



## Filing Receipt

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**DOCKET NO. 52502**

<b>APPLICATION OF TEXAS WATER</b>	<b>§</b>	<b>PUBLIC UTILITY COMMISSION</b>
<b>SYSTEMS, INC. AND UNDINE</b>	<b>§</b>	
<b>DEVELOPMENT, LLC FOR SALE,</b>	<b>§</b>	<b>OF TEXAS</b>
<b>TRANSFER, OR MERGER OF</b>	<b>§</b>	
<b>FACILITIES AND CERTIFICATE</b>	<b>§</b>	
<b>RIGHTS IN GREGG, HENDERSON,</b>	<b>§</b>	
<b>SMITH, AND UPSHUR COUNTIES</b>	<b>§</b>	

**APPLICANTS' APPLICATION AMENDMENT**

Applicants in this matter hereby submit an application amendment as set forth in **Attachment A** to this pleading. As discussed below, the Applicants submit the application amendment pursuant to detailed discussion and agreement with Commission Staff regarding the proper processing and disposition of the application.

**I. DISCUSSION**

The Applicants submitted this application pursuant to H.B. 1484, which amended Subchapter H, Chapter 13, Water Code, by adding Section 13.3011, as follows:

**Sec. 13.3011. INITIAL RATES FOR CERTAIN WATER OR SEWER SYSTEMS AFTER PURCHASE OR ACQUISITION.**

(a) A person who files an application described by Section 13.301(a) (relating to the required possession of a certificate of public convenience and necessity) for the purchase or acquisition of a water or sewer system to request that the regulatory authority with original jurisdiction over the rates for water or sewer service provided by the person to the customers of the system authorize the person to charge initial rates for the service that are:

(1) shown in a tariff filed with a regulatory authority by the person for another water or sewer system; and

(2) in force for the other water or sewer system on the date the application described by Section 13.301(a) is filed.

(b) The regulatory authority may not require a person who makes a request under Subsection (a) to initiate a new rate proceeding to establish the initial rates for service the person will provide to the customers of the purchased or acquired system.

The subject application was one of the first applications submitted pursuant to HB 1484. The Commission has not adopted rules implementing new Tex. Water Code § 13.011, and Staff objected to the application as submitted based on its interpretation of Tex. Water Code § 13.011. Staff subsequently began discussing a plan with the Applicants that would address Staff's objection to the application and allow Staff to recommend approval of the application. This application amendment reflects that plan as agreed between the Applicants and Staff.

The application amendment substitutes Undine Texas, LLC (Undine Texas) as the acquiring utility in place of Undine Development, LLC (Undine Development). Staff recommended the substitution of this Undine party because in comparison to Undine Development, Undine Texas is a much larger utility and has rates that are lower on average than those of Undine Development. Undine Texas also has a Commission-approved rate phase-in for its currently owned systems, and Undine has agreed to use the rate phase-ins for service from the systems at issue in the current docket. The rate phase-ins will help customers of the acquired water systems adjust to the increase in rates needed to support the extensive upgrades of those systems identified in Attachment O of the application amendment. That phase-in would not be available with Undine Development as the acquiring party.

Staff and Applicants agree there is no need to provide notice of the application amendment to reflect the changes being made to the application. TWC § 13.301(a)(2) and 16 TAC § 24.239(c)(1) do not require public notice if the Commission determines good cause exists not to provide such notice. Good cause exists in this instance because: (1) the notice previously provided is sufficient; and (2) notice of the application amendment would cause confusion and delay the completion of the change in ownership and operation to Undine Texas, which is more beneficial to customers than the change to Undine Development and in the public interest.

A determination of good cause is supported by the fact that Undine previously provided notice consistent with 16 Tex. Admin. Code § 24.239(c) (Docket Id. No. 30). The Commission did not receive any requests to intervene or other comments in response to the notice. Further, from a customer-facing standpoint there is no difference between Undine Texas acquiring the Texas Water systems versus Undine Development acquiring the systems. As indicated above, Undine Texas has lower rates than would be imposed under Undine Development's tariff, and it has a rate phase-in that will mitigate the impact of the increase in rates from the current Texas Water tariff. The notice to the customers provided notice of a higher rate than would be applicable

to customers under the application amendment. Staff and the Applicants agree that requiring additional notice would cause customer confusion and would delay the completion of the change in ownership and operation to Undine, which has already been significantly delayed, even though the change will be beneficial to customers and in the public interest.

The Applicants and Staff have agreed on the following proposed procedural schedule:

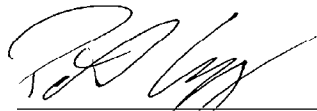
Staff Recommendation on Sufficiency of Application	September 29, 2022
Staff Recommendation of Approval	October 13, 2022
Joint Proposed Notice of Approval	October 20, 2022

Staff has stated that they will provide a comprehensive discussion of the merits of the application and the application procedure in its Recommendation of Approval.

## **II. Prayer**

The Applicants respectfully request issuance of an order that establishes the procedural schedule proposed in this pleading as agreed between the Applicants and Staff.

Respectfully submitted,  
Gregg Law PC



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### **CERTIFICATE OF SERVICE**

I certify by my above signature that, unless otherwise ordered by the presiding officer, notice of the filing of this document was provided to all parties of record via electronic mail on August 26, 2022, in accordance with the Order Suspending Rules, issued in Project No. 50664.

## ATTACHMENT A



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

Pursuant to Texas Water Code § 13.301 and 16 Texas Administrative Code § 24.109

## Sale, Transfer, or Merger (STM) Application Instructions

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

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

### **FAQ:**

#### ***Who can use this form?***

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

#### ***Who is required to use this form?***

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

### **Terms**

**Transferor:** Seller

**Transferee:** Purchaser

**CCN:** Certificate of Convenience and Necessity

**STM:** Sale, Transfer, or Merger

**IOU:** Investor Owned Utility

## Application Summary

**Transferor:** Texas Water Systems, Inc.  
(selling entity)

**CCN No.s:** 12473

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

**Transferee:** Undine Texas, LLC  
(acquiring entity)

**CCN No.s:** 13260

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

**County(ies):** Gregg, Henderson, Smith, and Upshur

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### Please mark the items included in this filing

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

### Part A: General Information

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

Undine Texas, LLC will purchase all utility assets listed in Attachment 'A' as defined in the Letter of Intent to Texas Water Systems, Inc. Undine is requesting dual certification with Crystal Systems Texas, Inc. and Pritchett WSC; see approval letters in Attachment 'M.' The acquisition will not include Tall Oaks in Limestone county, resulting in a transfer of only a portion of the Seller's CCN instead of transferring ALL of the Seller's CCN.

