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TARIFF CONTROL NO. 52032

**APPLICATION OF INLINE
DEVELOPMENT INC. FOR A PASS
THROUGH RATE CHANGE**

**§
§
§**

**PUBLIC UTILITY COMMISSION

OF TEXAS**

JOINT RESPONSE TO NOTICE REQUIRING CLARIFICATION

On April 15, 2021, Inline Development Inc. (Inline) filed an application under 16 Texas Administrative Code (TAC) § 24.25(b) for approval of a pass-through rate change related to an increase in fees imposed on the utility by North Harris County Regional Water Authority.

On August 23, 2021, the administrative law judge (ALJ) filed a notice requiring clarification (Notice) directing Inline and the Staff (Staff) of the Public Utility Commission of Texas (Commission) to provide clarification on the application by September 7, 2021. Therefore, this pleading is timely filed.

I. CLARIFICATION ON THE NAME OF THE APPLICANT

The Notice required Inline and Staff (collectively, the Parties) to (1) identify the Texas Commission on Environmental Quality (TCEQ) or Commission proceeding in which Certificate of Convenience and Necessity (CCN) No. 12946 was issued, (2) identify the name on the certificate that was issued, (3) clarify whether the listed entity was registered with the Texas secretary of state, (4) clarify whether the entity is still in existence, and currently registered with the Texas secretary of state, and (5) identify the proceeding in which the CCN was subsequently transferred, if any.

The Texas Natural Resource Conservation Commission (TNRCC), the predecessor to the TCEQ, issued CCN No. 12946 to Inline Development Corporation on June 26, 2000.¹ Inline Development Corporation was actively registered with the Texas secretary of state when the TNRCC issued CCN No. 12946.² The entity was subsequently issued a certificate of termination by the Texas secretary of state on June 26, 2013 and is no longer an active entity.³ Staff is not aware of any proceeding before, or order issued by, the TNRCC, the TCEQ, or the Commission

¹ *In the Matter of the Application of Line Development Corporation to Obtain a Water and Sewer Certificate of Convenience and Necessity in Harris County, Texas*, TNRCC Application Nos. 32676-C and 32677-C, Order (Jun. 26, 2000) (Attachment A).

² Texas Secretary of State Business Organizations Inquiry for Inline Development Corp. (Attachment B).

³ *Id.*

that transferred CCN No. 12946 from Inline Development Corporation to any other entity. Staff has consulted with Inline regarding the information provided above and Inline agrees that the above information is accurate.

II. CLARIFICATION ON INTERIM RATES

The Notice also required Staff to provide comments on the ALJ's recommendation that approval of interim rates and customer fees be conditioned on the requirement that all proceeds resulting from the interim rate and customer fees be deposited into an interest-bearing escrow account in accordance with 16 TAC § 24.39. Staff has consulted with Inline and neither Inline nor Staff object to this proposal.

However, the Parties seek clarification as to whether only the increased cost to customers associated with the North Harris County Regional Water Authority's increased water fee or some greater amount determined by the ALJ will be deposited into the escrow account. The Parties also seek clarification as to whether, if necessary, the Commission will release funds from escrow to allow Inline to meet its current operating expenses in accordance with 16 TAC § 24.39(a)(3).

III. CONCLUSION

The Parties respectfully provide this clarification to the ALJ in response to the notice requiring clarification.

Dated: September 7, 2021

Respectfully submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

Rachelle Nicolette Robles
Division Director

Rustin Tawater
Managing Attorney

/s/ Robert Dakota Parish

Robert Dakota Parish
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**ATTORNEYS FOR
INLINE DEVELOPMENT INC.**

TARIFF CONTROL NO. 52032

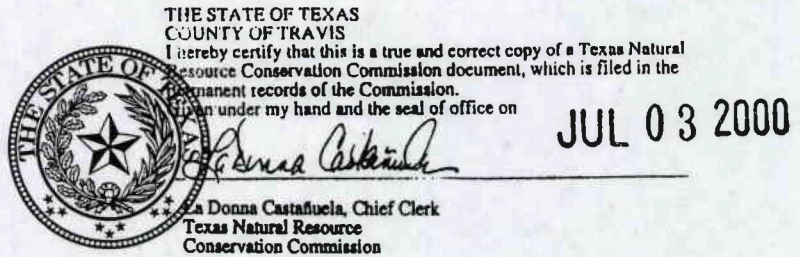
CERTIFICATE OF SERVICE

I certify that, unless otherwise ordered by the presiding officer, notice of the filing of this document was provided to all parties of record via electronic mail on September 7, 2021, in accordance with the Order Suspending Rules, issued in Project No. 50664.

/s/ Robert Dakota Parish

Robert Dakota Parish

Texas Natural Resource Conservation Commission



APPLICATION NOS. 32676-C and 32677-C

IN THE MATTER OF THE	§	BEFORE THE
APPLICATION OF INLINE	§	
DEVELOPMENT CORPORATION TO	§	TEXAS NATURAL RESOURCE
OBTAIN A WATER AND A SEWER	§	
CERTIFICATE OF CONVENIENCE	§	CONSERVATION COMMISSION
AND NECESSITY IN HARRIS	§	
COUNTY, TEXAS	§	

On **JUN 26 2000**, the Executive Director of the Texas Natural Resource Conservation Commission pursuant to Chapters 5 and 13 of the Texas Water Code considered the application of Inline Development Corporation to obtain a water and a sewer Certificate of Convenience and Necessity in Harris County, Texas.

One person requested a public hearing on the water application, but later withdrew their protest;

No person has requested a public hearing on the sewer application;

Notice of the application was given all affected and interested parties;

The criteria set forth in *Texas Water Code* Section 13.246(c) has been considered; and

The certificates requested in these applications are necessary for the service, accommodation, convenience, and safety of the public.

Now, therefore, be it ordered by the TEXAS NATURAL RESOURCE CONSERVATION COMMISSION that the application is granted and Certificate of Convenience and Necessity No. 12946 for water and Certificate of Convenience and Necessity No. 20879 for sewer be granted in accordance with the terms and conditions set forth herein and in the certificate.

IT IS FURTHER ORDERED that Inline Development Corporation shall serve every customer and applicant for service within the area certified under Certificate of Convenience and Necessity No. 12946 and Certificate of Convenience and Necessity No. 20879 and that such service shall be continuous and adequate.

