
22204751	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	333.40	Service Line·1"
22204751	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	333.40	Service Line·1"
33855747	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	333 40	Service Line·1"
33855764	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	333 40	Service Line:2"
33855767	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	333 40	Service Line 3/4"
33855767	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	333 40	Service Line 3/4"
33855767	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	333.40	Service Line.3/4"
33855767	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	333 40	Service Line 3/4"
33855767	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	333.40	Service Line.3/4"

asset_id	Sewer	Transfer From	Transfer To	gl_account	NARUC Acct	asset_description
7845673	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	333.40	SERVICE BLANKET BRENTWOOD
10899443	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	333.40	Service Line:Unspecified size:
11252955	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	333.40	Service Line:Unspecified size:
15237009	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	333.40	Service Line:Unspecified size:
33855747	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	333.40	Service Line:1"
7835202	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	303.20	Easements, Brentwood Wtr
7845646	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	331.40	WATER LINE BLANKET BRENTWOOD
7849283	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	303.20	Easements, Brentwood, 01/15/08
7870003	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	303.50	Sanitary Control Easements (9903 Prior Rate Case)
7875485	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	331.40	Piping - Water: Diameter 2; Type PVC;
7875485	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	331.40	Piping - Water: Diameter 2; Type PVC;
7873803	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	303.20	Water Plant Site-Lot #8, 0.36 ac
7902909	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	331.40	Piping - Water: Diameter 2; Type Flush Valve;
7919204	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	331.40	Main Break Repair, 5/10-6/10, Brentwood
7919715	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	331.40	Main Break Repair, Brentwood, 11/09-12/-09
7919724	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	331.40	Main Break Repairs, Brentwood, 2/07-3/07
7919733	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	331.40	Main Break Repairs, Brentwood, 7/08
7919742	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	331.40	Main Break Repairs, Brentwood, 8/08
7919751	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	331.40	Main Break Repairs, Brentwood, 9/08-12/08
7919760	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	331.40	Main Break Repairs,8/09-10/09, Brentwood
7932668	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	331.40	Main Break Repairs, Brentwood WA
7942766	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	303.20	Sanitary Control and/or Utility Easements, Brentwood Estates 2/15/09
8202345	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	331.40	Main Break Repairs, 6/11-8/11, Brentwood
10414200	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	331.40	Mains:Plastic, PVC, or HDPE (4" & under)
10414200	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	331.40	Mains:Plastic, PVC, or HDPE (4" & under)
10414200	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	331.40	Mains:Plastic, PVC, or HDPE (4" & under)
15019554	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	331.40	Mains:Valves (4" & under)
15923122	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	331.40	Mains:Plastic, PVC, or HDPE (4" & under)
23315981	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	331.40	Mains:Lock Joint (4" & under)
23315984	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	331.40	Mains:Unspecified size/type:
23315987	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	331.40	Valve & Valve Vault
25869295	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	331.40	Mains:Lock Joint (4" & under)
25869295	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	331.40	Mains:Lock Joint (4" & under)
7932668	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	331.40	Main Break Repairs, Brentwood WA
34207811	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	331.40	Mains:Lock Joint (4" & under)
34207811	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	331.40	Mains:Lock Joint (4" & under)
7932668	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	331.40	Main Break Repairs, Brentwood WA
33855767	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	333.40	Service Line:3/4"
33855767	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	333.40	Service Line:3/4"
22204751	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	333.40	Service Line:1"
38965537	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	333.40	Service Line:3/4"
38965530	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	333.40	Service Line:1"
38138965	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	304.20	Replace Door & AC Units H.Harvey Damage
38138965	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	304.20	Replace Door & AC Units H.Harvey Damage
38138965	Water	Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service	304.20	Replace Door & AC Units H.Harvey Damage
45944835		Aqua Utilities (11157)	Aqua Texas (13203)	101-Utility Plant in Service		Chlorinate & Flush Well

[illegible]

[illegible]

asset_id	Sewer	Transfer From	Transfer To	gl_account	NARUC Acct	asset_description
36755399	Water	Aqua Utilities (11157)	Aqua Texas (13203)	106-Completed const not classified	320 30	(B)WtrTreatPlnts,All Above Grade
36755399	Water	Aqua Utilities (11157)	Aqua Texas (13203)	106-Completed const not classified	320 30	(B)WtrTreatPlnts,All Above Grade
36755399	Water	Aqua Utilities (11157)	Aqua Texas (13203)	106-Completed const not classified	320.30	(B)WtrTreatPlnts,All Above Grade
36755399	Water	Aqua Utilities (11157)	Aqua Texas (13203)	106-Completed const not classified	320.30	(B)WtrTreatPlnts,All Above Grade
41048371	Water	Aqua Utilities (11157)	Aqua Texas (13203)	106-Completed const not classified	311 20	(B)Wells&Pmps/MtrsBelowGrade
41048371	Water	Aqua Utilities (11157)	Aqua Texas (13203)	106-Completed const not classified	311.20	(B)Wells&Pmps/MtrsBelowGrade
41049036	Water	Aqua Utilities (11157)	Aqua Texas (13203)	106-Completed const not classified	304.20	Hurricane Harvey Capital Repair / Replacements - ETX Water
41049036	Water	Aqua Utilities (11157)	Aqua Texas (13203)	106-Completed const not classified	304.20	Hurricane Harvey Capital Repair / Replacements - ETX Water
42180770		Aqua Utilities (11157)	Aqua Texas (13203)	106-Completed const not classified		(B)Wells&Pmps/MtrsBelowGrade
42180770		Aqua Utilities (11157)	Aqua Texas (13203)	106-Completed const not classified		(B)Wells&Pmps/MtrsBelowGrade
41048371		Aqua Utilities (11157)	Aqua Texas (13203)	106-Completed const not classified		(B)Wells&Pmps/MtrsBelowGrade
42180770		Aqua Utilities (11157)	Aqua Texas (13203)	106-Completed const not classified		(B)Wells&Pmps/MtrsBelowGrade
42180770		Aqua Utilities (11157)	Aqua Texas (13203)	106-Completed const not classified		(B)Wells&Pmps/MtrsBelowGrade
42180770		Aqua Utilities (11157)	Aqua Texas (13203)	106-Completed const not classified		(B)Wells&Pmps/MtrsBelowGrade
42628803		Aqua Utilities (11157)	Aqua Texas (13203)	106-Completed const not classified		(B)WtrTreatPlnts,All Above Grade
42628803		Aqua Utilities (11157)	Aqua Texas (13203)	106-Completed const not classified		(B)WtrTreatPlnts,All Above Grade
42628803		Aqua Utilities (11157)	Aqua Texas (13203)	106-Completed const not classified		(B)WtrTreatPlnts,All Above Grade
42628803		Aqua Utilities (11157)	Aqua Texas (13203)	106-Completed const not classified		(B)WtrTreatPlnts,All Above Grade
42628803		Aqua Utilities (11157)	Aqua Texas (13203)	106-Completed const not classified		(B)WtrTreatPlnts,All Above Grade
42628803		Aqua Utilities (11157)	Aqua Texas (13203)	106-Completed const not classified		(B)WtrTreatPlnts,All Above Grade
42180945		Aqua Utilities (11157)	Aqua Texas (13203)	106-Completed const not classified		(B)Distr Sys Rprs/Main Rpr/Rpl
42180945		Aqua Utilities (11157)	Aqua Texas (13203)	106-Completed const not classified		(B)Distr.Sys Rprs/Main Rpr/Rpl
42180945		Aqua Utilities (11157)	Aqua Texas (13203)	106-Completed const not classified		(B)Distr Sys Rprs/Main Rpr/Rpl
42180945		Aqua Utilities (11157)	Aqua Texas (13203)	106-Completed const not classified		(B)Distr Sys Rprs/Main Rpr/Rpl
42180945		Aqua Utilities (11157)	Aqua Texas (13203)	106-Completed const not classified		(B)Distr.Sys Rprs/Main Rpr/Rpl
42180945		Aqua Utilities (11157)	Aqua Texas (13203)	106-Completed const not classified		(B)Distr Sys Rprs/Main Rpr/Rpl
42180945		Aqua Utilities (11157)	Aqua Texas (13203)	106-Completed const not classified		(B)Distr Sys Rprs/Main Rpr/Rpl
42180945		Aqua Utilities (11157)	Aqua Texas (13203)	106-Completed const not classified		(B)Distr.Sys Rprs/Main Rpr/Rpl
42180945		Aqua Utilities (11157)	Aqua Texas (13203)	106-Completed const not classified		(B)Distr Sys Rprs/Main Rpr/Rpl
42180945		Aqua Utilities (11157)	Aqua Texas (13203)	106-Completed const not classified		(B)Distr Sys Rprs/Main Rpr/Rpl
42180945		Aqua Utilities (11157)	Aqua Texas (13203)	106-Completed const not classified		(B)Distr Sys Rprs/Main Rpr/Rpl
43727437		Aqua Utilities (11157)	Aqua Texas (13203)	106-Completed const not classified		(B)Service Line Repair, Brentwood
43727437		Aqua Utilities (11157)	Aqua Texas (13203)	106-Completed const not classified		(B)Service Line Repair, Brentwood
43727440		Aqua Utilities (11157)	Aqua Texas (13203)	106-Completed const not classified		(B)Service Line Repair, Brentwood
43727440		Aqua Utilities (11157)	Aqua Texas (13203)	106-Completed const not classified		(B)Service Line Repair, Brentwood
7845619	Water	Aqua Utilities (11157)	Aqua Texas (13203)	271.10 - CIAC (Customer Contributions)	334 40	CIAC METERS BRENTWOOD
7845637	Water	Aqua Utilities (11157)	Aqua Texas (13203)	271.10 - CIAC (Customer Contributions)	334.40	CIAC METERS BRENTWOOD
7845655	Water	Aqua Utilities (11157)	Aqua Texas (13203)	271 10 - CIAC (Customer Contributions)	333 40	CIAC SERVICE BLANKET BRENTWOOD
7845664	Water	Aqua Utilities (11157)	Aqua Texas (13203)	271.10 - CIAC (Customer Contributions)	333 40	CIAC SERVICES BRENTWOOD
21786905	Water	Aqua Utilities (11157)	Aqua Texas (13203)	271.10 - CIAC (Customer Contributions)	333.40	Contributions in Aid of Construction
21786905	Water	Aqua Utilities (11157)	Aqua Texas (13203)	271 10 - CIAC (Customer Contributions)	333.40	Contributions in Aid of Construction