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

For **Transferee** (Purchaser) CCN:

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

For **Transferor** (Seller) CCN:

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

### Part B: Transferor Information

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

3. A. Name: Texas Water Systems, Inc.  
(individual, corporation, or other legal entity)  
☐ Individual ☒ Corporation ☐ WSC ☐ Other: \_\_\_\_\_

B. Mailing Address: 7891 Highway 271, Tyler, Texas 75708

Phone: (903) 521-2596

Email: red@texaspumpandwater.com

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

Name: James K. Brown

Title: President

Mailing Address: 7891 Highway 271, Tyler, Texas 75708

Phone: (903) 521-2596

Email: red@texaspumpandwater.com

4. If the utility to be transferred is an Investor Owned Utility (IOU), for the most recent rate change, attach a copy of the current tariff and complete A through B:

A. Effective date for most recent rates: October 31, 2017

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

☐ No ☒ Yes Application or Docket Number: 47091

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

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

☐ There are no customers that will be transferred

☒ # of customers without deposits held by the transferor 361

☒ # of customers with deposits held by the transferor\* 837

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

### Part C: Transferee Information

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

6. A. Name: Undine Texas, LLC  
(individual, corporation, or other legal entity)  
☐ Individual ☐ Corporation ☐ WSC ☒ Other: LLC

B. Mailing Address: 17681 Telge Road, Cypress, Texas 77429

Phone: (713) 574-5953 Email: info@undinellc.com

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

Name: Carey A. Thomas Title: Senior Vice President

Address: 17681 Telge Road, Cypress, Texas 77429

Phone: (713) 574-5953 Email: cthomas@undinellc.com

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

☐ No ☒ Yes ☐ N/A

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

☐ No ☒ Yes ☐ N/A

7. The legal status of the transferee is:

☐ Individual or sole proprietorship

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

☐ Corporation  
Charter number (as recorded with the Texas Secretary of State): \_\_\_\_\_

☐ Non-profit, member-owned, member controlled Cooperative Corporation [Article 1434(a) Water Supply or Sewer Service Corporation, incorporated under TWC Chapter 67]  
Charter number (as recorded with the Texas Secretary of State): \_\_\_\_\_  
☐ Articles of Incorporation and By-Laws established (*attach*)

☐ Municipally-owned utility

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

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

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

Name: \_\_\_\_\_

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

Name: Confidential - Please see Attachment 'C'

Position: \_\_\_\_\_ Ownership % (if applicable): 0.00%

Address: \_\_\_\_\_

Phone: \_\_\_\_\_ Email: \_\_\_\_\_

Name: \_\_\_\_\_

Position: \_\_\_\_\_ Ownership % (if applicable): 0.00%

Address: \_\_\_\_\_

Phone: \_\_\_\_\_ Email: \_\_\_\_\_

Name: \_\_\_\_\_

Position: \_\_\_\_\_ Ownership % (if applicable): 0.00%

Address: \_\_\_\_\_

Phone: \_\_\_\_\_ Email: \_\_\_\_\_

Name: \_\_\_\_\_

Position: \_\_\_\_\_ Ownership % (if applicable): 0.00%

Address: \_\_\_\_\_

Phone: \_\_\_\_\_ Email: \_\_\_\_\_

10. **Financial Information**

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

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

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

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

1. Completed Appendix B;
2. Documentation that includes all of the information required in Appendix B in a concise format;
3. A detailed budget or capital improvement plan, which indicates sources and uses of funds required, including improvements to the system being transferred; or
4. A recent budget and capital improvements plan that includes information needed for analysis of the operations test (16 Tex. Admin. Code § 24.11(e)(3)) for the system being transferred and any operations combined with the system. This may be provided electronically by providing a uniform resource locator (URL) or a link to a website portal.

**Part D: Proposed Transaction Details**

11. A. Proposed Purchase Price: \$ \_\_\_\_\_

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

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

☐ No ☒ Yes ☐ N/A

Total Original Cost of Plant in Service: \$ \_\_\_\_\_

Accumulated Depreciation: \$ \_\_\_\_\_

Net Book Value: \$ \_\_\_\_\_

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

☐ No ☐ Yes

Total Customer CIAC: \$ \_\_\_\_\_

Accumulated Amortization: \$ \_\_\_\_\_

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

☐ No ☐ Yes

Total developer CIAC: \$ \_\_\_\_\_

Accumulated Amortization: \$ \_\_\_\_\_

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

☐ No ☒ Yes



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

Please see Attachment O.

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

Undine brings a significantly higher level of sophistication compared to most previous owners including a strict adherence to NARUC accounting and customer and regulatory communications.

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

Utility Plant in Service: \$ \_\_\_\_\_

Accumulated Depreciation of Plant: \$ \_\_\_\_\_

Cash: \$ \_\_\_\_\_

Notes Payable: \$ \_\_\_\_\_

Mortgage Payable: \$ \_\_\_\_\_

(Proposed) Acquisition Adjustment\*: \$ \_\_\_\_\_

\*Acquisition Adjustments will be subject to review under 16 TAC § 24.31(d) and (e)

Other (NARUC account name & No.): \_\_\_\_\_

Other (NARUC account name & No.): \_\_\_\_\_

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

In accordance with HB 1484, rates will change to match those currently affected by the tariff enacted by Docket No. 50017 for CCN 13260, beginning with Rate Year 2 as detailed in the rate schedule on Water Tariff Page No. 9.

The financials reflect the two year phase in. Please see rate analysis page in Attachment H.

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

There will be no additional rate changes to those described in 15.A. above in the next twelve months.

**Part E: CCN Obtain or Amend Criteria Considerations**

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

Undine Texas, LLC intends to raise the standards of quality for: 1) customer service, 2) customer and regulatory communications, 3) all regulatory compliance issues.

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

Please see Attachment 'E'

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



No



Yes

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

The quality of drinking water is extremely important to us. We believe in investment in procedure and treatment to ensure that the water supplied to our customers is safe to drink. This begins with the protection of our water sources and continues with the quality control in the water treatment process and the maintenance of the distribution system. Our commitment to maintaining regulatory standards in all of our systems means a safe, clean water supply and a healthy living environment.

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

The public will be better served through Undine Texas, LLC ownership of water and/or wastewater utilities due to the improvements to utility customer service and the improvements to operations and maintenance. The EPA reports to Congress state that the best possible future for small to midsize privately owned utilities is to be acquired by a larger more responsible provider that possesses the financial, managerial and technical experience to insure the system meets regulatory requirements.

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

Please See Attachment 'E'

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

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

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

TCEQ PWS Identification Number: Please See Attachment 'F' (7 digit ID)

Name of PWS: \_\_\_\_\_

Date of last TCEQ compliance inspection: \_\_\_\_\_ (attach TCEQ letter)

Subdivisions served: \_\_\_\_\_

**B. For Sewer service:**

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

Name of Wastewater Facility: \_\_\_\_\_

Name of Permittee: \_\_\_\_\_

Date of last TCEQ compliance inspection: \_\_\_\_\_ (attach TCEQ letter)

Subdivisions served: \_\_\_\_\_

Date of application to transfer permit submitted to TCEQ: \_\_\_\_\_

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

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

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

☐ No ☒ Yes

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

Description of the Capital Improvement:	Estimated Completion Date:	Estimated Cost:
Please See Attachment O		

**C. Is there a moratorium on new connections?**

☒ No ☐ Yes:

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

☒ No ☐ Yes: \_\_\_\_\_ (name of municipality)

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

Water: \_\_\_\_\_ Sewer: \_\_\_\_\_

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

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

Capacity is purchased from: \_\_\_\_\_

Water: \_\_\_\_\_

Sewer: \_\_\_\_\_

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

☒ No ☐ Yes

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

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

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

☐ No ☐ Yes:

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

☐ No ☒ Yes:

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

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

### Part G: Mapping & Affidavits

**ALL applications require mapping information to be filed in conjunction with the STM application.**

*Read question 29 A and B to determine what information is required for your application.*

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

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

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

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

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

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

## Part H: Notice Information

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

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

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

The total acreage of the requested area is approximately: \_\_\_\_\_

Number of customer connections in the requested area: \_\_\_\_\_

Affected subdivision : Please See Attachment 'H'