TEXAS NATURAL RESOURCE
CONSERVATION COMMISSION

Issued date: JUN 26 2000


For the Commission



Texas Natural Resource Conservation Commission

By These Presents Be It Known To All That

Inline Development Corporation

having duly applied for certification to provide water utility service for the convenience and necessity of the public, and it having been determined by this commission that the public convenience and necessity would in fact be advanced by the provision of such service by this Applicant, is entitled to and is hereby granted this

Certificate of Convenience and Necessity No. 12946

to provide continuous and adequate water utility service to that service area or those service areas in Harris County as by final Order or Orders duly entered by this Commission, which Order or Orders resulting from Application No. 32676-C are on file at the Commission offices in Austin, Texas; and are matters of official record available for public inspection; and be it known further that these presents do evidence the authority and the duty of Inline Development Corporation to provide such utility service in accordance with the laws of this State and Rules of this Commission, subject only to any power and responsibility of this Commission to revoke or amend this Certificate in whole or in part upon a subsequent showing that the public convenience and necessity would be better served thereby.

Issued at Austin, Texas, this JUN 26 2000


For the Commission

Robert J. Huston, *Chairman*
R. B. "Ralph" Marquez, *Commissioner*
John M. Baker, *Commissioner*
Jeffrey A. Saitas, *Executive Director*



TEXAS NATURAL RESOURCE CONSERVATION COMMISSION

Protecting Texas by Reducing and Preventing Pollution

July 3, 2000

Mr. James P. Jansen
Jansen & Associates
P.O. Box 1778
Kyle, Texas 78640

RE: Application No. 32676-C, Application of Inline Development Corporation to Obtain a Water Certificate of Convenience and Necessity (CCN) in Harris County, Texas

Application No. 32677-C, Application of Inline Development Corporation to Obtain a Sewer Certificate of Convenience and Necessity (CCN) in Harris County, Texas

Dear Mr. Jansen:

Enclosed is a certified copy of an order and a copy of the Certificates of Convenience and Necessity issued by the Commission in the above referenced applications.

You are now authorized to provide utility service in accordance with your approved tariff and the rules and regulations of the Commission.

If you have any questions, please contact Ms. Joy Schultz by phone at 512/239-6960, by fax at 512/239-6972, by email at jschultz@tnrcc.state.tx.us, or if by correspondence, include MC 153 in the letterhead address below.

Sincerely,

A handwritten signature in cursive script, appearing to read "Samuel W. Jones".

for Samuel W. Jones, P. E., Manager
Utilities & Districts Section
Water Permits & Resource Management Division

SWJ/JFS/mlm

Enclosures

cc: mailing list

Robert J. Huston, *Chairman*
R. B. "Ralph" Marquez, *Commissioner*
John M. Baker, *Commissioner*
Jeffrey A. Saitas, *Executive Director*



TEXAS NATURAL RESOURCE CONSERVATION COMMISSION

Protecting Texas by Reducing and Preventing Pollution

June 6, 2000

CERTIFIED MAIL

Mr. James P. Jansen
Jansen & Associates
P.O. Box 1778
Kyle, Texas 78640

RE: Application No. 32676-C, Application of Inline Development Corporation to Obtain a Water Certificate of Convenience and Necessity (CCN) in Harris County, Texas

Application No. 32677-C, Application of Inline Development Corporation to Obtain a Sewer Certificate of Convenience and Necessity (CCN) in Harris County, Texas

Dear Mr. Jansen:

We have reviewed the above referenced application.

ENCLOSED ARE:

- ▶ CONSENT FORM
- ▶ The proposed map, certificate, and staff recommendation.
- ▶ A copy of your approved tariff. The original copy of the tariff will be retained by the Commission. You should retain a complete copy of your tariff at each utility business office.
- ▶ A pamphlet explaining how to obtain a copy of Commission rules.
- ▶ Information Order Form which lists all forms and other information available for your use.

YOU SHOULD DO THE FOLLOWING:

- ▶ Review the map, certificate, and recommendation. If these documents are **accurate and you agree** with all of the provisions of the order, you must sign the **CONSENT FORM** and mark the line that says you concur and return the signed statement. You should keep a copy of the letter you signed along with the documents for your records. Failure to return the signed statement could result in your application being returned.
- ▶ Notify us (**in writing**) within **14 days** of the date of this letter, if these documents are **inaccurate or you disagree** with any of the provision of the order. You may do this by marking the line on the **CONSENT FORM** that says you do not concur, signing the form and mailing it to the address on the form.

Mr. James P. Jansen

Page 2

June 6, 2000 .

- ▶ **NOTE:** This letter does not authorize you to provide utility service. You must wait until the Commission has approved your application and issued you a CCN.

WE WILL DO THE FOLLOWING:

- ▶ Submit the order for this application to the Executive Director for signature. However, before he can sign the order, we **must** receive your written consent to the to the staff's recommendation.
- ▶ **After your signed CONSENT FORM is received**, submit your application and the staff recommendation to the Executive Director for approval on behalf of the Commission.
- ▶ Mail you a signed copy of the order and CCN after it has been approved.

After you receive the signed order and CCN, you are authorized to provide utility service . You must

- ▶ Maintain a complete copy of your tariff at each utility business office.
- ▶ Charge only those rates and fees included on your tariff.
- ▶ Assist anyone seeking information on your approved rates or service policies.
- ▶ Make copies of your tariff available upon request at reasonable reproduction costs.
- ▶ Maintain a copy of the current Commission Permanent Rules, 30 Texas Administrative Code, Chapter 291, in case questions arise regarding acceptable utility practices and policies.
- ▶ **NOTE:** These rules control the way you run your business and can be complex. Please take the time to familiarize yourself with them.

If you have any questions, please contact Ms. Joy Schultz by phone at 512/239-6960, by fax at 512/239-6972, by email at jschultz@tnrcc.state.tx.us, or if by correspondence, include MC-153 in the letterhead address.

Sincerely,



Doug Holcomb, P.E.

Utilities & Districts Section

Water Permits & Resource Management Division

DEH/JFS/mlm

Enclosures

CONSENT FORM

Applicant's Name: Inline Development Corporation

Application No.: 32676-C and 32677-C

☒ I concur with the recommendations contained in the staff memorandum transmitted by letter dated June 6, 2000.

☐ I do not concur with and intend to respond to the recommendations contained in the staff memorandum transmitted by letter dated June 6, 2000. I understand that I have 14 days from the date of this letter to provide my response.

I am authorized by the Inline Development Corporation to sign this form.