Accounting Entry Explanation and Asset Listing as of December 31, 2019.

All assets proposed for transfer have already been purchased by Aqua America, Inc. subsidiaries in Texas. The transaction simply proposes to transfer the assets to a different Aqua America, Inc. subsidiary, Aqua Texas, Inc., at current values as reflected on the consolidated Aqua Texas books.

asset_id	Sewer	Transfer From	Transfer To	gl_account	NARUC Acct	asset_description
7873812	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	101-Utility Plant in Service	353.40	Land-2.362 ac Plant Site, Ybarra Drive
7859018	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	101-Utility Plant in Service	353.70	Easements
7831888	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	101-Utility Plant in Service	353.70	Easement Brentwood Waste W
7844253	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	101-Utility Plant in Service	361.20	Main Break Repairs, Brentwood Manor, 2/08-12/08
15923173	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	101-Utility Plant in Service	361.20	Cleanouts
7844253	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	101-Utility Plant in Service	361.20	Main Break Repairs, Brentwood Manor, 2/08-12/08
7844244	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	101-Utility Plant in Service	361.20	Main Break Repairs, Brentwood Manor, 1/09-4/09
31855148	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	101-Utility Plant in Service	364.20	Echo Flow Hunter III & transducer
7859000	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	101-Utility Plant in Service	364.20	Flow Recorder Brentwood
7896356	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	101-Utility Plant in Service	370.30	Plant site Lift Station, 6"D Conc, 12' Deep
7894142	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	101-Utility Plant in Service	370.30	Back-up lift (9903 Prior Rate Case)
7944014	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	101-Utility Plant in Service	398.70	OTHER TANGIBLE PROPERTY HIDDEN LAKE
7831897	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	101-Utility Plant in Service	398.70	OTHER TANGIBLE PROPERTY HIDDEN LAKE
7831870	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	101-Utility Plant in Service	380.40	CHLORINATOR BRENTWOOD
7831908	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	101-Utility Plant in Service	371.30	Repaired 2 lift station pumps and walkway above WWTP, 4/07, Brentwood WW
7859009	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	101-Utility Plant in Service	371.50	Electrical Controls Brentw
7859027	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	101-Utility Plant in Service	380.40	Lift Station Brentwood 0.034 Mgd Activated Sludge Plant, 2 Circular Basins w/7 1/2 hp Blower, Steel Clarifier, Concrete
7884423	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	101-Utility Plant in Service	380.40	Chlorine Contact
7884432	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	101-Utility Plant in Service	380.40	Gas Chlorinator
7894151	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	101-Utility Plant in Service	371.50	Electrical (9903 Prior Rate Case)
7894160	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	101-Utility Plant in Service	371.50	Electrical Controls (9903 Prior Rate Case)
7895659	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	101-Utility Plant in Service	380.40	Rehab of plant (9903 Prior Rate Case)
7924937	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	101-Utility Plant in Service	380.50	1 Sutorbilt Blower s NS218
7924946	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	101-Utility Plant in Service	380.50	Blower Repaired
7924955	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	101-Utility Plant in Service	380.50	Labor to install new blowe
7925191	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	101-Utility Plant in Service	371.30	Replaced 2 Lift Pumps, Brentwood WW, 3/31/10
7925202	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	101-Utility Plant in Service	371.30	Replaced Hahn Lift Pump, Brentwood LS, 06/10/10
7935262	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	101-Utility Plant in Service	380.40	Rehab of Plant Brentwood
10701450	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	101-Utility Plant in Service	371.30	Pump Repair, 9/7/10, Brentwood WW
10701486	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	101-Utility Plant in Service	380.40	Blower Repair, 8/31/11, Brentwood WW
11252592	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	101-Utility Plant in Service	380.40	Treatment Equipment
12038390	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	101-Utility Plant in Service	380.40	Clarifier Repair, Brentwood, 6/17/12
12794817	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	101-Utility Plant in Service	380.40	Rpr Aeration Basin, Brentwood, 6/30/12
12794820	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	101-Utility Plant in Service	380.40	Clarifier Repair, Brentwood, 6/30/12
12794823	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	101-Utility Plant in Service	380.40	Rpr Aeration Basin, Brentwood, 6/30/12
12794826	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	101-Utility Plant in Service	380.40	Clarifier Repair, Brentwood, 6/30/12
12794829	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	101-Utility Plant in Service	380.40	Clarifier Repair, Brentwood, 6/30/12
12794950	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	101-Utility Plant in Service	380.40	Clarifier Repair, Brentwood, 7/3/12
16459019	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	101-Utility Plant in Service	371.30	Pump: Horsepower Unspecified:
24053795	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	106-Completed const not classified	380.40	(B)WWTP Repair/Replace

asset_id	Sewer	Transfer From	Transfer To	gl_account	NARUC Acct	asset_description
24053795	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	106-Completed const not classified	380 40	(B)WWTP Repair/Replace
24053795	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	106-Completed const not classified	380 40	(B)WWTP Repair/Replace
24053795	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	106-Completed const not classified	380 40	(B)WWTP Repair/Replace
25869673	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	106-Completed const not classified	380.40	(B)WWTP Repair/Replace
25869673	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	106-Completed const not classified	380 40	(B)WWTP Repair/Replace
25869673	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	106-Completed const not classified	380.40	(B)WWTP Repair/Replace
25869673	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	106-Completed const not classified	380.40	(B)WWTP Repair/Replace
25869673	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	106-Completed const not classified	380.40	(B)WWTP Repair/Replace
24053795	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	106-Completed const not classified	380 40	(B)WWTP Repair/Replace
25869673	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	106-Completed const not classified	380.40	(B)WWTP Repair/Replace
31855155	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	101-Utility Plant in Service	380.40	Replace Blower #2
31855158	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	101-Utility Plant in Service	380.40	Superior Vr-16, PRV, Hydro ejector, 30' 3/8" tubing
31855161	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	101-Utility Plant in Service	380 40	Force Flow 4D150-2 Dual cylinder/Model 420 vacuum reg 420vrcl2
31855164	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	101-Utility Plant in Service	380.40	Airline, 40' 1" pipe, ball valve, meter box
7884432	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	101-Utility Plant in Service	380.40	Gas Chlorinator
10701486	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	101-Utility Plant in Service	380.40	Blower Repair, 8/31/11, Brentwood WW
7845682	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	271 10 - CIAC (Customer Contributions)	363.20	CIAC SEWER SERVICES BRENTW
7852773	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	101-Utility Plant in Service	363.20	SEWER SERVICES BLANKET BRE
7878717	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	101-Utility Plant in Service	360 20	Piping - Water Diameter 6; Type PVC;
7881154	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	101-Utility Plant in Service	360 20	Standard Concrete Manhole
10701501	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	101-Utility Plant in Service	360.20	Main Break Repair 12/10 thru 12/11, Brentwood WW
15923688	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	101-Utility Plant in Service	363 20	Service Line-Unspecified size.
16201744	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	101-Utility Plant in Service	363.20	Service Line:1"
21787685	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	271 10 - CIAC (Customer Contributions)	363.20	Contributions in Aid of Construction
21787685	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	271 10 - CIAC (Customer Contributions)	363 20	Contributions in Aid of Construction
24053736	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	106-Completed const not classified	360.20	(B)CollectionSysRprs,Sewer Mains
24498431	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	101-Utility Plant in Service	363 20	Service Line 4"
24898773	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	106-Completed const not classified	363 20	(B)New WW Tap Install, Brentwood
24053736	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	106-Completed const not classified	360.20	(B)CollectionSysRprs,Sewer Mains
24898773	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	106-Completed const not classified	363 20	(B)New WW Tap Install, Brentwood
25869632	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	106-Completed const not classified	360.20	(B)CollectionSysRprs,Sewer Mains
10701501	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	101-Utility Plant in Service	360 20	Main Break Repair 12/10 thru 12/11, Brentwood WW
26268709	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	101-Utility Plant in Service	360 20	Mains.Plastic, PVC, or HDPE (4" & under)
24053736	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	106-Completed const not classified	360.20	(B)CollectionSysRprs,Sewer Mains
25869632	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	106-Completed const not classified	360.20	(B)CollectionSysRprs,Sewer Mains
25869632	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	106-Completed const not classified	360.20	(B)CollectionSysRprs,Sewer Mains
25869632	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	106-Completed const not classified	360 20	(B)CollectionSysRprs,Sewer Mains
26268709	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	101-Utility Plant in Service	360.20	Mains:Plastic, PVC, or HDPE (4" & under)
25869632	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	106-Completed const not classified	360.20	(B)CollectionSysRprs,Sewer Mains
26268709	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	101-Utility Plant in Service	360.20	Mains Plastic, PVC, or HDPE (4" & under)
33274198	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	106-Completed const not classified	360.20	(B)CollectionSysRprs,Sewer Mains
24498431	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	101-Utility Plant in Service	363 20	Service Line:4"
24898773	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	106-Completed const not classified	363.20	(B)New WW Tap Install, Brentwood
33274296	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	101-Utility Plant in Service	363.20	Service Line.4"
33274198	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	106-Completed const not classified	360 20	(B)CollectionSysRprs,Sewer Mains
7831879	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	101-Utility Plant in Service	389 50	OTHER MISC PLANT BRENTWOOD