The closest city or town: \_\_\_\_\_

Approximate mileage to closest city or town center: \_\_\_\_\_

Direction to closest city or town: \_\_\_\_\_

The requested area is generally bounded on the North by: \_\_\_\_\_

on the East by: \_\_\_\_\_

on the South by: \_\_\_\_\_

on the West by: \_\_\_\_\_

31. A copy of the proposed map will be available at: 17681 Telge Road, Cypress, Texas 77429

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

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

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

☒ higher monthly bill    ☐ lower monthly bill

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

☐ higher monthly bill    ☐ lower monthly bill

**Oath for Transferor (Transferring Entity)**

STATE OF Texas  
COUNTY OF Smith

I, James K. Brown, Jr. being duly sworn, file this application for sale,  
merger, consolidation, acquisition, lease, or transfer,  
rental, as President

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

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

I further state that I have provided to the purchaser or transferee a written disclosure statement about any contributed property as required under Texas Water Code § 13.301(j) and copies of any outstanding enforcement Orders of the Texas Commission on Environmental Quality, the Public Utility Commission of Texas, or Attorney General and have also complied with the notice requirements in Texas Water Code § 13.301(k).



**AFFIANT**

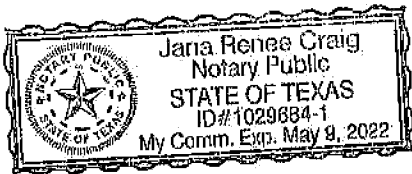
(Utility's Authorized Representative)

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

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

this day the 1 of September, 20 21

SEAL



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

Jana Renee Craig

**PRINT OR TYPE NAME OF NOTARY**

**My commission expires:** 5-09-2022

**Oath for Transferee (Acquiring Entity)**

STATE OF Texas

COUNTY OF Harris

I, Carey A. Thomas being duly sworn, file this application for sale, transfer, merger, consolidation, acquisition, lease, or rental, as Senior Vice President  
(owner, member of partnership, title as officer of corporation, or authorized representative)

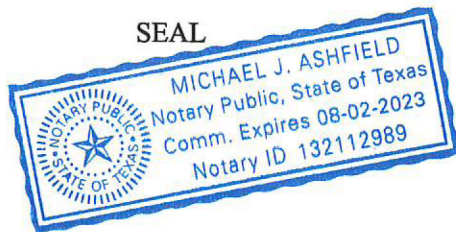
I attest that, in such capacity, I am qualified and authorized to file and verify such application, am personally familiar with the documents filed with this application, and have complied with all the requirements contained in the application; and, that all such statements made and matters set forth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

I further state that I have been provided with a copy of the 16 TAC § 24.109 Commission rules. I am also authorized to agree and do agree to be bound by and comply with any outstanding enforcement orders of the Texas Commission on Environmental Quality, the Public Utility Commission of Texas or the Attorney General which have been issued to the system or facilities being acquired and recognize that I will be subject to administrative penalties or other enforcement actions if I do not comply.

Carey A. Thomas  
**AFFIANT**  
(Utility's Authorized Representative)

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

**SUBSCRIBED AND SWORN BEFORE ME**, a Notary Public in and for the State of Texas  
this day the 31st of August, 2021



Michael J. Ashfield  
**NOTARY PUBLIC IN AND FOR THE**  
**STATE OF TEXAS**  
Michael J. Ashfield  
**PRINT OR TYPE NAME OF NOTARY**

**My commission expires:** 08-02-2023



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

<b>Attachment ‘A’</b>	CCN Number, Subdivision Name(s), RN Number(s)
<b>Attachment ‘B’</b> Part A: Question 1 Confidential	Letter of Intent
<b>Attachment ‘C’</b> Part B: Question 4	Current Tariff
<b>Attachment ‘D’</b> Part B: Question 5 Confidential	Customer Name, Address, and Deposit Information
<b>Attachment ‘E’</b> Part C: Question 7 Confidential	Limited Liability Company Agreement Undine Texas, LLC and Organizational Chart
<b>Attachment ‘F’</b> Part C: Question 7	Certificate of Account Status
<b>Attachment ‘G’</b> Part C: Question 9 Confidential	List of the Officers of Undine Texas, LLC
<b>Attachment ‘H’</b> Part D Confidential	Financial Information
<b>Attachment ‘I’</b> Part E: Question 17	Evidence of Financial, Managerial and Technical, and Capabilities List of Currently Held Utilities
<b>Attachment ‘J’</b> Part E: Question 21	Utilities Within 2 Miles

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<b>Attachment ‘K’</b> Part F: Question 22	Inspection Reports for Each System
<b>Attachment ‘L’</b> Part F: Question 28 Confidential	Operators Information
<b>Attachment ‘M’</b> Part G	CCN Maps to be Transferred with this Application
<b>Attachment ‘N’</b> Part H	CCN Descriptions
<b>Attachment ‘O’</b> Part D: Question 12 Confidential	Future Planned Capital Improvements

## **Attachment 'A'**

CCN Number, Subdivision Name, RN Number

ATTACHMENT "A"  
STM FILING UNDINE TEXAS, LLC AND TEXAS WATER SYSTEMS, INC

**Brookshires Camp Joy Water System**

CN	600629893
CCN	12473
RN	101376952
PWSID No	2300015
Subdivision	Camp Joy
County	Upshur
Connections	113

**Cape Tranquility System**

CN	600629893
CCN	12473
RN	101250405
PWSID No	1070176
Subdivision	Cape Tranquility
County	Henderson
Connections	72

**Country Club Estates**

CN	600629893
CCN	12473
RN	101440592
PWSID No	2300021
Subdivision	Country Club Estates
County	Upshur
Connections (TCEQ)	34

**Friendship Water System**

CN	600629893
CCN	12473
RN	101210292
PWSID No	2300020
Subdivision	Friendship
County	Upshur
Connections (TCEQ)	93

**Garden Acres System**

CN	600629893
CCN	12473
RN	101376705
PWSID No	0920031
Subdivision	Garden Acres
County	Gregg
Connections (TCEQ)	83

**Garden Valley Resort**

CN	600629893
CCN	12473
RN	102665965
PWSID No	2120081
Subdivision	Garden Valley Resort
County	Smith
Connections (TCEQ)	147

**Mount Sylvan Water System**

CN	600629893
CCN	12473
RN	101195238
PWSID No	2120034
Subdivision	Mount Sylvan
County	Smith
Connections (TCEQ)	308

**Rosewood Water System**

CN	600629893
CCN	12473
RN	101182475
PWSID No	2300026
Subdivision	Rosewood & Harmony
County	Upshur
Connections (TCEQ)	210

**Stallion Lake Ranch**

CN	600629893
CCN	12473
RN	102321544
PWSID No	2120104
Subdivision	Stallion Lake Ranch
County	Smith
Connections (TCEQ)	138

## **Attachment 'B'**

***Part A: Question 1***

***Confidential***

Letter of Intent

# CONFIDENTIAL

**DOCKET NO.:** 52502

**STYLE:** Application of Texas Water Systems, Inc. and Undine Development, LLC for Sale, Transfer, or Merger of Facilities and Certificate Rights in Gregg, Henderson, Smith, and Upshur Counties, Texas

**SUBMITTING PARTY:** Undine Development, LLC

**BRIEF DESCRIPTION OF CONTENTS:** Attachment B – Letter of Intent

**BATE STAMP OR SEQUENTIAL PAGE NUMBER RANGE:** 21 to 25

**ENVELOPE #:** 1 OF 1

**ADDITIONAL INFORMATION REQUIRED BY PROTECTIVE ORDER:**

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**DATE SUBMITTED TO COMMISSION:** August 26, 2022

## **Attachment 'C'**

### ***Part B: Question 4***

Current Tariff



A copy of the water tariff for Undine Texas, LLC (Docket No. 50017) can be viewed through our website:  
<https://www.undinellc.com/wp-content/uploads/Undine-Texas-LLC-Water-Tariff.pdf>

Or requested through this email address:  
[info@undinellc.com](mailto:info@undinellc.com)

Or we can be contacted at 713-574-5953.