Signature: James P. Janse

Printed Name: JAMES P. JANSEN

Relationship to Applicant: CONSULTANT

Date signed: June 9, 2000

Mail to:

Ms. Joy Schultz

Utilities & Districts Section, MC 153

Water Permits & Resource Management Division

Texas Natural Resource Conservation Commission

P.O. Box 13087

Austin, TX 78711-3087



Texas Natural Resource Conservation Commission

By These Presents Be It Known To All That

Inline Development Corporation

having duly applied for certification to provide water utility service for the convenience and necessity of the public, and it having been determined by this commission that the public convenience and necessity would in fact be advanced by the provision of such service by this Applicant, is entitled to and is hereby granted this

Certificate of Convenience and Necessity No. 12946

to provide continuous and adequate water utility service to that service area or those service areas in Harris County as by final Order or Orders duly entered by this Commission, which Order or Orders resulting from Application No. 32676-C are on file at the Commission offices in Austin, Texas; and are matters of official record available for public inspection; and be it known further that these presents do evidence the authority and the duty of Inline Development Corporation to provide such utility service in accordance with the laws of this State and Rules of this Commission, subject only to any power and responsibility of this Commission to revoke or amend this Certificate in whole or in part upon a subsequent showing that the public convenience and necessity would be better served thereby.

Issued at Austin, Texas, this _____

For the Commission



Texas Natural Resource Conservation Commission

By These Presents Be It Known To All That

Inline Development Corporation

having duly applied for certification to provide sewer utility service for the convenience and necessity of the public, and it having been determined by this commission that the public convenience and necessity would in fact be advanced by the provision of such service by this Applicant, is entitled to and is hereby granted this

Certificate of Convenience and Necessity No. 20879

to provide continuous and adequate sewer utility service to that service area or those service areas in Harris County as by final Order or Orders duly entered by this Commission, which Order or Orders resulting from Application No. 32677-C are on file at the Commission offices in Austin, Texas; and are matters of official record available for public inspection; and be it known further that these presents do evidence the authority and the duty of Inline Development Corporation to provide such utility service in accordance with the laws of this State and Rules of this Commission, subject only to any power and responsibility of this Commission to revoke or amend this Certificate in whole or in part upon a subsequent showing that the public convenience and necessity would be better served thereby.

Issued at Austin, Texas, this _____

For the Commission

Texas Natural Resource Conservation Commission

To: Jeffrey A. Saitas, P. E., Executive Director
Texas Natural Resource Conservation Commission

Date: June 6, 2000

Thru: ^{DK} Samuel W. Jones, P. E., Manager, Utilities & Districts Section
Water Permits & Resource Management Division
^{DK} Doug Holcomb, P. E., Team Leader, Certification & District Creation Team

From: ^{gdr} Joy Schultz, Utilities & Districts Section

Subject: Executive Summary and Staff Recommendation for Executive Director Approval
of Application No. 32676-C and 32677-C

Inline Development Corporation has applied to obtain a water and a sewer Certificate of Convenience and Necessity in Harris County.

The applicant meets all of the statutory requirements of Texas Water Code Chapter 13

The applicant is capable of providing continuous and adequate service.

Staff recommends approval of the order issuing CCN Nos. 12946 and 20879 to the applicant.

SWJ/JFS/mlm

**SEWER UTILITY TARIFF
FOR**

Inline Development Corporation
(Utility Name)

1000 Campbell, Suite 208-643
(Business Address)

Houston, Texas 77055
(City, State, Zip Code)

(713) 468-2755
(Area Code/Telephone)

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

20879

This tariff is effective in the following county:

Harris

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

None

This tariff is effective in the following subdivisions or systems:

Sugarberry Place

TABLE OF CONTENTS

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

SECTION	PAGE
1.0 RATE SCHEDULE	<u>2</u>
2.0 SERVICE RULES AND POLICIES	<u>4</u>
3.0 EXTENSION POLICY	<u>9</u>
APPENDIX A SAMPLE SERVICE AGREEMENT	

TEXAS NATURAL RESOURCE CONSERVATION COMMISSION
52677 C CCN 20879 MAY 10'00

APPROVED TARIFF BY Am/JES

Inline Development Corporation

Sewer Tariff Page No. 2

SECTION 1.0 - RATE SCHEDULE

Section 1.01 - Rates

<u>Meter Size</u>	<u>Monthly Minimum Charge</u>	<u>Gallage Charge</u>
All meters	\$25.00	\$2.00 per 1,000 gallons

Volume charges are determined based on average consumption for winter period which includes the following months: December - February

FORM OF PAYMENT: THE UTILITY WILL ACCEPT THE FOLLOWING FORM(S) OF PAYMENT

Cash X, Check X, Money Order X, Credit Card _____, Other (specify) _____

(THE UTILITY MAY REQUIRE EXACT CHANGE FOR PAYMENTS AND MAY REFUSE TO ACCEPT PAYMENTS MADE USING MORE THAN \$1.00 IN SMALL COINS. A WRITTEN RECEIPT WILL BE GIVEN FOR CASH PAYMENTS.)

REGULATORY ASSESSMENT 1.0%
(TNRCC RULES REQUIRE THE UTILITY TO COLLECT A FEE OF ONE PERCENT OF THE RETAIL MONTHLY BILL.)

Section 1.02 - Miscellaneous Fees

TAP FEE \$500.00
TAP FEE COVERS THE UTILITY'S COSTS FOR MATERIALS AND LABOR TO INSTALL A STANDARD RESIDENTIAL CONNECTION. AN ADDITIONAL FEE TO COVER UNIQUE COSTS IS PERMITTED IF LISTED ON THIS TARIFF.

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

RECONNECTION FEE

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

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

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

RATES LISTED ARE EFFECTIVE ONLY
IF THIS PAGE HAS TNRCC APPROVAL STAMP

TEXAS NATURAL RESOURCE CONSERVATION COMMISSION

32677 C CCN 20879 MAY 10'00

APPROVED TARIFF BY Lm/JFS

SECTION 1.0 - RATE SCHEDULE (CONT.)

TRANSFER FEE \$25.00
 THE TRANSFER FEE WILL BE CHARGED FOR CHANGING AN ACCOUNT NAME AT THE SAME SERVICE LOCATION
 WHEN THE SERVICE IS NOT DISCONNECTED

RETURNED CHECK CHARGE \$20.00
 RETURNED CHECK CHARGES MUST BE BASED ON THE UTILITY'S DOCUMENTABLE COST.

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

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

GOVERNMENTAL TESTING, INSPECTION AND COSTS SURCHARGE
 WHEN AUTHORIZED IN WRITING BY TNRCC AND AFTER NOTICE TO CUSTOMERS, THE UTILITY MAY INCREASE
 RATES TO RECOVER INCREASED COSTS FOR INSPECTION FEES AND WATER TESTING 30 TAC 291.21(K)(2).

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.