asset_id	Sewer	Transfer From	Transfer To	gl_account	NARUC Acct	asset_description
7831919	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	101-Utility Plant in Service	354.50	Repaired 2 lift station pumps and walkway above WWTP, 4/07, Brentwood WW
7858982	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	101-Utility Plant in Service	355.50	Blower Brentwood
7858991	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	101-Utility Plant in Service	355.50	Blower Brentwood
7866154	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	101-Utility Plant in Service	354.40	3x3 Wood Chlorine Shed
7870357	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	101-Utility Plant in Service	354.40	Chain link fence and gate, 3 strand BW
7873096	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	101-Utility Plant in Service	355.50	Blower (9903 Prior Rate Case)
10898750	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	101-Utility Plant in Service	354.40	Misc.StructureImprovments,Brentwood,2/12
11823223	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	101-Utility Plant in Service	354.40	Paint&RprTreatmentBldgs,Brentwood,5/1/12
36899644	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	101-Utility Plant in Service	371.30	2 Lift Pumps Brentwood WWTP
36899644	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	101-Utility Plant in Service	371.30	2 Lift Pumps Brentwood WWTP
7925191	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	101-Utility Plant in Service	371.30	Replaced 2 Lift Pumps, Brentwood WW, 3/31/10
36899644	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	101-Utility Plant in Service	371.30	2 Lift Pumps Brentwood WWTP
7925191	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	101-Utility Plant in Service	371.30	Replaced 2 Lift Pumps, Brentwood WW, 3/31/10
36899644	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	101-Utility Plant in Service	371.30	2 Lift Pumps Brentwood WWTP
39326796	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	101-Utility Plant in Service	361.20	Mains:Plastic, PVC, or HDPE (4" & under)
39326791	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	101-Utility Plant in Service	361.20	Mains:Lock Joint (4" & under)
7844244	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	101-Utility Plant in Service	361.20	Main Break Repairs, Brentwood Manor, 1/09-4/09
7844253	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	101-Utility Plant in Service	361.20	Main Break Repairs, Brentwood Manor, 2/08-12/08
38030736	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	106-Completed const not classified	380.40	(B)WWTP Repair/Replace
38030736	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	106-Completed const not classified	380.40	(B)WWTP Repair/Replace
38030736	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	106-Completed const not classified	380.40	(B)WWTP Repair/Replace
38030736	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	106-Completed const not classified	380.40	(B)WWTP Repair/Replace
41049181	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	106-Completed const not classified	371.30	512-Rehab/Replace WWTP, BrentwoodManor
41049181	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	106-Completed const not classified	371.30	512-Rehab/Replace WWTP, BrentwoodManor
38030797	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	106-Completed const not classified	371.30	(B)Lift Station Repair Repair/Replace
38030797	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	106-Completed const not classified	371.30	(B)Lift Station Repair Repair/Replace
39635419	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	106-Completed const not classified	360.20	(B)CollectionSysRprs,Sewer Mains
39635419	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	106-Completed const not classified	360.20	(B)CollectionSysRprs,Sewer Mains
39635419	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	106-Completed const not classified	360.20	(B)CollectionSysRprs,Sewer Mains
39635419	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	106-Completed const not classified	360.20	(B)CollectionSysRprs,Sewer Mains
33274198	Sewer	Aqua Utilities (20453)	Aqua Texas (21065)	106-Completed const not classified	360.20	(B)CollectionSysRprs,Sewer Mains
43094937		Aqua Utilities (20453)	Aqua Texas (21065)	106-Completed const not classified		(B)CollectionSysRprs,Sewer Mains
43094937		Aqua Utilities (20453)	Aqua Texas (21065)	106-Completed const not classified		(B)CollectionSysRprs,Sewer Mains
43094937		Aqua Utilities (20453)	Aqua Texas (21065)	106-Completed const not classified		(B)CollectionSysRprs,Sewer Mains
43094937		Aqua Utilities (20453)	Aqua Texas (21065)	106-Completed const not classified		(B)CollectionSysRprs,Sewer Mains
43094937		Aqua Utilities (20453)	Aqua Texas (21065)	106-Completed const not classified		(B)CollectionSysRprs,Sewer Mains
43094937		Aqua Utilities (20453)	Aqua Texas (21065)	106-Completed const not classified		(B)CollectionSysRprs,Sewer Mains
45945669		Aqua Utilities (20453)	Aqua Texas (21065)	106-Completed const not classified		(B)Lift Station Repair Repair/Replace
42181389		Aqua Utilities (20453)	Aqua Texas (21065)	106-Completed const not classified		(B)WWTP Repair/Replace
42181389		Aqua Utilities (20453)	Aqua Texas (21065)	106-Completed const not classified		(B)WWTP Repair/Replace
42181389		Aqua Utilities (20453)	Aqua Texas (21065)	106-Completed const not classified		(B)WWTP Repair/Replace
42181389		Aqua Utilities (20453)	Aqua Texas (21065)	106-Completed const not classified		(B)WWTP Repair/Replace
42181389		Aqua Utilities (20453)	Aqua Texas (21065)	106-Completed const not classified		(B)WWTP Repair/Replace
42181389		Aqua Utilities (20453)	Aqua Texas (21065)	106-Completed const not classified		(B)WWTP Repair/Replace
42181389		Aqua Utilities (20453)	Aqua Texas (21065)	106-Completed const not classified		(B)WWTP Repair/Replace



WATER UTILITY TARIFF

Docket Number: 50573

Aqua Utilities, Inc., dba Aqua Texas
(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:
11157

This tariff is effective in the following counties:
Bandera and Victoria

The following is a list of cities where Aqua Utilities, Inc. dba Aqua Texas in the Southwest Region provides water service:
None

This tariff is effective in the following subdivisions and public water systems:
Blue Medina and Brentwood Subdivision

TABLE OF CONTENTS

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

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Southwest Region System Name	Subdivision/ Area Served	PWS ID	County
Blue Medina Water	Medina River Ranch Blue Medina	0100030	Bandera
Brentwood Subdivision	Brentwood Manor Huntington	2350005	Victoria

SECTION 1.0 -- RATE SCHEDULE

Section 1.01 - Rates

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

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

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

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

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

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 1.0 -- RATE SCHEDULE (Continued)

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

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/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.

SECTION 1.0 -- RATE SCHEDULE (Continued)

CUSTOMER SERVICE INSPECTION FEE..... \$100.00

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.

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:

$$\text{RTWR} = (((\text{PRR})(\text{CGC})(\text{R}))/(\text{1-R}))*((\text{APV})/(\text{RPV}))$$

Where:

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

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

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

FEDERAL TAX CHANGE CREDIT RIDER (FTCCR):

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

SECTION 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 TCEQ Rule 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 (recorded or unrecorded) may be subject to the provisions and restrictions of 16 TAC § 24.163(d) and this tariff. When a developer wishes to extend the system to prepare to service multiple new connections, the charge shall be the cost of such extension, plus a pro-rata charge based upon the capacities of 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 - 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 - 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 $d) \div e) = f)$

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).

- 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.

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

- 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.
- 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.

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

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



TCEQ Compliance History Search

Your search returned 1 records. The Customer's overall compliance history is displayed below.