## **WATER UTILITY TARIFF**

### **Docket No. 50017**

Undine Texas, LLC  
(Utility Name)

17681 Telge Rd.  
(Business Address)

Cypress, Texas 77429  
(City, State, Zip Code)

(713) 574-5953  
(Area Code/Telephone)

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

13260

This tariff is effective in the following counties:

Brazoria, Brazos, Burleson, Chambers, Fort Bend, Harris, Johnson, Liberty, Matagorda, Montgomery, Polk, Robertson, San Jacinto, Tarrant, Tyler, and Walker

This utility provides service in the following cities or unincorporated towns (if any):

City of Manvel (Brandi Estates),

City of Iowa Colony (Magnolia Bend formerly Kucera Farms, Spring Crossing, and 288 Business Park)

City of Beach City

Kenefick (Pure Utilities Riverboat Bend Subdivision)

**“The rates set or approved by the cities for the systems within its corporate boundary are not presented in this tariff. Those rates are not under the original jurisdiction of the Public Utility Commission of Texas and will have to be obtained from the city or utility.”**

This tariff is effective in the following subdivisions and public water systems:

See attached list

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

SECTION 1.0 – RATE SCHEDULE ..... 9

SECTION 2.0 – SERVICE RULES AND POLICIES ..... 28

SECTION 3.0 – EXTENSION POLICY ..... 34

APPENDIX A – DROUGHT CONTINGENCY PLAN

APPENDIX B – SAMPLE SERVICE AGREEMENT

APPENDIX C – APPLICATION FOR SERVICE

LIST OF SUBDIVISIONS AND SYSTEMS  
(Formerly Orbit Systems Inc.)

System Name	PWS ID No.	County
723 Utility/Riverside Ranch Subdivision	0790425	Fort Bend
Angle Acres Water System	0200244	Brazoria
Bayou Colony Subdivision	0200358	Brazoria
Beechwood Subdivision	0200245	Brazoria
Bernard Oaks Subdivision	0200338	Brazoria
Blue Sage Gardens Subdivision	0200323	Brazoria
Brandi Estates *	0200325	Brazoria
Briar Meadows	0200410	Brazoria
Colony Cove	0200324	Brazoria
Colony Trails	0200604	Brazoria
Coronado Country	0200275	Brazoria
Country Acres Estates	0200274	Brazoria
Country Meadows	0200273	Brazoria
Crystal Lake Estates	0790510	Fort Bend
Demi-John Place Water System	0200185	Brazoria
Demi-John Island Water System	0200234	Brazoria
Larkspur Subdivision	0200339	Brazoria
Lee Ridge	0200506	Brazoria
Los Robles Subdivision, formerly Brazos Oaks Subdivision	0200639	Brazoria
Mark V Estates	0200432	Brazoria
Mooreland	0200094	Brazoria
Quail Valley Ranches Sec. IV	0200592	Brazoria
Riverside Estates	0200058	Brazoria
Rosharon Road Estates	0200346	Brazoria
Ryan Long I	0200110	Brazoria
Ryan Long II	0200108	Brazoria
San Bernard River Estates	0200460	Brazoria
Sandy Meadows Estates	0200335	Brazoria
Snug Harbor	0200053	Brazoria
Spanish Bit Plantation	1610102	Matagorda
Tejas Lakes Subdivision	0790504	Fort Bend
Village Lakes	0200638	Brazoria
Wilco Water/Holiday Beach	0200083	Brazoria
Wolf Glen	0200370	Brazoria

\*Brandi Estates subject to City of Manvel's jurisdiction

**LIST OF SUBDIVISIONS AND SYSTEMS**  
(Formerly Community Utility Company)

System Name	PWS ID No.	County
Forest Manor Subdivision	1010264	Harris
Heathergate Estates	1011302	Harris
Sweetgum Estates	1700113	Montgomery

**LIST OF SUBDIVISIONS AND SYSTEMS**  
(Formerly Consumers Water, Inc.)

System Name	PWS ID No.	County
Greengate Acres	1010132	Harris
Huffman Heights	1010700	Harris
Highland Mobile Home Subdivision	1010285	Harris
Highland Ridge	1010157	Harris
Joy Village	1700021	Montgomery
Lakewood Colony	1700029	Montgomery
Meadowlake Estates	1010287	Harris
Pioneer Trails	1700114	Montgomery
Peach Creek Oaks	1700051	Montgomery
Porter Terrace	1700161	Montgomery
Spring Forest	1700033	Montgomery
Springmont	1010255	Harris
Tall Cedars Mobile Home Subdivision	1010219	Harris
Urban Acres Subdivision	1010252	Harris

**LIST OF SUBDIVISIONS AND SYSTEMS**  
(Formerly Suburban Utility Company)

System Name	PWS ID No.	County
Beaumont Place	1010098	Harris
Castlewood Subdivision	1010111	Harris
Cypress Bend Subdivision	1010119	Harris
Reservoir Acres Subdivision	1010197	Harris

LIST OF SUBDIVISIONS AND SYSTEMS  
(Formerly Gulf Coast Utility Company, Inc.)

Subdivision Name	PWS ID No.	County
Cold River Ranch Subdivision, Southwood Estates*	0200403	Brazoria
Magnolia Bend (formerly Kucera Farms) Subdivision*	0200665	Brazoria
Spring Crossing Subdivision / 288 Business Park*	0200666	Brazoria

\* Magnolia Bend Rates subject to City of Iowa Colony's jurisdiction

LIST OF SUBDIVISIONS AND SYSTEMS  
(Formerly Chuck Bell dba Chuck Bell Water Systems, LLC)

Subdivision Name	PWS ID No.	County
Bear Creek Estates	2200336	Tarrant
Bell Manor Subdivision	1260080	Johnson
Buffalo Creek	1260084	Johnson
Crowley II Acre Subdivision, Stonefield Subdivision	1260012	Johnson
John Dame	1260090	Johnson
Martin Creek Estates	1260122	Johnson
Rock Creek Estates	1260082	Johnson
Sanders View Subdivision	1260086	Johnson

LIST OF SUBDIVISIONS AND SYSTEMS  
(Formerly Nerro Supply, LLC)

Subdivision Name	PWS ID No.	County
Allendale Water System	1700187	Montgomery
*Bayridge Water System	0360028	Chambers
Hillgreen Water Company	1700539	Montgomery
Loch Ness Cove Water System	1700148	Montgomery
Lost Lake	0360108	Chambers
*Oaks at Houston Point	0360126	Chambers
River Club Water Company	1700185	Montgomery
Woodhaven Estates	1700481	Montgomery
Wildwood Shores	2360078	Walker

\*Bayridge Water system and Oaks at Houston Point are within the city limits of the City of Beach City.