RATES LISTED ARE EFFECTIVE ONLY
 IF THIS PAGE HAS TNRCC APPROVAL STAMP

TO HAVE
 A TNRCC
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TEXAS NATURAL RESOURCE CONSERVATION COMMISSION

52677 C CCN 20879 MAY 10'00

APPROVED BY *Am JFS*

SECTION 2.0 - SERVICE RULES AND POLICIES

The utility will have the most current Texas Natural Resource Conservation Commission Rules, Chapter 291, Water Rates, available at its office for reference purposes. The Rules and this tariff shall be available for public inspection and reproduction at a reasonable cost. The latest Rules or Commission approved changes to the Rules supersede any rules or requirements in this tariff.

Section 2.01 - Application for Water Service

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

Section 2.02 - Refusal of Service

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

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

(A) Customer Deposits

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

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.

TEXAS NATURAL RESOURCE CONSERVATION COMMISSION

526770 CCN 20879 MAY 10'00

APPROVED BY *LM JFS*

SECTION 2.0 - SERVICE RULES AND POLICIES (CONT.)

(B) Tap or Reconnect Fees

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

Fees in addition to the regular tap fee may be charged to cover unique costs not normally incurred as permitted by 30 T. A. C. 291.86(a)(1)(C) if they are listed on this approved tariff. For example, a road bore for customers outside a subdivision or residential area could be considered a unique cost.

(C) Easement Requirement

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

Section 2.04 - Utility Response to Applications for Service

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

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

Section 2.05 - Customer Responsibility

The customer will be responsible for furnishing and laying the necessary customer service pipe from the tap location to the place of consumption. Customers will not be allowed to use the utility's cutoff.

TEXAS NATURAL RESOURCE CONSERVATION COMMISSION

52677 C CCN 20879 MAY 10'00

APPROVED BY *LM JFS*

SECTION 2.0 - SERVICE RULES AND POLICIES (CONT.)

2.06 Access to Customer's Premises

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

Section 2.10 - Billing

(A) Regular Billing

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

(B) Late Fees

A late penalty as stated on the rate schedule in Section 1.0 will be charged on bills received after the due date. The penalty on delinquent bills will not be applied to any balance to which the penalty was applied in a previous billing. The utility must maintain a record of the date of mailing to charge the late penalty.

(C) Information on Bill

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

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

Section 2.11 - Payments

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

Payment of an account by any means that has been dishonored and returned by the payer or payee's bank, shall be deemed to be delinquent. All returned payments must be redeemed with cash or valid money

Texas Natural Resource Conservation Commission

32677 C CON 20879 MAY 10 '00

APPROVED BY *LM/JFS*

SECTION 2.0 - SERVICE RULES AND POLICIES (CONT.)

order. If a customer has two returned payments within a twelve month period, the customer shall be required to pay a deposit if one has not already been paid.

Section 2.12 - Service Disconnection

(A) With Notice

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

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

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

(B) Without Notice

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

Section 2.13 - Reconnection of Service

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

Service will be reconnected within 24 hours after the past due bill, reconnect fees and any other outstanding charges are paid or the conditions which caused service to be disconnected are corrected.

Section 2.14 - Service Interruptions

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

SECTION 2.0 - SERVICE RULES AND POLICIES (CONT.)

Section 2.15 - Quality of Service

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

Section 2.16 - Customer Complaints and Disputes

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

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

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

Section 2.17 - Customer Liability

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

TEXAS NATURAL RESOURCE CONSERVATION COMMISSION

52677 C CCN 20879 MAY 10 '00

APPROVED BY *LM JFS*

SECTION 3.0 - EXTENSION POLICY

Section 3.01 - Standard Extension Requirements

LINE EXTENSION AND CONSTRUCTION CHARGES.

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

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

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

Exceptions may be granted by the TNRCC Executive Director if

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

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

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

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

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

TERRA NATURAL RESOURCE CONSERVATION COMMISSION

52677 C CCN 20879 MAY 10 '00

APPROVED BY *Sm* / JFS

SECTION 3.0 - EXTENSION POLICY (CONT.)

providing the standard service and connection beyond 200 feet and throughout his property including the cost of all necessary transmission facilities.

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

Section 3.02 - Costs Utilities Shall Bear

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

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

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

Section 3.03 - Contributions in Aid of Construction

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

TEXAS NATURAL RESOURCE CONSERVATION COMMISSION

526770 CCN 20879 MAY 10'00

APPROVED BY THE COMMISSION *Ray JFS*

SECTION 3.0 - EXTENSION POLICY (CONT.)

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 Texas Natural Resource Conservation Commission minimum design criteria for sewer treatment and collection.

Any service extension to a subdivision (recorded or unrecorded) may be subject to the provisions and restrictions of 30 TAC 291.86(d). When a developer wishes to extend the system to prepare to service multiple new connections, the charge shall be the cost of such extension, plus a pro-rata charge for facilities which must be committed to such extension compliant with the Texas Natural Resource Conservation Commission minimum design criteria. As provided by 30 T.A.C. 291.85(e)(3), for purposes of this section, commercial, industrial, and wholesale customers shall be treated as developers.

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

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

Section 3.04 - Appealing Connection Costs

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

Section 3.05 - Applying for Service

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

TEXAS NATURAL RESOURCE CONSERVATION COMMISSION

32677 C CCN 20879 MAY 10'00

APPROVED BY *Ln/JFS*

SECTION 3.0 - EXTENSION POLICY (CONT.)

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

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

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

Section 3.06 - Qualified Service Applicant

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

The Utility shall serve each qualified service applicant within its certificated service area as soon as practical after receiving a completed service application. All service requests will be fulfilled within the time limits prescribed by TNRCC 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 TNRCC service dates shall not become applicable until the service applicant has met all conditions precedent to becoming a qualified service applicant as defined by TNRCC rules.

Section 3.07 - Developer Requirements

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

TOY'S NATURAL RESOURCE CONSERVATION COMMISSION

526770 CCN 20879 MAY 10'00

APPROVED BY *Am JFS*

Telephone
(512) 262-2153

Jansen & Associates

P.O. Box 1778
Kyle, Texas 78640

Fax
(512) 262-1208

June 9, 2000

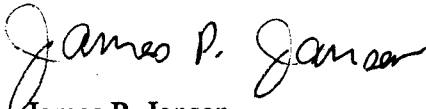
Mr. Michael Martz
1000 Campbell, Suite 208-643
Houston, TX 77055

Dear Michael,

Enclosed is the letter approving your CCN for Inline Development Corporation. I have signed and returned the letter agreeing to the proposed CCN. The water CCN has been amended to allow Albury Manor Utilities Companies CCN to cross the creek as we discussed.

Please review to ensure that you agree with the CCN.