1-1 of 1 Records

CN ▲	Customer Name	Rating	Classification	Date Rated
CN604062463	AQUA TEXAS INC	5.86	SATISFACTORY	09/01/2019

1-1 of 1 Records

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CN: CN604062463

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Summary of Enforcement Actions								
Permit #	System Name	Enforcement Status	Enf. Comment	Outstanding Enforcement Requirement Action	Outstanding Improve Desc.	Estimated Cost	Anticipated Return to Compliance	Order Issued to
Wastewater								
TX0011332-001	B&W Gathering	Resolved	Agree Order (9/19/2018)	None	None	N/A	The facility had returned to compliance prior to the order becoming effective The facility is in a combined order with three other facilities	Aqua Utilities
TX0014061-001	Briarcreek	Resolved	Agreed Order (5/24/2016) - Unauthorized Discharges on the plant site (Notice of Compliance 6/14/2016)	None	None	N/A		Aqua Development
TX0014910-001	Chisholm Springs	Resolved	Agreed Order (10/9/2014) - Effluent Permit Violations (Notice of Compliance 4/4/2018)	None	None	N/A		Aqua Texas
TX0011249-001	Country Side Estates	Open	Draft Agreed Order (5/1/2020) - Overflows due to inflow of rain water and plant condition (Rust)	Recoat or treat plant to prevent corrosion and prevent unauthorized discharges of untreated effluent	Rehabilitate the WWTP and collection system	\$ 1,200,000	End of 2020	Aqua Texas
TX00146-001	Eagle Creek Water	Open	Notice of Enforcement (4/9/2020) - Failure to properly collect composite samples	None	None	\$ -		Aqua Utilities
TX0011255-001	Greenwood Village	Resolved	Agreed order (3/9/2015) - Overflows and DMR violations	Repair Traveling Bridge and Return to compliance with permit	Aqua Texas concluded that repairs to the old plant were not going to be a reliable long term solution and is currently under construction building an entirely new plant In addition Aqua has concluded to control flows to the WWTP it is necessary to conduct rehabilitation of the collections system	\$ 4,870,000	Temporary treatment was installed while the plant is replaced the system has generally returned to compliance Certification of compliance with the enforcement order will not occur until the new plant is completed and in operation with three consecutive months of compliance with all permit limitations (End of 2020)	Aqua Utilities
TX0013293-001	Goforth	Open	Agreed Order (9/10/2015) - Effluent Permit Violations	Return to compliance with effluent limits	Influent ammonia levels are very high and the source could not be determined after a system wide evaluation Aqua Texas has opted to install additional treatment at the WWTP to address the issues	\$ 150,000	Fourth Quarter of 2020	Aqua Utilities
TX0013433-001	Heron Lakes	Resolved	Agreed Order (11/19/2014) - Effluent Permit Violations Resolved (Notice of Compliance 4/30/2015)	None	None	N/A		Aqua Texas
TX0013209-001	Lake Livingston Village	Open	Agreed Order (8/8/2018) - Unauthorized Discharges	Repair collection system I&I	Repair collection system to reduce I&I - Completed investigation and currently engineer is designing solution	\$ 100,000	Nov 2020	Aqua Texas
TX0014181-001	Mahaffy Rd (Estates Willow Creek)	Resolved	Agreed Order (2/17/2016) - Effluent Permit Violations (Notice of Compliance 4/4/2018)	None	None	N/A		Aqua Texas

Summary of Enforcement Actions								
Permit #	System Name	Enforcement Status	Enf. Comment	Outstanding Enforcement Requirement Action	Outstanding Improve Desc.	Estimated Cost	Anticipated Return to Compliance	Order Issued to
TX0012303-001	Oakwood Village	Resolved	Agreed Order (8/8/2018) - Effluent Permit Violations	None	None	N/A	Certification of Compliance was sent in November of 2018 awaiting TCEQ Notice of Compliance. Combined order with Lake Livingston Village	Aqua Texas
TX0014141-001	Old Egypt	Resolved	Agreed Order (1/20/2016) - Effluent Permit Violations mostly from 2014 Resolved 1/10/2017	None	None	N/A		Aqua Texas
TX0011701-001	Pine Trails	Resolved	Agreed Order (8/24/2016) - Effluent permit Violations (Notice of Compliance 1/12/2018)	None	None	N/A		Aqua Texas
			USEPA Agreed Order (6/28/2016) - Effluent permit Violations (Order Closure letter dated 11/10/2018) Order was duplicative to TCEQ	None	None	N/A		
TX0014186-001	Shale Creek	Resolved	Agreed Order (9/20/2017) - Unauthorized Discharges. (Notice of Compliance 8/23/2018)	None	None	N/A		Aqua Texas
		Open	Draft Agreed Order (11/26/2019) - One unauthorized discharge due to equipment failure	None	None	N/A	Repairs were made immediately and additional monitoring equipment installed	
TX0014032-001	Stable Gate	Open	Agreed Order (2/20/2020) - Effluent permit Violations	Resolve effluent violations	Aqua Texas had determined a plant rehabilitation and improvement capital project is required	\$ 700,000	End of 2020	Aqua Texas
TX0012519-001	Timberwild	Open	Agreed order (6/20/2017) - Effluent permit Violations	Resolve effluent violations	Due to high influent CBOD it has become necessary to replace and expand the plant	\$ 1,200,000	Mid 2020	Aqua Texas
TX0012822-001	Village Trace	Open	Agreed Order (9/19/2018) - Effluent Permit Violations caused by I&I	Resolve effluent violations	Completed investigation and currently engineer is designing solution	\$ 225,000	End of 2020	Aqua Utilities
TX0013989-001	Woodcreek	Resolved	Agreed Order (9/19/2018)	None	None	N/A	Work is complete pending certification of compliance	Aqua Utilities
TX0014013-001	Greenfield Forest	Open	Draft Agreed Order (10/21/2019) - Effluent Permit Violations	None	None - violations due to influent from commercial properties	N/A	In compliance	Aqua Texas
TX0012222-001	Brittmoore WxNW	Open	Draft Agreed Order (1/30/2020) - Effluent Permit Violations	None	None	N/A	In compliance	Aqua Texas
Water								
TX1330126	Arrowhead Lakes & Frontier Lake	Open	Notice of Enforcement (4/2/2020) - Capacity violations	Increase well and storage capacity	Upgrade storage and well capacity	\$ 500,000	June 30, 2021	Aqua Utilities
TX1330126	Bear Paw	Pending Closure	Agreed Order (3/12/2019) - Source Capacity	Provide well capacity of at least 0.6 gpm/ connection	Drill another well - Completed	\$ 250,000	June 30, 2020	Aqua Utilities
TX1011084	Boudreaux Gardens	Resolved	Agreed Order (9/16/2014) - Arsenic MCL (Notice of Compliance 2/8/2018)	None	None	N/A		Aqua Utilities
TX2350005	Brentwood Manor	Open	Notice of Enforcement (4/22/2020)	Lower water main under stream, test backflow device	Lower main across stream	Unk	End of 2020	Aqua Texas
TX1011014	Brittmoore Utility Company	Resolved	Agreed Order (10/2/2019) - Failure to Maintain 35 psi Low pressure occurred while on an emergency interconnection with the City of Houston during well repairs	Certify compliance once order if final	None		Currently in Compliance	Aqua Utilities
TX1010532	Candlelight Hills Subdivision	Resolved	Agreed Order (5/7/2019) - Tank Inspections and monitoring for free ammonia and monochloramines weekly	Certify compliance once order if final	None		Preparing certification of compliance	Aqua Utilities
	Canyon Lake Mobile Home Estates	Open	Draft Agreed Order (4/30/2020) - Failure to receive plan approval before plant upgrades were completed	Submit as built plans for approval	Submit as built plans for approval	\$ 5,000	9/30/2020	
TX0360093	Carriage Trails	Resolved	Agreed Order (1/31/2017) - Paperwork violations (Notice of Compliance 1/31/2017)	None	None	N/A		Aqua Utilities

