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DOCKET NO. 52324

APPLICATION OF SOUTHWEST	§	PUBLIC UTILITY COMMISSION
ENVIRONMENTAL RESOURCES AND	§	
MANVEL TERRACE UTILITIES, INC.	§	OF TEXAS
FOR SALE, TRANSFER, OR MERGER	§	
OF FACILITIES AND CERTIFICATE	§	
RIGHTS IN FORT BEND COUNTY	§	

JOINT SUPPLEMENTAL MOTION TO ADMIT EVIDENCE AND PROPOSED ORDER APPROVING SALE AND ALLOWING TRANSACTION TO PROCEED

On July 16, 2021, Manvel Terrace Utilities, Inc. (Manvel Terrace) and the Southwest Environmental Resources (Southwest) (collectively, Applicants) filed an application for approval of the sale, transfer, or merger of facilities and certificate rights in Fort Bend County. Specifically, Manvel Terrace seeks approval to acquire facilities and to transfer water service area held under Southwest’s Certificate of Convenience and Necessity (CCN) No. 11648 to Manvel Terrace’s CCN No. 12080.

On July 19, 2022, the Administrative Law Judge (ALJ) filed Order No. 16, finding the closing documents to be sufficient. On September 15, 2022, the ALJ file Order. No. 18, requiring the Staff (Staff) of the Public Utility Commission of Texas (Commission) and the Applicants (collectively, Parties) to jointly file a Proposed Notice of Approval by September 29, 2022. Therefore, this pleading is timely filed.

I. SUPPLEMENTAL MOTION TO ADMIT EVIDENCE

The parties move to admit the following evidence into the record of this proceeding:

- A. Applicants’ closing agreement consummating to the completion filed on May 31, 2022 (Interchange Item No. 33);
- B. Commission Staff’s recommendation on sufficiency of closing documents filed on July 7, 2022 (Interchange Item No. 40);
- C. Southwest’s consent forms filed on September 13, 2022 (Interchange Item No. 47);
- D. Manvel Terrace’s consent forms filed on September 27, 2022(Interchange Item No. 50); and
- E. Attached the map, certificate, and tariff.

II. PROPOSED NOTICE OF APPROVAL

The Parties respectfully request that the items listed above be admitted into the record of this proceeding as evidence. The parties also respectfully ask that the attached Proposed Notice of Approval be approved.

III. CONCLUSION

The Parties respectfully request that the items listed above be admitted into the record of this proceeding as evidence and the attached Proposed Notice of Approval be adopted.

Dated: September 29, 2022

Respectfully submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

Keith Rogas
Division Director

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/s/ Mildred Anaele
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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 on September 29, 2022 in accordance with the Order Suspending Rules filed in Project No. 50664.

/s/ Mildred Anaele
Mildred Anaele

DOCKET NO. 52324

APPLICATION OF SOUTHWEST	§	PUBLIC UTILITY COMMISSION
ENVIRONMENTAL RESOURCES AND	§	
MANVEL TERRACE UTILITIES, INC.	§	OF TEXAS
FOR SALE, TRANSFER, OR MERGER	§	
OF FACILITIES AND CERTIFICATE	§	
RIGHTS IN FORT BEND COUNTY	§	

PROPOSED ORDER APPROVING SALE AND ALLOWING TRANSACTION TO PROCEED

This Notice of Approval addresses the application of Manvel Terrace Utilities, Inc. and Southwest Environmental Resources for approval of the sale and transfer of Certificate of Convenience and Necessity (CCN) rights in Fort Bend County. Manvel Terrace seeks approval to transfer all of Southwest’s service area under CCN number 11648.

I. Findings of Fact

The Commission makes the following findings of fact.

Applicants

1. Manvel Terrace is a Texas corporation registered with the Texas secretary of state under file number 0078001700.
2. Manvel Terrace owns and operates facilities for providing water service under CCN number 11280 in Fort Bend County.
3. Southwest is a limited liability company registered with the Texas secretary of state under file number 801737099.
4. Southwest owns and operates facilities for providing water service under CCN number 11648 in Fort Bend County.
5. Southwest owns Southwest Environmental Resources public water system, which is registered with the Texas Commission on Environmental Quality (TCEQ) under public water system identification number 0790144.