Sincerely,



James P. Jansen

CC: Martin Rochelle

WATER UTILITY TARIFF FOR

Inline Development Corporation
(Utility Name)

1000 Campbell, Suite 208-643
(Business Address)

Houston, Texas 77055
(City, State, Zip Code)

(713) 468-2755
(Area Code/Telephone)

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

12946

This tariff is effective in the following county(ies):

Harris

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

None

This tariff is effective in the following subdivisions or systems:

Sugarberry Place

TABLE OF CONTENTS

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

SECTION	PAGE
1.0 RATE SCHEDULE	<u>2</u>
2.0 SERVICE RULES AND POLICIES	<u>4</u>
3.0 EXTENSION POLICY	<u>11</u>
4.0 WATER RATIONING PLAN	<u>15</u>
APPENDIX A SAMPLE SERVICE AGREEMENT (Chapter 290.47 Appendix B)	
APPENDIX B PLUMBING CODE ADOPTED BY UTILITY (not approved by the TNRCC)	

TEXAS NATURAL RESOURCE CONSERVATION COMMISSION

52676 C CCN 12946 MAY 10'00

APPROVED TARIFF *Am/JFS*

SECTION 1.0 - RATE SCHEDULE

Section 1.01 - Rates

<u>Meter Size</u>	<u>Monthly Minimum Charge</u>	<u>Gallonage Charge</u>
5/8" or 3/4"	\$20.00 (Includes 0 gallons)	\$2.00 per 1000
1"	\$33.00	gallons thereafter
1 1/2 "	\$57.00	
2"	\$130.00	
3"	\$186.00	
4"	\$186.00	

FORM OF PAYMENT: THE UTILITY WILL ACCEPT THE FOLLOWING FORM(S) OF PAYMENT

Cash X, Check X, Money Order X, Credit Card _____, Other (specify) _____

(THE UTILITY MAY REQUIRE EXACT CHANGE FOR PAYMENTS AND MAY REFUSE TO ACCEPT PAYMENTS MADE USING MORE THAN \$1.00 IN SMALL COINS. A WRITTEN RECEIPT WILL BE GIVEN FOR CASH PAYMENTS.)

REGULATORY ASSESSMENT 1.0%
(TNRCC RULES REQUIRE THE UTILITY TO COLLECT A FEE OF ONE PERCENT OF THE RETAIL MONTHLY BILL.)

Section 1.02 - Miscellaneous Fees

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

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

METER RELOCATION FEE (ACTUAL COST TO RELOCATE METER NOT TO EXCEED TAP FEE)
THIS FEE MAY BE CHARGED IF A CUSTOMER REQUESTS THAT AN EXISTING METER BE RELOCATED.

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

RATES LISTED ARE EFFECTIVE ONLY
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TNRCC NATURAL RESOURCE CONSERVATION COMMISSION
APPROVED BY Am/JFS

SECTION 1.0 - RATE SCHEDULE (CONT.)

RECONNECTION FEE

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

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

TRANSFER FEE \$25.00

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

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

TNRCC 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 \$20.00

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

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

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

GOVERNMENTAL TESTING, INSPECTION AND COSTS SURCHARGE

WHEN AUTHORIZED IN WRITING BY TNRCC AND AFTER NOTICE TO CUSTOMERS, THE UTILITY MAY INCREASE RATES TO RECOVER INCREASED COSTS FOR INSPECTION FEES AND WATER TESTING 30 TAC 291.21(K)(2).

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.

RATES LISTED ARE EFFECTIVE ONLY
IF THIS PAGE HAS TNRCC APPROVAL STAMP

TEXAS NATURAL RESOURCE CONSERVATION COMMISSION

52676 C CCN 12946 MAY 10'00

APPROVED BY *Am J.F.S*

SECTION 2.0 - SERVICE RULES AND POLICIES

The utility will have the most current Texas Natural Resource Conservation Commission Rules, Chapter 291, Water Rates, available at its office for reference purposes. The Rules and this tariff shall be available for public inspection and reproduction at a reasonable cost. The latest Rules or Commission approved changes to the Rules supersede any rules or requirements in this tariff.

Section 2.01 - Application for Water Service

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

Section 2.02 - Refusal of Service

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

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

(A) Customer Deposits

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

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.

TEXAS NATURAL RESOURCE CONSERVATION COMMISSION

326760 CCN 12946 MAY 10'00

APPROVED TO TIER IV *Am JFS*

SECTION 2.0 - SERVICE RULES AND POLICIES (CONT.)

(B) Tap or Reconnect Fees

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

Fees in addition to the regular tap fee may be charged to cover unique costs not normally incurred as permitted by 30 T. A. C. 291.86(a)(1)(C) if they are listed on this approved tariff. For example, a road bore for customers outside a subdivision or residential area could be considered a unique cost.

(C) Easement Requirement

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

Section 2.04 - Utility Response to Applications for Service

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

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

Section 2.05 - Customer Responsibility

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

TEXAS NATURAL RESOURCE CONSERVATION COMMISSION

326760 CCN 12946 MAY 10'00

APPROVED BY *[Signature]* JFS

SECTION 2.0 - SERVICE RULES AND POLICIES.(CONT.)

and are encouraged to do so. All new customers may be required to install and maintain a cutoff valve on their side of the meter.

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

Section 2.06 - Customer Service Inspections

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

Section 2.07 - Back Flow Prevention Devices

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

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

Section 2.08 - Access to Customer's Premises

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

TEXAS NATURAL RESOURCE CONSERVATION COMMISSION
326760 CCN 12946 MAY 10'00

APPROVED TO DATE BY *Am/JFS*

SECTION 2.0 - SERVICE RULES AND POLICIES (CONT.)

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

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

Section 2.09 - Meter Requirements, Readings, and Testing

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

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

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

Section 2.10 - Billing

(A) Regular Billing

Bills from the utility will be mailed monthly unless otherwise authorized by the Commission. The due date of bills for utility service will be at least sixteen (16) days from the date of issuance. The postmark

NATURAL RESOURCE CONSERVATION COMMISSION

326760 CCN 12946 MAY 10'00

APPROVED BY *Sm/JFS*

SECTION 2.0 - SERVICE RULES AND POLICIES (CONT.)

on the bill or, if there is no postmark on the bill, the recorded date of mailing by the utility will constitute proof of the date of issuance. Payment for utility service is delinquent if full payment, including late fees and the regulatory assessment, is not received at the utility or the utility's authorized payment agency by 5:00 p.m. on the due date. If the due date falls on a holiday or weekend, the due date for payment purposes will be the next workday after the due date.