Summary of Enforcement Actions								
Permit #	System Name	Enforcement Status	Enf. Comment	Outstanding Enforcement Requirement Action	Outstanding Improve Desc	Estimated Cost	Anticipated Return to Compliance	Order Issued to
TX0200190	Centennial Place	Resolved	Agreed Order (8/24/2016) - Pressure tank capacity violation and paperwork issues	None	None	N/A		Aqua Utilities
TX1700555	Cimarron Country	Resolved	Agreed Order (2/27/2018) - Water quality monitoring and corrosion control (Notice of Compliance 3/16/2018)	None	None	N/A		Aqua Texas
TX2200045	Cottonwood Hill Est	Resolved	Agreed Order (9/25/2018) - Failure to maintain adequate chlorine residual (Certification of Compliance 10/15/2018)	None	None	N/A		Aqua Utilities
		Resolved	Agreed Order (12/4/2018) - Exceedances of the radionuclide MCL due to natural radium	Reduce Radium levels below the MCL	construct improvements to system source water blending	\$ 75,000	8/31/2020	Aqua Utilities
TX1010947	Cricket Hill Estates	Open	Agreed Order (9/24/2019) Maintenance of as-built drawings that were never provided at acquisition. (Notice of Compliance 10/11/2019)					Aqua Utilities
TX1010254	Cypress Place	Open	Draft Agreed Order (4/22/2020) - Records Retention	TCEQ wants well completion data for very old wells drilled before Aqua TX owned the system	TBD	Unk	unk	Aqua Utilities
TX0860098	Deerwood Subdivision	Resolved	Agreed Order (10/30/2019) Failure to have as built plans Record drawings completed March 2019 (Notice of Compliance 11/1/2019)	None	None	N/A	Currently in Compliance	Aqua Utilities
TX1260092	Garden Acres	Resolved	Agreed Order (11/4/2019) - Failure to have a contract with supplier of water (who is prohibited in providing same	None	None	N/A		Aqua Utilities
		Open	Agreed Oder (1/14/2020) - Failure to have sufficient well capacity Drilled the well to resolve contract issue but below TCEQ required volume	Increase source capacity	Aqua is trying to secure land to drill another well	Unk	End of 2020	Aqua Utilities
TX0360100	Hackberry Creek	Resolved	Agreed Order (7/7/2017) - Arsenic MCL (Notice of compliance 1/12/2018)	None	None	N/A		Aqua Utilities
TX0860005	Harper Road Estates	Open	Agreed Order (10/16/2018) - Well Capacity, GST leak, Fence issues& Booster Capacity	Increase well capacity	Land purchased awaiting permit from GWCD to drill well	\$ 275,000	End of 2020	Aqua Utilities
TX0200349	Heights Country Subd	Resolved	Agreed Order (6/7/2016) - Pressure tank inspection (Notice of Compliance 3/3/2017)	None	None	N/A		Aqua Utilities
TX2200090	Heritage Oaks	Open	Draft Agreed Order (4/3/2020) - Insufficient Well Capacity Violation	Increase well capacity	Drill well or find alternate source	Unk	End of 2021	Aqua Utilities
TX2270173	Hill Country NW Cherry Hollow	Resolved	Agreed Order (11/2/2016) - Exceedance of radiological MCLs due to naturally occurring radium. (Return to Compliance 1/13/2017)	None	None	N/A		Aqua Utilities
		Open	Agreed Order (9/19/2017) - Insufficient elevated storage	Increase effective elevated storage	Engineering ongoing to add a third pressure plane through the use of a new booster station thereby increasing the effective elevated storage	\$ 250,000	End of 2020	Aqua Utilities
TX1160028	Holiday Estates	Resolved	Agreed Order (10/4/2017) - Violation of HAA5 MCL due to supplier of water providing non-compliant water This is a purchased water system with no facilities (Returned to Compliance with 2/28/2017 sample) Yes, AO was 8 months after returning to compliance	None	None	N/A		Aqua Development

Summary of Enforcement Actions								
Permit #	System Name	Enforcement Status	Enf. Comment	Outstanding Enforcement Requirement Action	Outstanding Improve Desc.	Estimated Cost	Anticipated Return to Compliance	Order Issued to
TX1330011	Ingram	Resolved	Agreed Order (2/14/2017) - Insufficient well capacity and leaks in storage tanks Well Capacity has been resolved and 2 of 3 tanks have been replaced	Maintain all tanks in water tight condition	Complete construction on last tank replacement	\$225,000 (2019) \$275,000 (2018) \$575,000 (2017)	End of 2019	Aqua Utilities
TX1840016	La Junta	Open	Draft Agreed Order (1/31/2020) - Insufficient Well Capacity Violation	Increase well capacity	Drill well or find alternate source	Unk	End of 2021	Aqua Utilities
TX1700543	Lake Conroe Village	Open	Draft Agreed Order (8/16/2019) - water plant capacity violations	provide additional well, storage and booster pump capacity	Aqua has decided to replace and/or upgrade the entire water production facility due to limits in size and condition	\$250,000 (2019) \$650,000 (2020)	End of 2020	Aqua Utilities
TX0360081	Leaning Oaks	Resolved	Agreed Order (2/14/2017) - Various paperwork violations, paint condition on pressure tanks and insufficient well capacity (Certification of Compliance 12/12/2017) System had interconnection and was merged into another Aqua system	None	None	N/A		Aqua Utilities
TX1340019	London	Resolved	Draft Agreed Order (2/7/2019) - Exceedances of radionuclide MCL, naturally occurring gross Alpha Aqua has already drilled a new well to use for blending with existing source	Return to compliance with MCL	None	\$ 150,000	End of 2019	Aqua Utilities
TX2200208	Lunar Lane	Resolved	Agreed Order (12/6/2016) - Failure to have fence around well that was on a residential lot surrounded by a stone wall (Certification of Compliance - 1/5/2017)	None	None	N/A		Aqua Utilities
TX0200347	Meadowland Subdivision	Resolved	Agreed Order (8/4/2015) - Well Capacity violations	None - received both an alternative capacity requirement and drilled another well	None		Work is complete pending certification of compliance	Aqua Utilities
TX0200227	Mooreland Subdivision Blks 1 - 4	Resolved	Agreed Order (7/12/2016) - Missing Tank inspections, Map and manuals (Notice of Compliance received 7/25/2017)	None	None	N/A		Aqua Utilities
TX0860086	Northwest Hills	Open	Agreed Order (4/10/2018) - As built plans, source capacity, sanitary control easements Built a new water plant in 2018	Obtain sanitary control setback or gain an exception	Will file for an exception	\$393,259 (2018)		Aqua Utilities
TX0200146	Oak Bend Estates	Resolved	Agreed Order (5/24/2016) failure to have a plant operations manual (Notice of Compliance 2/8/2017)	None	None	N/A		Aqua Utilities
TX1460100	Oak Meadows Subdivision II & III	Resolved	Agreed Order 2/2/2016 - Capacity violations (Notice of Compliance 1/16/2018)	None	None	N/A		Aqua Utilities
TX1110084	Ridge Utilities	Open	Agreed Order (10/30/2019) - Source capacity violations	Increase well capacity	Interconnect with Kenwood (An Aqua System)	\$ 60,000	6/30/2020	Aqua Texas
TX0270141	Rio Ancho	Open	Draft Agreed Order (2/21/2020) - Failure to maintain adequate system pressure	Enforce watering schedules on customers using excessive water for irrigation	None		8/1/2020	Aqua Utilities
TX0790396	Rose Meadows III	Resolved	Agreed Order (4/10/2018) - Leaking tank and paperwork (Certification of Compliance 4/19/2018)	None	None	N/A		Aqua Utilities

Summary of Enforcement Actions								
Permit #	System Name	Enforcement Status	Enf Comment	Outstanding Enforcement Requirement Action	Outstanding Improve Desc.	Estimated Cost	Anticipated Return to Compliance	Order Issued to
TX1840130	Saddle Club	Resolved	Agreed Order (3/15/2015) - Violation so of the Radium & Gross Alpha MCL (Certification of Compliance 2/19/2019) (returned to compliance with MCL Sept 2018)	None	None	N/A		Aqua Utilities
TX2460046	San Gabriel River Ranch	Resolved	Agreed Order (8/2/2016) - Well capacity violations (Certification of Compliance - 11/6/2017)	None	None	N/A		Aqua Utilities
TX2270054	Sandy Creek Ranches	Open	Agreed Order (12/4/2015) - Well Capacity violations Since the order became effective two new wells have been drilled Growth has required additional well capacity	Secure additional source capacity	Aqua has secured additional property to drill two new wells	\$ 900,000	End of 2021	Aqua Utilities
TX0610218	Spring Hill	Resolved	Agreed Order (9/19/2018) - Alleged discharge of wastewater Water from the well blow off went to the ditch and contained sand in it	None	None	N/A	This is a combined order with three other facilities and all must be returned to compliance before order can be closed	Aqua Utilities
		Open	Agreed Order (11/27/2018) - Well Capacity Violations	Increase well capacity	Property purchase is being finalized Well design and construction to follow	\$ 600,000	End of 2020	Aqua Utilities
TX1230083	Sunchase Subdivision	Resolved	Agreed Order (7/16/2019) - Chlorine residual maintenance due to chemical feed pump failure (Notice of Compliance 7/24/2019)	None	None	N/A		Aqua Texas
TX1700641	Timberloch Estates	Resolved	Agreed Order (6/21/2016) - Well capacity Violations (Notice of Compliance 4/25/2017)	None	None	N/A		Aqua Texas
TX0610203	Trail Creek	Resolved	Agreed Order (8/1/2017) - Violations of minimum pressure Excessive irrigation resulted in low pressure incidents Transmission main up sized to accommodate (Notice of Compliance - 7/20/2018)	None	None	N/A		Aqua Utilities
TX0360084	Trinity Cove	Resolved	Agreed Order 2/22/2016 - Well capacity violations (Notice of Compliance 1/12/2018)	None	None	N/A		Aqua Utilities
TX1300034	Walnut Hills	Resolved	Draft Agreed Order (1/22/2019) Failure to have as built plans Record drawings completed November 2018. Notice of Compliance received 10/8/2019	None	None	N/A	Currently in Compliance	Aqua Utilities
TX1260101	Walden Estates	Open	Draft Agreed Order (2/10/2020) - Well Capacity Violations	Increase well capacity	Drill or upgrade well	Unk	End of 2021	Aqua Utilities
TX1700128	Walnut Springs	Open	Notice of Enforcement - (5/21/2020) Small leak on pressure tank valve	Fix leak	Aqua Texas intended to replace the pressure tank and saw no reason to repair a minor leak and cause the system to be depressurized when the valve would be replaced with the new tank	\$ 120,000	9/1/2020	Aqua Texas
TX1013195	Walraven Subdivision	Resolved	Agreed Order (4/6/2015) - Gross Alpha MCL violations	None	None	N/A		Aqua Development
		Open	Proposed Agreed Order (1/6/2020) - Gross Alpha MCL violations	None	None	na	Well repaired in 2019	Aqua Texas
TX0930042	West Magnolia Forest	Resolved	Agreed Order (7/1/2014) - Well Capacity Violations (Notice of Compliance 9/9/2015)	None	None	N/A		Aqua Utilities
TX0200254	Westwood Subd	Open	Proposed Agreed Order (4/25/2019) - well and pressure tank capacity violations	Increase well capacity and Pressure tank capacity	Upgrade pressure tank and rehabilitate well	\$ 75,000	End of 2019	Aqua Utilities
TX0200019	Weybridge Subd	Resolved	Agreed Order (3/21/2017)- Inspection violations for records maintenance and sanitary control easement exception (Notice of Compliance 1/12/2018)	None	None	N/A		Aqua Utilities