Application

5. On July 16, 2021, the applicants filed an application for approval of the sale of facilities and the transfer of all of Southwest's water service area under CCN number 11648 to Manvel Terrace.
6. The applicants filed supplemental information on August 3 and August 13, 2021.
7. The area subject to this transaction consists of 83 acres and 167 current connections.
8. The area subject to this transaction is located approximately 3.6 miles south of downtown Rosenberg, Texas, and is generally bounded on the north by Geronimo Lane; on the east by North Highway 36; on the south by Ustinik Road; and on the west by Apache Lane.
9. In Order No. 4 filed on November 16, 2021, the ALJ deemed the application administratively complete.

Notice

10. On December 18, 2021, the applicants filed the affidavit of Harrison Williams, President of Manvel Terrace, attesting that notice was provided to current customers, neighboring utilities, and affected parties on December 3, 2021.
11. In Order No. 5 filed on January 5, 2022, the ALJ deemed the notice sufficient.

Evidentiary Record

12. On March 30, 2022, the parties filed a joint motion to admit evidence.
13. In Order No. 7 filed on April 8, 2022, the ALJ admitted the following evidence into the record: (a) the application for sale, transfer or merger of facilities, filed on July 16, 2021; (b) Manvel Terrace's request for additional information, filed on August 3, 2021; (c) Manvel Terrace's confidential financial information bate stamp 1 to 9, filed on August 13, 2021; (d) Manvel Terrace's requested info, filed on September 21, 2021; (e) Manvel Terrace's confidential financial information bate stamp 1 - 9, filed on September 22, 2021; (f) Manvel Terrace's maps, filed on October 12, 2021; (g) Commission Staff's supplemental recommendation on administrative completeness and proposed Notice, filed on November 15, 2021; (h) Marvel Terrace's notice, filed on December 18, 2021; (i) Commission Staff's recommendation on sufficiency of notice, filed on December 29, 2021; (j) Marvel Terrace's request for information 1, filed on March 2, 2022; (k) Marvel Terrace's financial information, copies of articles on incorporation and amendments, filed on March 2, 2022; (l) Marvel Terrace's response and affidavit, filed on March 2, 2022; (m)

Marvel Terrace's Appendix B, filed on March 8, 2022; (n) Commission Staff's recommendation on approval of the transaction, filed on December 29, 2021; and (o) Commission Staff's confidential -attachment FB-1, filed on March 16, 2022.

14. On September 29, 2022, the parties filed a joint supplemental motion to admit evidence.
15. In Order No. ___ filed on _____, 2022, the ALJ admitted the following additional evidence into the record: (a) the applicants' closing agreement consummating to the completion filed on May 31, 2022 (Interchange Item No. 33); (b) Commission Staff's recommendation on sufficiency of closing documents filed on July 7, 2022 (Interchange Item No. 40); (c) Southwest's consent forms filed on September 13, 2022(Interchange Item No.47); (d)Manvel Terrace's consent forms filed on September 27, 2022(Interchange Item No. 50); (d) the map, certificate, and tariff attached to the joint supplemental motion to admit evidence and joint proposed notice of approval filed on September 29, 2022.

Sale

16. In Order No. 15 filed on July 19, 2022, the ALJ approved the sale and transaction to proceed and required the applicants to file proof that the transaction had closed, and the customer deposits had been addressed.
17. On May 31, 2022 the applicants filed notice that the sale had closed on May 5, 2022 and confirmed that there were no outstanding customer deposits that needed to be addressed.
18. In Order No. 16 filed on July 19, 2022, the ALJ found the closing documents sufficient.

Cumulative Recommendation

19. On March 16, 2022, Commission Staff filed its recommendation regarding the transaction in this docket recommending that Manvel Terrace has the financial, managerial, and technical capability to provide continuous and adequate service to all areas included in this docket.

System Compliance

20. The last TCEQ compliance investigation of the Southwest system was on January 22, 2020. Southwest received some violations as a result of that investigation.

21. Manvel Terrace indicated that an engineer will submit plans to the TCEQ for a larger storage tank to increase storage capacity at Southwest's water treatment plant. Manvel Terrace also stated that there are plans in place to address the remaining TCEQ violations at Southwest once the system is acquired.
22. The Commission's complaint records, which date back to 2017, show no complaints against Southwest.

Adequacy of Existing Service

23. The requested area has approximately 167 connections that are currently served by Southwest through TCEQ-approved Southwest Environmental Resources, public water system number 0790144, and such service has been continuous and adequate.
24. No additional construction is necessary for Marvel Terrace to serve the requested area.