LIST OF SUBDIVISIONS AND SYSTEMS  
(Formerly Nerro Supply Investors, LLC)

Subdivision Name	PWS ID No.	County
Hazy Hollow East Estates	1700013	Montgomery
High Meadows Industrial Park		
Shady Brook Acres	1700031	Montgomery
Spring Creek Valley Estates	1010213	Harris

LIST OF SUBDIVISIONS AND SYSTEMS  
(Formerly Brazos Valley Septic & Water, Inc.)

Subdivision Name	PWS ID No.	County
Apache Hills	0260019	Burleson
Benchley Oaks	0210039	Brazos
Lakeview North	0260010	Burleson
Lakeway Manor	1980017	Robertson
Lakewood Estates	0210042	Brazos
Little Oak Forest	0260037	Burleson
Marshal Oaks	0260010	Burleson
Oak Forest	1980017	Robertson
Smetana Forest	0210010	Brazos
Somerville Place	0260010, 0260021	Burleson
Whispering Woods	0260032	Burleson



LIST OF SUBDIVISIONS AND SYSTEMS  
(Formerly Pure Utilities, L.C.)

System Name	PWS ID No.	County
Ace Acres	N/A	Polk
Bar D	1460076	Liberty
Barlow Lakes	2290015	Tyler
BE&O (Texas Water Supply)	1870131	Polk
Bentwood Bend	1870154	Polk
Commodore Cape	1870026	Polk
Forest Springs	1870059	Polk
Lakeside Village	1870095	Polk
Mont Neches	2290027	Tyler
Riverboat Bend Subdivision	1460088	Liberty
Six Lakes	1460015	Liberty
Spring Creek	1870149	Polk
Tanglewood Forest	2040054	San Jacinto
Taylor Lake Estates	1870064	Polk
Town Bluff	2290043	Tyler
West Leggett Development	1870131	Polk
Westwood Estates (Texas Water Supply)	1870131	Polk
Whitetail Ridge	2290012	Tyler

## SECTION 1.0 -- RATE SCHEDULE

Section 1.01 – RatesRate Year 1Effective Date: August 1, 2020

<u>Meter Size</u>	<u>Monthly Base Rate</u>	<u>Gallage Charge</u>
5/8"	<u>\$37.81</u> (Includes 0 gallons)	<u>\$2.02</u> per 1000 gallons from 0 to 6,000 gallons
3/4"	<u>\$56.72</u>	<u>\$2.94</u> per 1,000 gallons from 6,001 to 15,000 gallons
1"	<u>\$94.53</u>	<u>\$5.25</u> per 1,000 gallons from 15,001 gallons to 25,000 gallons
1 1/2"	<u>\$189.05</u>	<u>\$7.79</u> per 1,000 gallons from 25,001+ gallons
2"	<u>\$302.48</u>	
3"	<u>\$567.15</u>	
4"	<u>\$983.06</u>	
Other (Unmetered)	<u>\$60.50</u>	

Rate Year 2Effective Date: August 1, 2021

<u>Meter Size</u>	<u>Monthly Base Rate</u>	<u>Gallage Charge</u>
5/8"	<u>\$44.37</u> (Includes 0 gallons)	<u>\$2.21</u> per 1000 gallons from 0 to 6,000 gallons
3/4"	<u>\$66.56</u>	<u>\$3.13</u> per 1,000 gallons from 6,001 to 15,000 gallons
1"	<u>\$110.93</u>	<u>\$5.44</u> per 1,000 gallons from 15,001 gallons to 25,000 gallons
1 1/2"	<u>\$221.85</u>	<u>\$7.98</u> per 1,000 gallons from 25,001+ gallons
2"	<u>\$354.96</u>	
3"	<u>\$665.55</u>	
4"	<u>\$1,153.62</u>	
Other (Unmetered)	<u>\$70.99</u>	

Rate Year 3Effective Date: August 1, 2022

<u>Meter Size</u>	<u>Monthly Base Rate</u>	<u>Gallage Charge</u>
5/8"	<u>\$50.93</u> (Includes 0 gallons)	<u>\$2.41</u> per 1000 gallons from 0 to 6,000 gallons
3/4"	<u>\$76.40</u>	<u>\$3.33</u> per 1,000 gallons from 6,001 to 15,000 gallons
1"	<u>\$127.33</u>	<u>\$5.64</u> per 1,000 gallons from 15,001 gallons to 25,000 gallons
1 1/2"	<u>\$254.65</u>	<u>\$8.18</u> per 1,000 gallons from 25,001+ gallons
2"	<u>\$407.44</u>	
3"	<u>\$763.95</u>	
4"	<u>\$1,324.18</u>	
Other (Unmetered)	<u>\$81.49</u>	

Rate Case ExpensesMonthly Rate Case Expense Surcharge .....\$1.12 per month

Effective Date: August 1, 2020. The rate case expense surcharge will be collected for 36 months or until the full \$244,178.13 of rate case expenses related to Docket No. 50200 is collected, whichever occurs first.

## SECTION 1.0 -- RATE SCHEDULE (Continued)

**Additional Pass Through Charges**All Former Orbit Systems, Inc. Customers (see list on pages 1-4)

Brazoria County Groundwater Conservation District Production Fee .... \$0.03 per 1,000 gallons of water usage

723 Utility/Riverside Ranch Subdivision Only

North Fort Bend Water Authority Production Fee ..... \$3.68 per 1,000 gallons of water usage  
 $\$3.35 / (1 - 0.09) = \$3.68$   
*(Tariff Control No. 48190)*

Forest Manor and Heathergate Subdivisions Only

City of Houston Groundwater Reduction Plan (GRP) Fee ..... \$1.53 per 1,000 gallons of water usage  
 $\$0.894 / (1 - 0.15) = \$1.53$   
*(Tariff Control No. 50071)*

Sweetgum Forest, Sweetgum Estates Customers Only

Aqua Texas, Inc. Regional Pass Through Gallonage Charge ..... \$7.66 per 1,000 gallons of water usage  
 $\$5.01 / (1 - 0.345546) = \$7.66$   
*(Tariff Control No. 50072)*

Porter Terrace Customers Only

San Jacinto River Authority (SJRA) ..... \$4.25 per 1,000 gallons of water usage  
 $\$2.64 / (1 - 0.3789) = \$4.25$   
*(Tariff Control No. 49570)*

Spring Forest Customers Only

San Jacinto River Authority (SJRA) ..... \$3.82 per 1,000 gallons of water usage  
 $\$2.64 / (1 - 0.3089) = \$3.82$   
*(Tariff Control No. 49570)*

Greengate Acres Customers Only

North Harris County Regional Water Authority (NHCRWA) ..... \$5.86 per 1,000 gallons of water usage  
 $\$3.85 / 1 - 0.3435) = \$5.86$   
*(Tariff Control No. 49570)*

Springmont Customers Only

North Harris County Regional Water Authority (NHCRWA) ..... \$6.20 per 1,000 gallons of water usage  
 $\$3.85 / (1 - 0.3789) = \$6.20$   
*(Tariff Control No. 49570)*

Huffman Heights Customers Only

City of Houston Groundwater Reduction Plan (GRP) Fee ..... \$1.23 per 1,000 gallons of water usage  
 $\$0.945 / (1 - 0.2315) = \$1.23$   
*(Tariff Control No. 49570)*