Summary of Enforcement Actions								
Permit #	System Name	Enforcement Status	Enf. Comment	Outstanding Enforcement Requirement Action	Outstanding Improve Desc.	Estimated Cost	Anticipated Return to Compliance	Order Issued to
TX0200229	Windsong	Open	Draft Agreed Order (8/7/2019) - Source water capacity and as built plans	Provide 1.5 gpm/connection well capacity	Rehabilitate two wells and install new pressure tank	\$ 50,000	Complete	Aqua Utilities
TX1840138	Woodlands of Parker Co & Old B	Resolved	Agreed Order (3/20/2018) - Late submission of corrosion control and source water recommendations. (Returned to Compliance before order was effective)	None	None	N/A		Aqua Development

Bryan W. Shaw, Ph.D., Executive Director
Toby Baker, Commissioner
Zak Cavalet, Commissioner
Richard A. Lyde, Ph.D., Executive Director



10500207
Chaparral
BR

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

November 19, 2014

RECEIVED
NOV 21 2014

BY _____

Mr. Scot Foltz, Regulatory and Compliance Manager
Aqua Utilities, Inc.
1109 Clayton Lane
Austin, Texas 78723

Re: Notice of Compliance with Agreed Order
Aqua Utilities, Inc.; RN102682341
Docket No. 2014-0511-PWS-E; Enforcement Case No. 48526

Dear Mr. Foltz:

This letter is to inform you that a review of Texas Commission on Environmental Quality (TCEQ) records concerning the above-referenced enforcement matter indicates that Aqua Utilities, Inc. has fulfilled the requirements of the Agreed Order effective on September 22, 2014. Specifically, Aqua Utilities, Inc. has fulfilled the technical requirements and has paid the administrative penalty assessed in the Agreed Order. Based upon this, we conclude that your response has been satisfactory and no further action is necessary at this time with respect to this enforcement matter. The Order will terminate on September 22, 2019, provided Aqua Utilities, Inc. maintains compliance with all terms and conditions of the Order.

We appreciate your cooperation, and if we can be of any further assistance, please contact Mr. Michael Tucker at (512) 239-6924.

Sincerely,

A handwritten signature in cursive script, appearing to read "Carmen Pedraza".

Carmen Pedraza, Work Leader
Enforcement Division

Bryan W. Shaw, Ph.D., *Chairman*
Toby Baker, *Commissioner*
Zak Covar, *Commissioner*
Richard A. Hyde, P.E., *Executive Director*

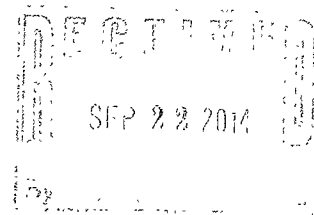


Chapman - 1050029
Pollution

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

September 19, 2014



CERTIFIED MAIL RETURN RECEIPT REQUESTED

Mr. Scot Foltz, Regulatory and Compliance Manager
Aqua Utilities Inc.
1109 Clayton Lane
Austin, Texas 78723

Re: TCEQ Enforcement Action
Aqua Utilities Inc.
Docket No. 2014-0511-PWS-E

Dear Mr. Foltz:

Enclosed for your records is a fully-executed copy of the Agreed Order for the above-referenced matter.

Please review the enclosed Agreed Order, particularly the "Ordering Provisions" section, to determine if further action will be required of you, such as the completion of technical requirements to achieve compliance. When technical requirements are listed (usually Ordering Provision No. 2 or 3), a deadline will be provided based on a specific number of days after the effective date. The effective date of this Agreed Order is three days after the date printed at the top of this letter.

Should you have any questions, please contact Raymond Mejia, the Enforcement Coordinator assigned to this matter, at (512) 239-5460.

Sincerely,

Candice Garrett

Candice Garrett
Enforcement Division

Enclosure

cc: Raymond Mejia, Enforcement Division
Public Water Supply Section Manager, Region 11

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



IN THE MATTER OF AN
ENFORCEMENT ACTION
CONCERNING
AQUA UTILITIES INC.
RN102682341

§ BEFORE THE
§
§ TEXAS COMMISSION ON
§
§ ENVIRONMENTAL QUALITY

AGREED ORDER
DOCKET NO. 2014-0511-PWS-E

I. JURISDICTION AND STIPULATIONS

On SEP 17 2014, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding Aqua Utilities Inc. (the "Respondent") under the authority of TEX. HEALTH & SAFETY CODE ch. 341. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent together stipulate that:

1. The Respondent owns and operates a public water supply located off Bliss Spillar Road, southwest of Manchaca, Hays County, Texas (the "Facility") that has approximately 146 service connections and serves at least 25 people per day for at least 60 days per year.
2. The Executive Director and the Respondent agree that the Commission has jurisdiction to enter this Agreed Order, and that the Respondent is subject to the Commission's jurisdiction.
3. The Respondent received notice of the violations alleged in Section II ("Allegations") on or about March 26, 2014.
4. The occurrence of any violation is in dispute and the entry of this Agreed Order shall not constitute an admission by the Respondent of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
5. An administrative penalty in the amount of One Thousand Five Hundred Twenty-Three Dollars (\$1,523) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent has paid One Thousand Two Hundred Nineteen Dollars (\$1,219) of the administrative penalty and Three Hundred Four Dollars (\$304) is deferred contingent upon the Respondent's timely and satisfactory compliance with all the terms of this Agreed Order. The deferred amount will be waived upon full

compliance with the terms of this Agreed Order. If the Respondent fails to timely and satisfactorily comply with all requirements of this Agreed Order, the Executive Director may require the Respondent to pay all or part of the deferred penalty.

6. Any notice and procedures, which might otherwise be authorized or required in this action, are waived in the interest of a more timely resolution of the matter.
7. The Executive Director and the Respondent agree on a settlement of the matters alleged in this enforcement action, subject to final approval in accordance with 30 TEX. ADMIN. CODE § 70.10(a).
8. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Agreed Order.
9. This Agreed Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Agreed Order, whichever is later.
10. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable.

II. ALLEGATIONS

As owner and operator of the Facility, the Respondent is alleged to have:

1. Failed to provide the results of the triennial synthetic organic chemical contaminants (methods 504, 515.4, and 531.1) sampling to the Executive Director and failed to provide public notification regarding the failure to provide triennial synthetic organic chemical monitoring results for the January 1, 2010 to December 31, 2012 monitoring period, in violation of 30 TEX. ADMIN. CODE §§ 290.107(e) and 290.122(c)(2)(A), as documented during a record review conducted on March 10, 2014.
2. Failed to collect the triennial metal and mineral samples and provide the results to the Executive Director and failed to provide public notification regarding the failure to collect triennial metal and mineral samples for the January 1, 2010 to December 31, 2012 monitoring period, in violation of 30 TEX. ADMIN. CODE §§ 290.106(c)(4) and (e) and 290.122(c)(2)(A), as documented during a record review conducted on March 10, 2014.
3. Failed to provide the results of the annual nitrate sampling to the Executive Director and failed to provide public notification regarding the failure to provide annual nitrate results for the 2012 monitoring period, in violation of 30 TEX. ADMIN. CODE §§ 290.106(e) and 290.122(c)(2)(A), as documented during a record review conducted on March 10, 2014.