Need for Additional Service

25. There are currently 167 existing customer connections in the requested area; therefore, there is a need for service.
26. No additional service is needed at this time.

Effect of Approving the Transaction and Granting the Amendment

27. Manvel Terrace will become the certificated entity for the requested area and will be required to provide adequate and continuous service to the requested area.
28. For the requested area subject to the transaction, there will be no effect on landowners as the area is currently certificated and will remain certificated and all customers will be charged the same rates as they were charged before the transaction.
29. There will be no effect on any retail public utility servicing the proximate area. All retail public utilities in the proximate area were provided notice of the transaction and did not request to intervene.

Ability to Serve; Managerial and Technical

30. Manvel Terrace has the ability to provide adequate service in the requested area.
31. Manvel Terrace has a TCEQ-approved public water system registered as Marvel Road Terrace Subdivision, PWS ID No. 0200102.
32. Manvel Road Terrace does not have any violations listed in the TCEQ database.
33. The Commission's complaint records, which date back to 2017, show no complaints

against Manvel Terrace.

Feasibility of Obtaining Service from Adjacent Retail Public Utility

34. The construction of a physically separate system is not necessary for Manvel Terrace to serve the requested area. Therefore, concerns of regionalization or consolidation do not apply.
35. Southwest is currently serving customers and has sufficient capacity.
36. Manvel Terrace has a plan to improve service provided to the requested area.
37. Retail public utilities in the area received notice of the application and none intervened, protested, or requested a hearing.
38. It is not feasible to obtain service from an adjacent retail public utility.

Ability to Serve; Financial Ability and Stability

39. Manvel Terrace, through its affiliate, Floe- Tech Utility LLC (Flow- Tech), has a debt-to-equity ratio less than 1.0, meeting the leverage test.
40. Manvel Terrace submitted an affidavit indicating Flow-Tech's commitment to providing funds necessary for cash required to purchase Southwest Environmental and make necessary capital improvements. Sufficient cash and net operating income available to cover possible future shortages provide an indication of financial stability and financial and managerial capability. Therefore, Manvel Terrace meets the operations test.
41. Manvel Terrace has demonstrated the financial ability and financial stability necessary to provide continuous and adequate service to the requested area.

Financial Assurance

42. There is no need to require Manvel Terrace to provide a bond or other financial assurance to ensure continuous and adequate service to the requested area.

Environmental Integrity

43. The environmental integrity of the land will be minimally affected as the storage tank is constructed to provide additional storage capacity at the Southwest water plant.

Improvement in Service or Lowering Cost to Consumers

44. Manvel Terrace will continue to provide water service to the existing customers in the area.
45. The quality of service for transferred Southwest customers will remain high.

46. There will be no change in the quality or cost of service to customers.

Regionalization or Consolidation

47. Concerns of regionalization or consolidation do not apply because construction of a physically separate water system is not needed to serve the requested area.

Tariffs, Maps, and Certificates

48. On August 11, 2022, Commission Staff emailed to the applicants the final proposed map, certificate, and tariff related to this docket.

49. On September 13, 2022 and September 27, 2022, the applicants filed their consent forms concurring with the proposed final map, certificate, and tariff.

50. The final map, certificate, and tariff, were included as attachments to the joint supplemental motion to admit evidence, filed on September 29, 2022.

Informal Disposition

51. More than 15 days have passed since the completion of notice provided in this docket.

52. No person filed a protest or motion to intervene.

53. Manvel Terrace, Southwest, and Staff are the only parties to this proceeding.

54. No party requested a hearing, and no hearing is needed.

55. Staff recommended approval of the application.

56. The decision is not adverse to any party.

II. Conclusions of Law

The Commission makes the following conclusions of law:

1. The Commission has authority over this proceeding under (Texas Water Code) TWC §§ 13.041, 13.241, 13.244, 13.246, 13.251, and 13.301.
2. Manvel Terrace and Southwest provided notice of the application in compliance with TWC § 13.301(a) and 16 TAC § 24.239(a) through (c).