## SECTION 1.0 -- RATE SCHEDULE (Continued)

Urban Acres Customers Only

City of Houston Groundwater Reduction Plan (GRP) Fee ..... \$1.47 per 1,000 gallons of water usage  
 $\$0.945 / (1 - 0.3552) = \$1.47$   
*(Tariff Control No. 49570)*

Meadowlake Estates Subdivision Customers Only

City of Houston Groundwater Reduction Plan (GRP) Fee ..... \$4.06 per 1,000 gallons of water usage  
 $\$2.52 / (1 - 0.3789) = \$4.06$   
*(Tariff Control No. 49570)*

Pioneer Trails Subdivision Customers Only:

Crystal Springs Wholesale Purchase Water Fee..... \$23.95 per connection *(Tariff Control No. 46849)* plus  
\$8.38 per 1,000 gallons of water usage  
 $\$5.206 / (1 - 0.3789) = \$8.38$   
*(Tariff Control No. 49570)*

Cypress Bend Subdivision Customers Only:

North Harris County Regional Water Authority (NHCRWA)..... \$5.47 per 1,000 gallons of water usage  
 $\$3.85 / (1 - 0.296) = \$5.47$   
*(Tariff Control No. 49346)*

Castlewood Subdivision Customers Only:

City of Houston Groundwater Reduction Plan (GRP) Fee ..... \$1.51 per 1,000 gallons of water usage  
 $\$0.945 / (1 - 0.3727) = \$1.51$   
*(Tariff Control No. 50071)*

Beaumont Place Subdivision Customers Only:

Harris County MUD No. 421 ..... \$4.75 per 1,000 gallons of water usage  
 During the time of the emergency interconnect with Harris County MUD No. 421, Undine's  
 current gallonage charge will not apply.  
*(Tariff Control No. 47883)*

Bell Manor Subdivision Customers Only:

Purchased Water Fees for Johnson County Special Utility District... \$2.51 per 1,000 gallons of water usage

Bear Creek Estates Subdivision Customers Only

Northern Trinity Groundwater Conservation District Water Production Fee... \$0.15 per 1,000 gallons of  
 water usage  
 $\$0.125 / (1 - 0.15) = \$0.15$   
*(Tariff Control No. 48031)*

All former Chuck Bell Water Systems, LLC Customers only except Bear Creek Estates in Tarrant County

Prairielands Groundwater Conservation District Water Production Fee...\$0.24 per 1,000 gallons of water  
 usage

## SECTION 1.0 -- RATE SCHEDULE (Continued)

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

Cash X, Check X, Money Order X, Credit Card X, Other (specify) Online Payment or Automatic Bank Draft

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

UNAFFILIATED THIRD PARTIES WHO ACCEPT AND PROCESS CREDIT CARD, AND ELECTRONIC PAYMENTS FOR UTILITY BILLS MAY REQUIRE PAYMENT OF AN ADDITIONAL CONVENIENCE CHARGE FOR THIS SERVICE.

REGULATORY ASSESSMENT ..... 1.0%  
PUC RULES REQUIRE THE UTILITY TO COLLECT A FEE OF ONE PERCENT OF THE RETAIL MONTHLY BILL AND TO REMIT FEE TO THE TCEQ.

Section 1.02 - Miscellaneous Fees

TAP FEE ..... \$1,200.00  
TAP FEE COVERS THE UTILITY'S COSTS FOR MATERIALS AND LABOR TO INSTALL A STANDARD RESIDENTIAL 5/8" or 3/4" METER. AN ADDITIONAL FEE TO COVER UNIQUE COSTS IS PERMITTED IF LISTED ON THIS TARIFF.

TAP FEE (Unique costs)..... Actual Cost  
FOR EXAMPLE, A ROAD BORE FOR CUSTOMERS OUTSIDE OF SUBDIVISIONS OR RESIDENTIAL AREAS.

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

METER RELOCATION FEE..... Actual Relocation Cost, Not to Exceed Tap Fee  
THIS FEE MAY BE CHARGED IF A CUSTOMER REQUESTS THAT AN EXISTING METER BE RELOCATED.

## METER TEST FEE

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.

a) Residential ..... \$25.00  
b) Commercial ..... \$50.00

## 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 ..... \$50.00  
c) After hours reconnection ..... \$50.00

## SECTION 1.0 -- RATE SCHEDULE (Continued)

TRANSFER FEE.....\$65.00  
 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 or 10%  
 PUC RULES ALLOW A ONE-TIME PENALTY TO BE CHARGED ON DELINQUENT BILLS. A LATE CHARGE MAY NOT BE APPLIED TO ANY BALANCE TO WHICH THE PENALTY WAS APPLIED IN A PREVIOUS BILLING.

RETURNED CHECK CHARGE.....\$30.00  
 RETURNED CHECK CHARGES MUST BE BASED ON THE UTILITY'S DOCUMENTABLE COST.

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

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

## GOVERNMENTAL TESTING, INSPECTION AND COSTS SURCHARGE:

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

## LINE EXTENSION AND CONSTRUCTION CHARGES:

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

## PASS THROUGH ADJUSTMENT CLAUSE:

The utility may pass on only to those customers served by a system subject to the jurisdiction of any Regional Water Authority and/or any Groundwater Reduction Plan, any increase or decrease in its Underground Water District Pumpage Fee or Purchased Water Fee, thirty (30) days after noticing of any change to all affected customers and filing notice with the PUC as required by 16 TAC § 24.25(b)(2)(F). The charge per customer shall be calculated as follows:

$$(A \times B) / C + L [(A \times B) / C] = \text{increase or decrease to existing gallonage rate,}$$

Where:

A = utility's annualized change in cost of water subjected to district's fee

B = average number of gallons

C = 1,000 gallons

L = percentage systemwide line loss for the preceding 12 months, not to exceed 15%

## SECTION 1.0 -- RATE SCHEDULE (Continued)

**PURCHASED WATER AND/OR DISTRICT FEE PASS THROUGH CLAUSE:**

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

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

Where:

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

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

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

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

**FRANCHISE FEE ASSESSMENT.** Franchise fees levied by a municipality may be passed through to those customers inside the city generating the revenues upon which the franchise fee is calculated. Implementation of this pass through clause shall be subject to the notice and approval process of the city having original jurisdiction over these fees. Franchise fees may not be passed through or allocated to utility customers outside the municipality.

**EASEMENTS.** Pursuant to 16 TAC § 24.161(d), easements from customers may be required as a precondition of service when:

- (1) 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 property of a service applicant, the public utility may require the service applicant or land owner to grant a permanent recorded public easement dedicated to the public utility to construct, install, maintain, inspect and test water and/or sewer facilities necessary to serve the applicant.

As a condition of service to a new subdivision, public utilities may require developers to provide permanent recorded public utility easements to and throughout the subdivision sufficient to construct, install, maintain, inspect, and test water and/or sewer facilities necessary to serve the subdivision's anticipated service demands upon full occupancy.