III. DENIALS

The Respondent generally denies each allegation in Section II ("Allegations").

IV. ORDERING PROVISIONS

1. It is, therefore, ordered by the TCEQ that the Respondent pay an administrative penalty as set forth in Section I, Paragraph 5 above. The payment of this administrative penalty and the Respondent's compliance with all the terms and conditions set forth in this Agreed Order resolve only the allegations in Section II. The Commission shall not be constrained in any manner from requiring corrective action or penalties for violations which are not raised here. Administrative penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: Aqua Utilities Inc., Docket No. 2014-0511-PWS-E" to:

Financial Administration Division, Revenue Operations Section
Attention: Cashier's Office, MC 214
Texas Commission on Environmental Quality
P.O. Box 13088
Austin, Texas 78711-3088

2. It is further ordered that the Respondent shall undertake the following technical requirements:
 - a. Within 30 days after the effective date of this Agreed Order:
 - i. Ensure that all delinquent drinking water chemical analysis results are reported to the Executive Director or demonstrate that a compliance schedule has been established, in accordance with 30 TEX. ADMIN. CODE §§ 290.106 (Inorganic Contaminants) and 290.107 (Organic Contaminants);
 - ii. Implement improvements to the Facility's process procedures, guidance, training, and/or oversight to ensure that future drinking water chemical sample results are collected, analyzed by the Facility's laboratories, and reported to the Executive Director within ten days of Executive Director request or of their receipt by the Facility, whichever is later, in accordance with 30 TEX. ADMIN. CODE §§ 290.106 (Inorganic Contaminants) and 290.107 (Organic Contaminants); and
 - iii. Implement procedures to ensure that all necessary public notifications are provided in a timely manner to persons served by the Facility, including but not limited to providing public notification regarding the failure to provide triennial synthetic organic chemical monitoring results, collect triennial metal and mineral samples, and provide annual nitrate results, in accordance with 30 TEX. ADMIN. CODE § 290.122.
 - b. Within 45 days after the effective date of this Agreed Order, submit written certification as described below, and include detailed supporting documentation

including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provisions Nos. 2.a.i through 2.a.iii. The certification shall be notarized by a State of Texas Notary Public and include the following certification language:

"I certify under penalty of law that I have personally examined and am familiar with the information submitted and all attached documents, and that based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the submitted information is true, accurate and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fines and imprisonment for knowing violations."

The certification shall be submitted to:

Order Compliance Team
Enforcement Division, MC 149A
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

with a copy to:

Public Drinking Water Section Manager
Water Supply Division, MC 155
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

3. The provisions of this Agreed Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Facility operations referenced in this Agreed Order.
4. The Executive Director may grant an extension of any deadline in this Agreed Order or in any plan, report, or other document submitted pursuant to this Agreed Order, upon a written and substantiated showing of good cause. All requests for extensions by the Respondent shall be made in writing to the Executive Director. Extensions are not effective until the Respondent receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.
5. This Agreed Order, issued by the Commission, shall not be admissible against the Respondent in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Agreed Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.
6. This Agreed Order may be executed in separate and multiple counterparts, which together shall constitute a single instrument. Any page of this Agreed Order may be

copied, scanned, digitized, converted to electronic portable document format ("pdf"), or otherwise reproduced and may be transmitted by digital or electronic transmission, including but not limited to facsimile transmission and electronic mail. Any signature affixed to this Agreed Order shall constitute an original signature for all purposes and may be used, filed, substituted, or issued for any purpose for which an original signature could be used. The term "signature" shall include manual signatures and true and accurate reproductions of manual signatures created, executed, endorsed, adopted, or authorized by the person or persons to whom the signatures are attributable. Signatures may be copied or reproduced digitally, electronically, by photocopying, engraving, imprinting, lithographing, electronic mail, facsimile transmission, stamping, or any other means or process which the Executive Director deems acceptable. In this paragraph exclusively, the terms "electronic transmission", "owner", "person", "writing", and "written" shall have the meanings assigned to them under TEX. BUS. ORG. CODE § 1.002.

7. Under 30 TEX. ADMIN. CODE § 70.10(b), the effective date is the date of hand-delivery of the Order to the Respondent, or three days after the date on which the Commission mails notice of the Order to the Respondent, whichever is earlier.

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission

Bryan Sinclair
For the Executive Director

9/17/2014
Date

I, the undersigned, have read and understand the attached Agreed Order. I am authorized to agree to the attached Agreed Order on behalf of the entity indicated below my signature, and I do agree to the terms and conditions specified therein. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

I also understand that failure to comply with the Ordering Provisions, if any, in this order and/or failure to timely pay the penalty amount, may result in:

- A negative impact on compliance history;
- Greater scrutiny of any permit applications submitted;
- Referral of this case to the Attorney General's Office for contempt, injunctive relief, additional penalties, and/or attorney fees, or to a collection agency;
- Increased penalties in any future enforcement actions;
- Automatic referral to the Attorney General's Office of any future enforcement actions; and
- TCEQ seeking other relief as authorized by law.

In addition, any falsification of any compliance documents may result in criminal prosecution.

Signature
Robert Laughman
Name (Printed or Typed)
Authorized Representative of
Aqua Utilities Inc.

6/26/2014
Date
President
Title

Instructions: Send the original, signed Agreed Order with penalty payment to the Financial Administration Division, Revenue Operations Section at the address in Section IV, Paragraph 1 of this Agreed Order.

Bryan W. Shaw, Ph.D., *Chairman*
Carlos Rubinstein, *Commissioner*
Toby Baker, *Commissioner*
Zak Covar, *Executive Director*



gag
PWS/1330036 /CO

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

April 9, 2013

Mr. Larry E. Mitchell
Aqua Texas, Inc.
1106 Clayton Lane, Suite 400W
Austin, Texas 78723

Re: Erlund Subdivision - Public Water System ID No. 1330036
85% Planning Report
Engineer Contact Telephone: (512) 990-4400
Plan Review Log No. P-02192013-081
Kerr County, Texas

CN602787509; RN102677820

RECEIVED
APR 13 2013

Dear Mr. Mitchell:

BY:

On February 19, 2013, the Texas Commission on Environmental Quality (TCEQ) received your letter dated February 15, 2013 submitting a 85% planning report for the above referenced public water system. Based on the information submitted, the water system has generally complied with 30 Texas Administrative Code (TAC) Chapter 291.93(3), Subchapter F.

The water system currently has 246 active connections and, according to your letter, all required capacities, except well capacity are below 85% of its existing capacity. Currently, the well capacity is 160 gallon per minute (gpm) and the required capacity for this system is 147 gpm, which is at 92% of its current existing capacity. Your letter indicated the water system is built out and is not planning to make any improvements in the water system.

Please refer to the TCEQ Utilities Technical Review Team's Log Number P-02192013-081 in all correspondence for this project.

Please complete a copy of the most current Public Water System Plan Review Submittal form for any future submittals. Every blank on the form must be completed to minimize any delays in the review of your project. The document is available on TCEQ's website at the address shown below.

<http://www.tceq.texas.gov/utilities/planrev.html>

Mr. Larry E. Mitchell

Page 2

April 9, 2013

For future reference, you can review part of the Utilities Technical Review Team's database to see if we have received your project. This is available on the TCEQ's homepage on the Internet at the following address:

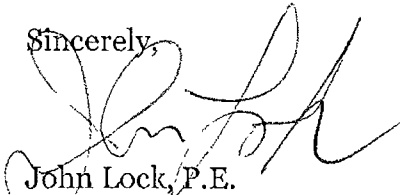
<http://www.tceq.texas.gov/utilities/planrev.html#status>

You can download most of the well construction checklists and the latest revision of Chapter 290 "Rules and Regulations for Public Water Systems" from this site.

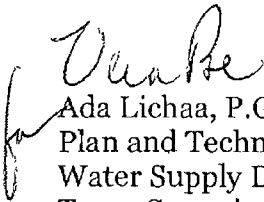
If you have any questions concerning this letter or need further assistance, please contact Pritesh Tripathi at (512)239-3794 or by email at "pritesh.tripathi@tceq.texas.gov" or by correspondence at the following address:

Utilities Technical Review Team, MC-159
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

Sincerely,



John Lock, P.E.
Utilities Technical Review Team, MC-159
Plan and Technical Review Section
Water Supply Division
Texas Commission on Environmental Quality



Ada Lichaa, P.G., Manager
Plan and Technical Review Section
Water Supply Division
Texas Commission on Environmental Quality

PT/JL/AL/av

cc: TCEQ Central Records PWS File 1330036
TCEQ Region No.13 Office - San Antonio

Bryan W. Shaw, Ph.D., P.E., *Chairman*
Toby Baker, *Commissioner*
Zak Covar, *Commissioner*
Richard A. Hyde, P.E., *Executive Director*



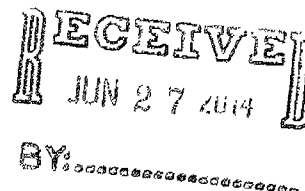
*File by W.R. ...
- June 16*

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

June 26, 2014

CERTIFIED MAIL



R. L. Laughman, President
Larry Mitchell, Compliance Manager
Aqua Utilities, Inc.
1106 Clayton Lane, Suite 400W
Austin, Texas 78723-2476

RE: Aqua Utilities, Inc.
TCEQ Docket No. 2013-2043-PWS-E; Registration No. 1330154
Agreed Order Assessing Administrative Penalties and Requiring Certain Action

Enclosed is a copy of an order issued by the Commission.