3. The Commission processed the application as required by the TWC, the Administrative Procedure Act,¹ and Commission Rules.
4. Manvel Terrace and Southwest have complied with the requirements of 16 TAC § 24.239(k) with respect to customer deposits.
5. Manvel Terrace and Southwest completed the sale within the time frame required by 16 TAC § 24.239(m).
6. After consideration of the factors in TWC § 13.246(c), Manvel Terrace demonstrated adequate financial, managerial, and technical capability to provide adequate and continuous service to the requested area as required by TWC §§ 13.241 and 13.301(b) and 16 TAC § 24.239.
7. The applicants have demonstrated that transferring Southwest's facilities, water service area, and CCN number 11648 from Southwest to Manvel Terrace will serve the public interest and is necessary for the service, accommodation, convenience, and safety of the public as required by TWC.
8. It is not necessary for Manvel Terrace to provide bond or other financial assurance under TWC §§ 13.246(d) and 13.301(c).
9. Manvel Terrace must record a certified copy of its certificate granted and map approved by this Notice of Approval, along with a boundary description of the service area, in the real property records of Fort Bend County within 31 days of receiving this Notice of Approval and submit to the Commission evidence of the recording as required by TWC § 13.257(r) and (s).
10. The requirements for informal disposition under 16 TAC § 22.35 have been met in this proceeding.
11. Manvel Terrace and Southwest have demonstrated that the sale and transfer of the facilities, service area, and CCN number. 11648 from Southwest to Manvel Terrace is necessary for

¹ Tex. Gov't Code §§ 2001.001-.903.

the service, accommodation, convenience, and safety of the public. TWC § 13.301(d) and (e).

III. Ordering Paragraphs

In accordance with these findings of fact and conclusions of law, the Commission issues the following orders.

1. The Commission approves the sale and transfer of all water facilities held under Southwest's water CCN number 11648 to Marvel Terrace.
2. The Commission approves the map and tariff attached to the Notice of Approval.
3. The Commission issues the certificate attached to this Notice of Approval.
4. Marvel Terrace must provide service to every customer or applicant for service within the approved area under water CCN number 11648 that requests service and meets the terms of Slice of EP's water service, and such service must be continuous and adequate.
5. Marvel Terrace must comply with the recording requirements in TWC § 13.257(r) and (s) for the area in Fort Bend County affected by the application and must submit to the Commission evidence of the recording no later than 45 days after receipt of the Notice of Approval.
6. Within ten days of the date of the Notice of Approval, Commission Staff must provide a clean copy of the tariff approved by this Notice of Approval to central records to be marked *Approved* and filed in the Commission's tariff books.
7. The Commission denies all other motions and any other requests for general or specific relief, if not expressly granted.

SIGNED AT AUSTIN, TEXAS, on the _____ day of _____, 2022.

PUBLIC UTILITY COMMISSION OF TEXAS

ADMINISTRATIVE LAW JUDGE



**WATER UTILITY TARIFF
Docket Number 52324**

Manvel Terrace Utilities, Inc.
(Utility Name)

2460 Country Club Drive
(Business Address)

Pearland, Texas 77581
(City, State, Zip Code)

(832) 534-8545
(Area Code/Telephone)

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

12080

This tariff is effective in the following county:

Brazoria, Fort Bend

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

None

This tariff is effective in the following subdivisions or systems:

Manvel Road Terrace Subdivision: PWS #0200102

Southwest Environmental Resources: PWS #0790144

TABLE OF CONTENTS

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

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APPENDIX B	SAMPLE SERVICE AGREEMENT	

SECTION 1.0 - RATE SCHEDULE

Section 1.01 - Rates

<u>Meter Size</u>	<u>Monthly Minimum Charge</u>	<u>Gallonage Charge</u>
5/8" or 3/4"	<u>\$36.91</u> (Includes 1000 gallons)	<u>\$4.32</u> per 1000 gallons

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

Section 1.02 - Miscellaneous Fees

TAP FEE \$400.00
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.

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) Nonpayment of bill (Maximum \$25.00)\$25.00
- b) Customer's request that service be disconnected\$40.00

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).....\$5.00

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

RETURNED CHECK CHARGE\$25.00

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

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

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

GOVERNMENTAL TESTING, INSPECTION AND COSTS SURCHARGE

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

LINE EXTENSION AND CONSTRUCTION CHARGES:

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

SECTION 1.0 - RATE SCHEDULE

Section 1.01 - Rates

<u>Meter Size</u>	<u>Monthly Minimum Charge</u> (includes 0 gallons)	<u>Gallonage Charge</u>
5/8" or 3/4"	<u>\$25.00</u>	<u>\$2.00</u> per 1000 gallons up to 12,000 gallons
1" thereafter	<u>\$33.40</u>	<u>\$3.00</u> per 1,000 gallons, 12,001 gallons and
1½"	<u>\$66.60</u>	
2"	<u>\$106.60</u>	

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

Cash _____, 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%
 TCEQ 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 Relocation Cost, Not to Exceed Tap Fee
 THIS FEE MAY BE CHARGED IF A CUSTOMER REQUESTS THAT AN EXISTING METER BE RELOCATED.