(B) Late Fees

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

(C) Information on Bill

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

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

Section 2.11- Payments

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

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

Section 2.12 - Service Disconnection

(A) With Notice

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

The utility is encouraged to offer a deferred payment plan to a customer who cannot pay an outstanding bill in full and is willing to pay the balance in reasonable installments. However, a customer's utility

TENNESSEE NATURAL RESOURCE CONSERVATION COMMISSION

526760 CCN 12946 MAY 10'00

APPROVED BY TERRY J. JFS

SECTION 2.0 - SERVICE RULES AND POLICIES (CONT.)

service may be disconnected if a bill has not been paid or a deferred payment agreement entered into within 26 days from the date of issuance of a bill and if proper notice of termination has been given.

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

(B) Without Notice

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

Section 2.13 - Reconnection of Service

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

Service will be reconnected within 24 hours after the past due bill, reconnect fees and any other outstanding charges are paid or the conditions which caused service to be disconnected are corrected.

Section 2.14 - Service Interruptions

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

Section 2.15 - Quality of Service

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

Section 2.16 - Customer Complaints and Disputes

If a customer or applicant for service lodges a complaint, the utility will promptly make a suitable investigation and advise the complainant of the results. Service will not be disconnected pending completion of the investigation. If the complainant is dissatisfied with the utility's response, the utility must advise the complainant that he has recourse through the Texas Natural Resource Conservation Commission

TEXAS NATURAL RESOURCE CONSERVATION COMMISSION

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APPROVED: TERRY *Lmy JFS*

SECTION 2.0 - SERVICE RULES AND POLICIES (CONT.)

complaint process. Pending resolution of a complaint, the commission may require continuation or restoration of service.

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

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

Section 2.17 - Customer Liability

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

SECTION 3.0 - EXTENSION POLICY

Section 3.01 - Standard Extension Requirements

LINE EXTENSION AND CONSTRUCTION CHARGES.

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

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

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

Exceptions may be granted by the TNRCC Executive Director if

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

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

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

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

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

TEXAS NATURAL RESOURCE CONSERVATION COMMISSION

52676 C CCN 12946 MAY 10 '00

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SECTION 3.0 - EXTENSION POLICY (CONT.)

providing the standard service and connection beyond 200 feet and throughout his property including the cost of all necessary transmission facilities.

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

Section 3.02 - Costs Utilities Shall Bear

The utility will bear the full cost of any oversizing of water mains necessary to serve other customers in the immediate area. The individual residential customer shall not be charged for any additional production, storage, or treatment facilities. Contributions in aid of construction 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.

Within its certificate 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.

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

Section 3.03 - Contributions in Aid of Construction

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

TEXAS NATURAL RESOURCE CONSERVATION COMMISSION

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SECTION 3.0 - EXTENSION POLICY (CONT.)

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 Texas Natural Resource Conservation Commission minimum design criteria for water production, treatment, pumping, storage and transmission.

Any service extension to a subdivision (recorded or unrecorded) may be subject to the provisions and restrictions of 30 TAC 291.86(d). When a developer wishes to extend the system to prepare to service multiple new connections, the charge shall be the cost of such extension, plus a pro-rata charge for facilities which must be committed to such extension compliant with the Texas Natural Resource Conservation Commission minimum design criteria. As provided by 30 T.A.C. 291.85(e)(3), for purposes of this section, commercial, industrial, and wholesale customers shall be treated as developers.

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

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

Section 3.04 - Appealing Connection Costs

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

Section 3.05 - Applying for Service

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

TEXAS NATURAL RESOURCE CONSERVATION COMMISSION

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SECTION 3.0 - EXTENSION POLICY (CONT.)

applications will be sent by prepaid first class United States mail to the address provided by the applicant upon request. Completed applications should be returned by hand delivery in case there are questions which might delay fulfilling the service request. Completed service applications may be submitted by mail if hand delivery is not possible.

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

Section 3.06 - Qualified Service Applicant

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

The Utility shall serve each qualified service applicant within its certificated service area as soon as practical after receiving a completed service application. All service requests will be fulfilled within the time limits prescribed by TNRCC 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 TNRCC service dates shall not become applicable until the service applicant has met all conditions precedent to becoming a qualified service applicant as defined by TNRCC rules.

Section 3.07 - Developer Requirements

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

WYOMING NATURAL RESOURCE CONSERVATION COMMISSION

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APPROVED TO TAP BY *Sam/JFS*

SECTION 4.0 - WATER RATIONING PROGRAM

In cases of extreme drought, periods of abnormally high usage, or extended reduction in ability to supply water due to equipment failure, temporary restrictions may be instituted to limit water usage. The purpose of the Water Rationing Program is to encourage customer conservation in order to maintain supply, storage or pressure or to comply with requirements of a court, government agency or other authority.

Water rationing is not a legitimate alternative when the water system does not meet Texas Natural Resource Conservation Commission's capacity requirements under normal conditions, nor when the utility fails to take all immediate and necessary steps to replace or repair malfunctioning equipment.

Section 4.01 - General Provisions

DECLARATION OF WATER RATIONING: When there is an acute water supply shortage to such an extent that normal use patterns can no longer be served, the utility may implement a water rationing program in the following manner.

NOTICE REQUIREMENTS: Written notice will be provided to each customer prior to implementing the rationing program. Mailed notice must be given 72 hours prior to the start of rationing. If notice is hand delivered, the utility cannot enforce the provisions of the plan for 24 hours after notice is provided. The written notice to customers will contain the following information:

- 1) the date rationing will begin,
- 2) the date rationing will end,
- 3) the stage of rationing and explanation of the restrictions to be implemented, and,
- 4) an explanation of the consequences for violations.

The utility must notify the TNRCC by telephone prior to implementing the program and will provide the TNRCC with a copy of the utility's rationing notice within 10 days. The utility must file a status report of its rationing program with the TNRCC every 30 days that rationing continues.

VIOLATION OF RATIONING RULES:

First violation - The customer will be notified by written notice of their specific violation.

Second violation - After written notice the utility may install a flow restricter in the line to limit the amount of water which will pass through the meter in a 24 hour period. The utility may charge the customer for the actual cost of installing and removing the flow restricter, not to exceed \$50.00.

Subsequent violations - The utility may discontinue service at the meter for a period of seven (7) days, or until the end of the calendar month, whichever is LESS. The normal reconnect fee of the utility will apply for restoration of service.

TEXAS NATURAL RESOURCE CONSERVATION COMMISSION

32676 C CON 12946 MAY 10'00

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SECTION 4.0 - WATER RATIONING PROGRAM(CONT.)

EXEMPTIONS OR VARIANCES FROM RATIONING RULES: The utility may grant any customer an exemption or variance from the uniform rationing program for good cause. A customer who is refused an exemption or variance may appeal such action of the utility by written appeal to the Texas Natural Resource Conservation Commission. The utility will treat all customers equally concerning exemptions and variances, and shall not discriminate in granting exemptions and variances.