**Allendale Water System, Bayridge Water System,  
Hillgreen Water Company, Loch Ness Cove Water System,  
Lost Lake, Oaks at Houston Point,  
River Club Water Company, Woodhaven Estates  
Formerly Nerro Supply, LLC**

## 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>\$40.78</u> (Includes 0 gallons)	<u>\$2.50</u> per 1000 gallons thereafter
1"	<u>\$101.95</u>	
1½"	<u>\$203.90</u>	<b>*PLUS</b>
2"	<u>\$326.24</u>	Pass through fees below
3"	<u>\$1,019.50</u>	

Pass Through Fee:

\*The gallonage charge will be increased for customers in the River Club/River Ridge subdivision for Pass Through fees related to the San Jacinto River Authority (SJRA) and Lone Star Groundwater Conservation District (LSGCD).

San Jacinto River Authority (SJRA)..... \*\$3.21 per 1000 gallons  
(The pass through fees are adjusted for line loss) (**Tariff Control No. 49776**)

\*Lone Star Groundwater Conservation District (LSGCD) Water Use Fee..... \$0.04  
(**Tariff Control No. 48068**) per 1,000 gallons of water usage

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

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

THE UTILITY SEPTEMBER REQUIRE EXACT CHANGE FOR PAYMENTS AND SEPTEMBER 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 REMIT THE FEE TO THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY (TCEQ).

Section 1.02 - Miscellaneous Fees

TAP FEE..... \$750.00

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

TAP FEE (Unique costs)..... Actual Cost

FOR EXAMPLE, A ROAD BORE FOR CUSTOMERS OUTSIDE OF SUBDIVISIONS OR RESIDENTIAL AREAS.

TAP FEE (Large meter)..... Actual Cost

TAP FEE IS THE UTILITY'S ACTUAL COST FOR MATERIALS AND LABOR FOR METER SIZE INSTALLED.



**Allendale Water System, Bayridge Water System,  
Hillgreen Water Company, Loch Ness Cove Water System,  
Lost Lake, Oaks at Houston Point,  
River Club Water Company, Woodhaven Estates  
Formerly Nerro Supply, LLC**

## SECTION 1.0 -- RATE SCHEDULE (Continued)

**METER RELOCATION FEE** ..... Actual Relocation Cost, Not to Exceed Tap Fee  
THIS FEE SEPTEMBER 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 SEPTEMBER 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 SEPTEMBER NOT EXCEED \$25.

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

- a) Nonpayment of bill (Maximum \$25.00)..... \$25.00
- b) Customer's request that service be disconnected ..... \$50.00

**TRANSFER FEE** ..... \$50.00  
THE TRANSFER FEE WILL BE CHARGED FOR CHANGING AN ACCOUNT NAME AT THE SAME SERVICE LOCATION WHEN THE SERVICE IS NOT DISCONNECTED

**LATE CHARGE (EITHER \$5.00 OR 10% OF THE BILL)** ..... 10%  
PUC RULES ALLOW A ONE-TIME PENALTY TO BE CHARGED ON DELINQUENT BILLS. A LATE CHARGE MAY NOT BE APPLIED TO ANY BALANCE TO WHICH THE PENALTY WAS APPLIED IN A PREVIOUS BILLING.

**RETURNED CHECK CHARGE** ..... \$50.00  
RETURNED CHECK CHARGES MUST BE BASED ON THE UTILITY'S DOCUMENTABLE COST.

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

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

**GOVERNMENTAL TESTING, INSPECTION AND COSTS SURCHARGE:**

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

**LINE EXTENSION AND CONSTRUCTION CHARGES:**

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

**Allendale Water System, Bayridge Water System  
Hillgreen Water Company, Loch Ness Cove Water System,  
Lost Lake, Oaks at Houston Point,  
River Club Water Company, Woodhaven Estates  
Formerly Nerro Supply, LLC**

SECTION 1.0 -- RATE SCHEDULE (Continued)

**PURCHASED WATER AND/OR DISTRICT FEE PASS THROUGH CLAUSE:**

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

- R =  $G/(1-L)$ , where:
- R = Utility's new proposed pass-through rate, rounded to nearest one cent
- G = approved per 1,000 gallon gallonage charge
- L = system average line loss for preceding 12 months, not to exceed 0.15

To implement or modify the Purchased Water District Fee, the utility must comply with all notice and other requirements of 16 TAC § 24.25(b)(2)(F).

SECTION 1.0 -- RATE SCHEDULE

Section 1.01 - Rates

<u>Meter Size</u>	<u>Monthly Minimum Charge</u>	<u>Gallage Charge</u>
5/8" or 3/4"	<u>\$20.00</u> (Includes 10,000 gallons)	<u>\$3.00</u> per 1000 gallons, 1 <sup>st</sup> 10,000 gallons <u>\$5.00</u> per 1000 gallons thereafter

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

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

THE UTILITY SEPTEMBER REQUIRE EXACT CHANGE FOR PAYMENTS AND SEPTEMBER 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 REMIT THE FEE TO TCEQ.

Section 1.02 - Miscellaneous Fees

TAP FEE ..... \$600.00

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

TAP FEE (Unique costs) ..... Actual Cost

FOR EXAMPLE, A ROAD BORE FOR CUSTOMERS OUTSIDE OF SUBDIVISIONS OR RESIDENTIAL AREAS.

TAP FEE (Large meter) ..... Actual Cost

TAP FEE IS THE UTILITY'S ACTUAL COST FOR MATERIALS AND LABOR FOR METER SIZE INSTALLED.

METER RELOCATION FEE ..... Actual Relocation Cost, Not to Exceed Tap Fee

THIS FEE SEPTEMBER 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 SEPTEMBER 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 SEPTEMBER 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 .....\$10.00

**TRANSFER FEE .....\$10.00**

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

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

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

**RETURNED CHECK CHARGE .....\$25.00**

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

**CUSTOMER DEPOSIT RESIDENTIAL (Maximum \$50).....\$50.00****COMMERCIAL & NON-RESIDENTIAL DEPOSIT ..... 1/6TH OF ESTIMATED ANNUAL BILL****GOVERNMENTAL TESTING, INSPECTION AND COSTS SURCHARGE:**

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

**LINE EXTENSION AND CONSTRUCTION CHARGES:**

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

**Hazy Hollow East Estates, High Meadows Industrial  
Park, Shady Brook Acres, Spring Creek Valley Estates**  
*Formerly Nerro Supply Investors, Inc.*

## SECTION 1.0 -- RATE SCHEDULE

Section 1.01 - Rates**Spring Creek Valley Estates (Harris County)**

<u>Meter Size</u>	<u>Monthly Minimum Charge</u>	<u>Gallonage Charge</u>
5/8" or 3/4"	<u>\$37.16</u> (includes 1000 gallons)	<u>\$3.56</u> per 1,000 gallons over the minimum <b>*Plus NHCRWA Fee for <u>ALL</u> gallons used.</b>

\*North Harris County Regional Water Authority Water Use Fee:

\$5.00 per 1,000 for all gallons used

***Tariff Control No. 50636***

**Hazy Hollow East Estates, High Meadows Industrial Park, Shady Brook Acres (Montgomery County)**

<u>Meter Size</u>	<u>Monthly Minimum Charge</u>	<u>Gallonage Charge</u>
5/8" or 3/4"	<u>\$36.71</u> (includes 1000 gallons)	<u>\$3.55</u> per 1,000 gallons over the minimum <b>*Plus LSGCD &amp; SJRA fees for <u>ALL</u> gallons used.</b>

\*Lone Star Groundwater Conservation District Water Use Fee: \$0.12 per 1,000 for all gallons used

***Tariff Control No. 48069***

\*San Jacinto River Authority Fee for Hazy Hollow East Estates only:

***Tariff Control No. 49775*** \$3.21 per 1,000 for all gallons used

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

Cash X, Check X, Money Order X, Credit Card \_\_\_\_\_, Other (specify) \_\_\_\_\_  
THE UTILITY MAY REQUIRE EXACT CHANGE FOR PAYMENTS AND MAY REFUSE TO ACCEPT PAYMENTS  
MADE USING MORE THAN \$1.00 IN SMALL COINS. A WRITTEN RECEIPT WILL BE GIVEN FOR CASH  
PAYMENTS.