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

SECTION 1.0 -- RATE SCHEDULE (Continued)

RECONNECTION FEE

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

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

TRANSFER FEE\$45.00

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

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

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

RETURNED CHECK CHARGE\$25.00

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

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

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

GOVERNMENTAL TESTING, INSPECTION AND COSTS SURCHARGE:

WHEN AUTHORIZED IN WRITING BY TCEQ AND AFTER NOTICE TO CUSTOMERS, THE UTILITY MAY INCREASE RATES TO RECOVER INCREASED COSTS FOR INSPECTION FEES AND WATER TESTING. [[16 TEXAS ADMINISTRATIVE CODE (TAC) § 24.25(b)(2)(G)]

LINE EXTENSION AND CONSTRUCTION CHARGES:

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

PURCHASED WATER AND/OR DISTRICT FEE PASS THROUGH CLAUSE:

Changes in fees imposed by any non-affiliated third party water supplier or underground water district having jurisdiction over the utility shall be passed through as an adjustment to the water gallonage charge according to the following formula:

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

AG = adjusted gallonage charge, rounded to the nearest one cent;

G = approved gallonage charge (per 1,000 gallons);

B = change in purchased water/district gallonage charge (per 1,000 gallons);

L = system average line loss for preceding 12 months not to exceed 0.15.

SECTION 2.0 – SERVICE RULES AND POLICIES

The utility will have the most current Public Utility Commission of Texas (PUC or Commission) rules, Chapter 24, available at its office for reference purposes. The Rules and this tariff shall be available for public inspection and reproduction at a reasonable cost. The latest Rules or commission approved changes to the Rules supersede any rules or requirements in this tariff.

Section 2.01 - Application for Water Service

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

Section 2.02 - Refusal of Service

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

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

(A) Customer Deposits

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

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

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

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

(B) Tap or Reconnect Fees

A new customer requesting service at a location where service has not previously been provided must pay a tap fee as provided in Section 1. A customer requesting service where service has previously been provided must pay a reconnect fee as provided in Section 1. Any applicant or existing customer required to pay for any costs not specifically set forth in the rate schedule pages of this tariff shall be given a written explanation of such costs prior to request for payment and/or commencement of construction.

Docket No. 52324

SECTION 2.0 – SERVICE RULES AND POLICIES (Continued)

If the applicant or existing customer does not believe that these costs are reasonable or necessary, the applicant or existing customer shall be informed of their right to appeal such costs to the PUC or such other regulatory authority having jurisdiction over the utility's rates in that portion of the utility's service area in which the applicant's or existing customer's property(ies) is (are) located.

Fees in addition to the regular tap fee may be charged if listed specifically in Section 1 to cover unique costs not normally incurred as permitted by 16 TAC § 24.163(a)(1)(C). 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 and are encouraged to do so. All new customers may be required to install and maintain a cutoff valve on their side of the meter.

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

Section 2.06 - Customer Service Inspections

Applicants for new service connections or facilities which have undergone extensive plumbing modifications are required to furnish the utility a completed customer service inspection certificate. The inspection certificate shall certify that the establishment is in compliance with the Texas Commission on Environmental Quality (TCEQ) Rules and Regulations for Public Water Systems, 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 2.0 – SERVICE RULES AND POLICIES (Continued)

Section 2.07 - Back Flow Prevention Devices

All non-residential customers requiring a greater than 1” meter or any customer with irrigation or firefighting systems, must install backflow prevention devices which have been approved by the utility or its consulting engineers on each of their customer service lines.

The backflow assembly shall be tested upon installation by a recognized prevention assembly tester and certified to be operating within specifications. Backflow 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 backflow prevention device tester. The maintenance and testing of the backflow assembly shall occur at the customer’s expense.

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 prevention assembly. The air gap or backflow prevention assembly shall be installed in accordance with the American Water Works (AWWA) standards C510, C511 and AWWA Manual M14 or 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.