Section 4.02 - Stages of Rationing

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

STAGE I (MILD) RATIONING: One of the following rationing alternatives may be implemented to limit outdoor water use. In some instances, the program implemented initially may not be effective and a more restrictive alternative may be implemented before going to Stage II.

1. **Restricted Hours:** Outside watering is allowed daily, but only during periods specifically described in the customer notice; between 10:00 PM and 5:00 AM for example.
2. Water customers are requested to voluntarily limit the irrigation of landscaped areas to Sundays and Thursdays for customers with a street address ending in an even number (0, 2, 4, 6 or 8), and Saturdays and Wednesdays for water customers with a street address ending in an odd number (1, 3, 5, 7 or 9), and to irrigate landscapes only between the hours of midnight and 10:00 a.m. and 8:00 p.m. to midnight on designated watering days.
3. Water customers are requested to practice water conservation and to minimize or discontinue water use for non-essential purposes

STAGE II (MODERATE) RATIONING: The following water use restrictions shall apply to all persons.

1. Irrigation of landscaped areas with hose-end sprinklers or automatic irrigation systems shall be limited to Sundays and Thursdays for customers with a street address ending in an even number (0, 2, 4, 6 or 8), and Saturdays and Wednesdays for water customers with a street address ending in an odd number (1, 3, 5, 7 or 9), and irrigation of landscaped areas is further limited to the hours of 12:00 midnight until 10:00 a.m. and between 8:00 p.m. and 12:00 midnight on designated watering days. However, irrigation of landscaped areas is permitted at anytime if it is by means of a hand-held hose, a faucet filled bucket or watering can of five (5) gallons or less, or drip irrigation system.
2. Use of water to wash any motor vehicle, motorbike, boat, trailer, airplane or other vehicle is prohibited except on designated watering days between the hours of 12:00 midnight and 10:00 a.m. and between 8:00 p.m. and 12:00 midnight. Such washing, when allowed, shall be done

Texas Natural Resource Conservation Commission

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SECTION 4.0 - WATER RATIONING PROGRAM (CONT.)

with a hand-held bucket or a hand-held hose equipped with a positive shutoff nozzle for quick rinses. Vehicle washing may be done at any time on the immediate premises of a commercial car wash or commercial service station. Further, such washing may be exempted from these regulations if the health, safety, and welfare of the public is contingent upon frequent vehicle cleansing, such as garbage trucks and vehicles used to transport food and perishables.

3. Use of water to fill, refill, or add to any indoor or outdoor swimming pools, wading pools, or jacuzzi-type pools is prohibited except on designated watering days between the hours of 12:00 midnight and 10:00 a.m. and between 8 p.m. and 12:00 midnight.
4. Operation of any ornamental fountain or pond for aesthetic or scenic purposes is prohibited except where necessary to support aquatic life or where such fountains or ponds are equipped with a recirculation system.
5. Use of water from hydrants or flush valves shall be limited to maintaining public health, safety, and welfare.
6. Use of water for the irrigation of golf course greens, tees, and fairways is prohibited except on designated watering days between the hours 12:00 midnight and 10:00 a.m. and between 8 p.m. and 12:00 midnight.
7. The following uses of water are defined as non-essential and are prohibited:
 1. wash down of any sidewalks, walkways, driveways, parking lots, tennis courts, or other hard-surfaced areas;
 2. use of water to wash down buildings or structures for purposes other than immediate fire protection;
 3. use of water for dust control;
 4. flushing gutters or permitting water to run or accumulate in any gutter or street; and
 5. failure to repair a controllable leak(s) within a reasonable period after having been given notice directing the repair of such leak(s).

STAGE III (SEVERE) RATIONING: All requirements of Stage 2 shall remain in effect during Stage 3 except:

1. Irrigation of landscaped areas shall be limited to designated watering days between the hours of 12:00 midnight and 10:00 a.m. and between 8 p.m. and 12:00 midnight and shall be by means of hand-held hoses, hand-held buckets, drip irrigation, or permanently installed automatic sprinkler system only. The use of hose-end sprinklers is prohibited at all times.
2. The watering of golf course tees is prohibited.

STAGE IV (CRITICAL) RATIONING: All requirements of Stage 2 and 3 shall remain in effect during Stage 4 except:

1. Irrigation of landscaped areas shall be limited to designated watering days between the hours of 6:00 a.m. and 10:00 a.m. and between 8:00 p.m. and 12:00 midnight and shall be by means of hand-held hoses, hand-held buckets, or drip irrigation only. The use of hose-end sprinklers or permanently installed automatic sprinkler systems are prohibited at all times.

TEXAS NATURAL RESOURCE CONSERVATION COMMISSION

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SECTION 4.0 - WATER RATIONING PROGRAM (CONT.)

2. Use of water to wash any motor vehicle, motorbike, boat, trailer, airplane or other vehicle not occurring on the premises of a commercial car wash and commercial service stations and not in the immediate interest of public health, safety, and welfare is prohibited. Further, such vehicle washing at commercial car washes and commercial service stations shall occur only between the hours of 6:00 a.m. and 10:00 a.m. and between 6:00 p.m. and 10 p.m.
3. The filling, refilling, or adding of water to swimming pools, wading pools, and jacuzzi-type pools is prohibited.
4. Operation of any ornamental fountain or pond for aesthetic or scenic purposes is prohibited except where necessary to support aquatic life or where such fountains or ponds are equipped with a recirculation system.
5. No applications for new, additional, expanded, or increased-in-size water service connections, meters, service lines, pipeline extensions, mains, or water service facilities of any kind shall be allowed or approved.

STAGE V(EMERGENCY) RATIONING: All requirements of Stage 2, 3, and 4 shall remain in effect during Stage 5 except:

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

All meters shall be read as often as necessary to insure compliance with this program for the benefit of all the customers.