Questions regarding the order should be directed to the Enforcement Coordinator or the Staff Attorney. If there are questions pertaining to the mailing of the order, then please contact Leslie Gann of the Texas Commission on Environmental Quality's Office of the Chief Clerk (MC 105) at (512) 239-3319.

Sincerely,

Bridget C. Bohac

Bridget C. Bohac
Chief Clerk

BCB/lg

Enclosure

cc: Lisa Westbrook, Staff Attorney, TCEQ Litigation Division

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



IN THE MATTER OF AN
ENFORCEMENT ACTION
CONCERNING
AQUA UTILITIES, INC.
RN102678950

§ BEFORE THE
§
§ TEXAS COMMISSION ON
§
§ ENVIRONMENTAL QUALITY

AGREED ORDER
DOCKET NO. 2013-2043-PWS-E

At its JUN 18 2014 agenda, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding Aqua Utilities, Inc. (the "Respondent") under the authority of TEX. HEALTH & SAFETY CODE ch. 341. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent presented this agreement to the Commission.

The Respondent understands that it has certain procedural rights at certain points in the enforcement process, including, but not limited to, the right to formal notice of violations, notice of an evidentiary hearing, the right to an evidentiary hearing, and a right to appeal. By entering into this Agreed Order, the Respondent agrees to waive all notice and procedural rights.

It is further understood and agreed that this Order represents the complete and fully-integrated settlement of the parties. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable. The duties and responsibilities imposed by this Agreed Order are binding upon the Respondent.

The Commission makes the following Findings of Fact and Conclusions of Law:

I. FINDINGS OF FACT

1. The Respondent owns and operates a public water supply located five miles west of Comfort on United States Highway 87 in Kerr County, Texas (the "Facility") that has approximately 101 service connections and serves at least 25 people per day for at least 60 days per year.

2. During a record review conducted on September 30, 2013, TCEQ staff documented that the running annual average concentration for combined radium-226 and radium-228 was 6 picoCuries per liter ("pCi/L") for the first quarter 2012 and 6 pCi/L for the first quarter of 2013 at entry point No. 1, and the running annual average concentration for the combined radium-226 and radium-228 was 6 pCi/L for the fourth quarter of 2012 and 6 pCi/L for the first quarter of 2013 at entry point No. 2.
3. The Respondent received notice of the violations on October 21, 2013.
4. The Executive Director recognizes that on September 5, 2012, the Respondent gained conditional approval from the TCEQ for a pilot study to remove the combined radium-226 and radium-228 from the entry point No. 1 and entry point No. 2.

II. CONCLUSIONS OF LAW

1. The Respondent is subject to the jurisdiction of the TCEQ pursuant to TEX. HEALTH & SAFETY CODE ch. 341 and the rules of the Commission.
2. As evidenced by Findings of Fact No. 2, the Respondent failed to comply with the maximum contaminant level ("MCL") of 5 pCi/L for combined radium-226 and radium-228, based on the running annual average, in violation of 30 TEX. ADMIN. CODE § 290.108(f)(1) and TEX. HEALTH & SAFETY CODE § 341.0315(c).
3. Pursuant to TEX. HEALTH & SAFETY CODE § 341.049, the Commission has the authority to assess an administrative penalty against the Respondent for violations of the Texas Water Code and the Texas Health and Safety Code within the Commission's jurisdiction; for violations of rules adopted under such statutes; or for violations of orders or permits issued under such statutes.
4. An administrative penalty in the amount of Nine Hundred Ninety Dollars (\$990) is justified by the facts recited in this Agreed Order, and considered in light of the factors set forth in TEX. HEALTH & SAFETY CODE § 341.049(b). Nine Hundred Ninety Dollars (\$990) of the administrative penalty is deferred contingent upon the Respondent's timely and satisfactory compliance with all the terms of this Agreed Order and shall be waived only upon full compliance with all the the terms and conditions contained in this Agreed Order. If the Respondent fails to timely and satisfactorily comply with any requirement contained in this Agreed Order, the deferred amount of the administrative penalty shall become immediately due and payable without demand or notice, and the Executive Director may request the Respondent to pay all or part of the deferred administrative penalty.

III. ORDERING PROVISIONS

NOW, THEREFORE, THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY ORDERS that:

1. The Respondent is assessed an administrative penalty in the amount of Nine Hundred Ninety Dollars (\$990) as set forth in Section II, Paragraph 4 above, for violations of TCEQ rules and state statutes. The payment of this administrative penalty and the Respondent's compliance with all the terms and conditions set forth in this Agreed Order completely resolve the violations set forth by this Agreed Order in this action. However, the Commission shall not be constrained in any manner from requiring corrective actions or penalties for other violations that are not raised here. Administrative penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: Aqua Utilities, Inc., Docket No. 2013-2043-PWS-E" to:

Financial Administration Division, Revenue Operations Section
Attention: Cashier's Office, MC 214
Texas Commission on Environmental Quality
P.O. Box 13088
Austin, Texas 78711-3088

2. The Respondent shall undertake the following technical requirements:
 - a. Within 180 days after the effective date of this Agreed Order, submit an acceptable written plan, including a proposed schedule, to the Executive Director that provides for the completion of an alternate water source or treatment technology to the addresses listed in Ordering Provision No. 2.e.;
 - b. Within 180 days after the effective date of this Agreed Order, and on a semi-annual basis thereafter, submit progress reports to the addresses listed in Ordering Provision No. 2.e. below. These reports shall include information regarding actions taken to provide water which meets the MCL for combined radium-226 and radium-228;
 - c. Within 195 days after the effective date of this Agreed Order, submit written certification as described in Ordering Provision No. 2.e. below to demonstrate compliance with Ordering Provision No. 2.a.;
 - d. Within 1,095 days after the effective date of this Agreed Order, return to compliance with the MCL for combined radium-226 and radium-228, in accordance with 30 TEX. ADMIN. CODE § 290.108; and
 - e. Within 1,110 days after the effective date of this Agreed Order, submit written certification as described below, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision No. 2.d. The certification shall be notarized by a State of Texas Notary Public and include the following certification language:

"I certify under penalty of law that I have personally examined and am familiar with the information submitted and all attached documents, and that based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the submitted information is true, accurate and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fines and imprisonment for knowing violations."

The certification shall be submitted to:

Order Compliance Team
Enforcement Division, MC 149A
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

with a copy to:

Public Drinking Water Section Manager
Water Supply Division, MC 155
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

and to:

Technical Review and Oversight Team
Water Supply Division, MC 159
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

3. The provisions of this Agreed Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Facility operations referenced in this Agreed Order.
4. The Executive Director may grant an extension of any deadline in this Agreed Order or in any plan, report, or other document submitted pursuant to this Agreed Order, upon a written and substantiated showing of good cause. All requests for extensions by the Respondent shall be made in writing to the Executive Director. Extensions are not effective until the Respondent receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.
5. The Executive Director may refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings without notice to the Respondent if the Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Agreed Order.

6. This Agreed Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Agreed Order, whichever is later.
7. This Agreed Order, issued by the Commission, shall not be admissible against the Respondent in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Agreed Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.
8. This Agreed Order may be executed in separate and multiple counterparts, which together shall constitute a single instrument. Any page of this Agreed Order may be copied, scanned, digitized, converted to electronic portable document format ("pdf"), or otherwise reproduced and may be transmitted by digital or electronic transmission, including but not limited to facsimile transmission and electronic mail. Any signature affixed to this Agreed Order shall constitute an original signature for all purposes and may be used, filed, substituted, or issued for any purpose for which an original signature could be used. The term "signature" shall include manual signatures and true and accurate reproductions of manual signatures created, executed, endorsed, adopted, or authorized by the person or persons to whom the signatures are attributable. Signatures may be copied or reproduced digitally, electronically, by photocopying, engraving, imprinting, lithographing, electronic mail, facsimile transmission, stamping, or any other means or process which the Executive Director deems acceptable. In this paragraph exclusively, the terms "electronic transmission", "owner", "person", "writing", and "written" shall have the meanings assigned to them under TEX. BUS. ORG. CODE § 1.002.
9. The Chief Clerk shall provide a copy of this Agreed Order to each of the parties. By law, the effective date of this Agreed Order is the third day after the mailing date, as provided by 30 TEX. ADMIN. CODE § 70.10(b) and TEX. GOV'T CODE § 2001.142.