Section 2.08 - Access to Customer’s Premises

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

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

Section 2.09 - Meter Requirements, Readings, and Testing

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

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

SECTION 2.0 – SERVICE RULES AND POLICIES (Continued)

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

(B) Late Fees

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

(C) Information on Bill

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

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

Section 2.11- 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.

SECTION 2.0 – SERVICE RULES AND POLICIES (Continued)

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

Section 2.12 - Service Disconnection

(A) With Notice

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

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

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

B) Without Notice

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

Section 2.13 - Reconnection of Service

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

Service will be reconnected within 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 PUC or TCEQ, the utility will maintain facilities as described in the TCEQ Rules and Regulations for Public Water Systems.

SECTION 2.0 – SERVICE RULES AND POLICIES (Continued)

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

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

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

Unless an exception is granted by the PUC, 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 PUC if:

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

If an exception is granted by the PUC, 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 will bear the full cost of any over-sizing of water mains necessary to serve other 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 certified area, industrial, and wholesale customers shall be treated as developers. A service applicant requesting a one inch meter for a lawn sprinkler system to service a residential lot is not considered nonstandard service.

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

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

SECTION 3.0 – EXTENSION POLICY (Continued)

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

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

Section 3.03 - Contributions in Aid of Construction

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

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

Any service extension to a subdivision (recorded or unrecorded) may be subject to the provisions and restrictions of 16 TAC § 24.163(d). When a developer wishes to extend the system to prepare to service multiple new connections, the charge shall be the cost of such extension, plus a pro-rata charge for facilities which must be committed to such extension compliant with the TCEQ minimum design criteria. As provided by 16 TAC § 24.161(e)(3), for purposes of this section, commercial, industrial, and wholesale customers shall be treated as developers.

SECTION 3.0 – EXTENSION POLICY (Continued)

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

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

Section 3.04 - Appealing Connection Costs

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

Section 3.05 - Applying for Service

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

Where a new tap or service connection is required, the service applicant shall be required to submit a written service application and request that a tap be made. A diagram, map, plat, or written metes and bounds description of precisely where the applicant desires each tap or service connection is to be made and, if necessary, where the meter is to be installed, along the applicant's property line may also be required with the tap request. The actual point of connection and meter installation must be readily accessible to utility personnel for inspection, servicing, and meter reading while being reasonably secure from damage by vehicles and mowers. If the utility has more than one main adjacent to the service applicant's property, the tap or service connection will be made to the utility's nearest service main with adequate capacity to service the applicant's full potential service demand.

SECTION 3.0 – EXTENSION POLICY (Continued)

Beyond the initial 200 feet, the customer shall bear only the equivalent cost of extending from the nearest main. If the tap or service connection cannot be made at the applicant's desired location, it will be made at another location mutually acceptable to the applicant and the utility. If no agreement on location can be made, the applicant may refer the matter to the PUC for resolution.

Section 3.06 - Qualified Service Applicant

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

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

Section 3.07 - Developer Requirements

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

APPENDIX A – DROUGHT CONTINGENCY PLAN

“This page incorporates by reference the utility’s Drought Contingency Plan, as approved and periodically amended by the Texas Commission on Environmental Quality.”

APPENDIX B -- APPLICATION FOR SERVICE
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.
 - 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: _____



Public Utility Commission of Texas

**By These Presents Be It Known To All That
Manvel Terrace Utilities, Inc.**

having obtained certification to provide water utility service for the convenience and necessity of the public, and it having been determined by this Commission that the public convenience and necessity would in fact be advanced by the provision of such service, Manvel Terrace Utilities, Inc. is entitled to this

Certificate of Convenience and Necessity No. 12080

to provide continuous and adequate water utility service to that service area or those service areas in Brazoria and Fort Bend counties as by final Order or Orders duly entered by this Commission, which Order or Orders resulting from Docket No. 52324 are on file at the Commission offices in Austin, Texas; and are matters of official record available for public inspection; and be it known further that these presents do evidence the authority and the duty of the Manvel Terrace Utilities, Inc. to provide such utility service in accordance with the laws of this State and Rules of this Commission, subject only to any power and responsibility of this Commission to revoke or amend this Certificate in whole or in part upon a subsequent showing that the public convenience and necessity would be better served thereby.

Manvel Terrace Utilities, Inc.
Portion of Water CCN No. 12080
PUC Docket No. 45026

Transferred all of Southwest Environmental Resources, CCN No. 11648 in Fort Bend County



Water CCN

 12080 - Manvel Terrace Utilities Inc