TEXAS NATURAL RESOURCE CONSERVATION COMMISSION

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Chapter 290.47(b) Sample Service Agreement

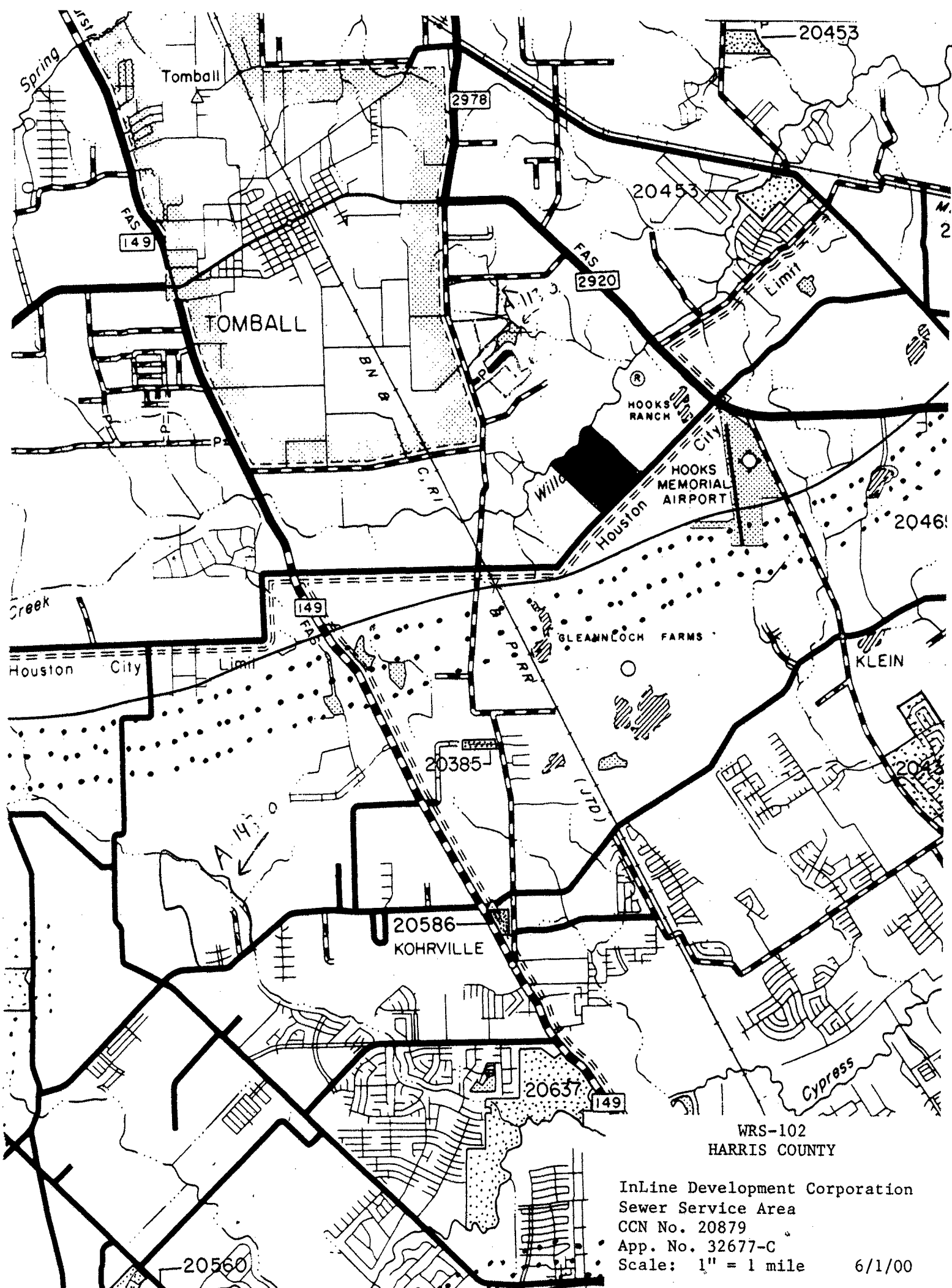
SERVICE AGREEMENT

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

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- C. The Water System shall notify the Customer in writing of any cross-connection or other potential contamination hazard which has been identified during the initial inspection or the periodic reinspection.
 - D. The Customer shall immediately remove or adequately isolate any potential cross-connections or other potential contamination hazards on his premises.
 - E. The Customer shall, at his expense, properly install, test, and maintain any backflow prevention device required by the Water System. Copies of all testing and maintenance records shall be provided to the Water System.
- IV. **ENFORCEMENT.** If the Customer fails to comply with the terms of the Service Agreement, the Water System shall, at its option, either terminate service or properly install, test, and maintain an appropriate backflow prevention device at the service connection. Any expenses associated with the enforcement of this agreement shall be billed to the Customer.

CUSTOMER'S SIGNATURE: _____

DATE: _____



WRS-102
HARRIS COUNTY

InLine Development Corporation
Sewer Service Area
CCN No. 20879
App. No. 32677-C
Scale: 1" = 1 mile 6/1/00

TEXAS SECRETARY of STATE

JOSE A. ESPARZA

BUSINESS ORGANIZATIONS INQUIRY - VIEW ENTITY

Filing Number: 129966500
Original Date of Filing: January 24, 1994
Formation Date: N/A
Tax ID: 17604379044
Duration: Perpetual
Entity Type: Domestic For-Profit Corporation
Entity Status: Voluntarily terminated
FEIN:
Name: INLINE DEVELOPMENT CORP.
Address: 21755 INTERSTATE 45 BLDG 11
 SPRING, TX 77388 USA

REGISTERED AGENT		FILING HISTORY	NAMES	MANAGEMENT	ASSUMED NAMES	ASSOCIATED ENTITIES	
View Image	Document Number	Filing Type	Filing Date	Effective Date	Eff. Cond	Page Count	
	6490763	Articles of Incorporation	January 24, 1994	January 24, 1994	No	2	
	6490764	Tax Forfeiture	February 13, 1996	February 13, 1996	No	1	
	6490765	Reinstatement	June 19, 1996	June 19, 1996	No	2	
	7320690	Change of Registered Agent/Office	July 23, 2001	July 23, 2001	No	2	
	22615850001	Public Information Report (PIR)	December 31, 2002	January 10, 2003	No	1	
	52933960001	Public Information Report (PIR)	December 31, 2003	February 4, 2004	No	1	
	85757530001	Public Information Report (PIR)	December 31, 2004	March 21, 2005	No	1	
	127347770001	Public Information Report (PIR)	December 31, 2005	April 25, 2006	No	1	
	160201600228	Tax Forfeiture	February 9, 2007	February 9, 2007	No	1	
	270193780002	Reinstatement	July 31, 2009	July 31, 2009	No	2	
	330741030001	Public Information Report (PIR)	December 31, 2009	September 24, 2010	No	1	
	328572950002	Change of Name or Address by Registered Agent	September 20, 2010	September 20, 2010	No	2	
	345081780001	Public Information Report (PIR)	December 31, 2010	December 10, 2010	No	1	
	437910750001	Public Information Report (PIR)	December 31, 2012	August 18, 2012	No	1	
	487563480002	Certificate of Termination	June 26, 2013	June 26, 2013	No	3	
	517256270001	Public Information Report (PIR)	December 31, 2013	November 25, 2013	No	1	

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