REGULATORY ASSESSMENT ..... 1.0%

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

Section 1.02 - Miscellaneous Fees

TAP FEE ..... N/A

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

TAP FEE (Unique costs) ..... Actual Cost

FOR EXAMPLE, A ROAD BORE FOR CUSTOMERS OUTSIDE OF SUBDIVISIONS OR RESIDENTIAL AREAS.

TAP FEE (Large meter) ..... Actual Cost

TAP FEE IS THE UTILITY'S ACTUAL COST FOR MATERIALS AND LABOR FOR METER SIZE INSTALLED.

**Docket No. 50017**

**Hazy Hollow East Estates, High Meadows Industrial  
Park, Shady Brook Acres, Spring Creek Valley Estates**  
*Formerly Nerro Supply Investors, Inc.*

## SECTION 1.0 – RATE SCHEDULE (Continued)

**METER RELOCATION FEE** ..... Actual Relocation Cost, Not to Exceed Tap Fee  
THIS FEE MAY BE CHARGED IF A CUSTOMER REQUESTS THAT AN EXISTING METER BE RELOCATED.

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

**RECONNECTION FEE**

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

- a) Nonpayment of bill (Maximum \$25.00)..... \$25.00
- b) Customer's request that service be disconnected ..... N/A

**TRANSFER FEE** ..... N/A  
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%  
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 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.

**Hazy Hollow East Estates, High Meadows Industrial  
Park, Shady Brook Acres, Spring Creek Valley Estates**  
*Formerly Nerro Supply Investors, Inc.*

SECTION 1.0 – RATE SCHEDULE (Continued)

**Pass Through Provision:**

For Utilities subject to changes in costs imposed by any non-affiliated provider of purchased water or sewer or a groundwater conservation district having jurisdiction over the Utility, these increases (decreases) shall be passed through as an adjustment to the gallonage charge according to the formula:

$$R = G / (1 - L)$$

Where:

R = the proposed pass-through rate;

G = the new gallonage charge (per 1,000 gallons) by source supplier;

L = the actual line loss for the preceding 12 months, not to exceed 0.15

**Apache Hills, Benchly Oaks, Lakeview North,  
Lakeway Manor, Lakewood Estates, Little Oak Forest,  
Marshal Oaks, Oak Forest, Smetana Forest,  
Somerville Place, Whispering Woods**  
*Formerly Brazos Valley Septic & Water, Inc.*

## SECTION 1.0 -- RATE SCHEDULE

## Section 1.01 - Rates

<u>Meter Size</u>	<u>Monthly Minimum Charge</u>	<u>Gallonge Charge</u>
5/8" or 3/4"	<u>\$32.58</u> (Includes 0 gallons)	<u>\$2.00</u> per 1000 gallons up to 12, 000 gallons
1"	<u>\$81.45</u>	<u>\$3.00</u> per 1000 gallons, 12,001 gallons and up
1½"	<u>\$162.90</u>	
2"	<u>\$260.64</u>	
3"	<u>\$488.70</u>	
4"	<u>\$814.50</u>	

Pass Through Fee:

An additional charge per 1,000 gallons of water usage for Brazos Valley Groundwater Conservation District (BVGCD) production fees applies to the following subdivisions: Benchley Oaks, Lakewood Estates, Smetana Forest, Lakeway Manor, and Oak Forest

\*BVGCD Production Fee ..... \$0.05  
(*Tariff Control No. 49535*) ..... per 1,000 gallons of water usage

\*Undine receives a 1.0% credit for the amount pumped annually from BVGCD that is less than 100,000,000 gallons. The resulting approved pass-through fee is: \$0.0325 divided by (1- 0.15) equals \$0.04 per thousand gallons up to 100,000,000 gallons pumped per year; and \$0.05 per thousand gallons, thereafter.

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

Cash X, Check X, Money Order X, Credit Card \_\_\_\_\_, Other (specify) \_\_\_\_\_  
THE UTILITY MAY REQUIRE EXACT CHANGE FOR PAYMENTS AND MAY REFUSE TO ACCEPT PAYMENTS MADE USING MORE THAN \$1.00 IN SMALL COINS. A WRITTEN RECEIPT WILL BE GIVEN FOR CASH PAYMENTS.

REGULATORY ASSESSMENT ..... 1.0%  
PUC RULES REQUIRE THE UTILITY TO COLLECT A FEE OF ONE PERCENT OF THE RETAIL MONTHLY BILL AND REMIT THE FEE TO THE TCEQ.

Section 1.02 - Miscellaneous Fees

TAP FEE ..... \$850.00  
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.

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.



**Apache Hills, Benchly Oaks, Lakeview North,  
Lakeway Manor, Lakewood Estates, Little Oak Forest,  
Marshal Oaks, Oak Forest, Smetana Forest,  
Somerville Place, Whispering Woods**  
*Formerly Brazos Valley Septic & Water, Inc.*

## 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

SEASONAL RECONNECT FEE: ..... Monthly minimum times number of months off the system, maximum 6 months.

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. SERVICE LOCATION WHEN THE SERVICE IS NOT DISCONNECTED

RETURNED CHECK CHARGE ..... \$30.00

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

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

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

## GOVERNMENTAL TESTING, INSPECTION AND COSTS SURCHARGE

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

## LINE EXTENSION AND CONSTRUCTION CHARGES:

Refer to Section 3.0 Extension Policy for terms, conditions, and charges when new construction is necessary to provide service.

**Apache Hills, Benchly Oaks, Lakeview North,  
Lakeway Manor, Lakewood Estates, Little Oak Forest,  
Marshal Oaks, Oak Forest, Smetana Forest,  
Somerville Place, Whispering Woods**  
*Formerly Brazos Valley Septic & Water, Inc.*

## SECTION 1.0 -- RATE SCHEDULE (Continued)

### PURCHASED WATER DISTRICT FEE PASS THROUGH CLAUSE:

Changes in fees imposed by any wholesale water supplier and/or any ground water district having jurisdiction over the Utility shall be passed through as an adjustment to the water gallonage charge according to the formula:

$$\begin{aligned} R &= G/(1-L), \text{ where:} \\ R &= \text{Utility's new proposed pass-through rate, rounded to nearest one cent} \\ G &= \text{approved per 1,000 gallon gallonage charge} \\ L &= \text{system average line loss for preceding 12 months, not to exceed 0.15} \end{aligned}$$

To implement or modify the Purchased Water District Fee, the utility must comply with all notice and other requirements of 16 TAC § 24.25(b)(2)(F).

### TEMPORARY WATER RATE:

Unless otherwise superseded by PUC order or rule, if the Utility is ordered by a court or governmental body of competent jurisdiction to reduce its pumpage, production or water sales, the Utility shall be authorized to increase its gallonage charge according to the formula:

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

Where:

$$\begin{aligned} TGC &= \text{temporary gallonage charge} \\ cgc &= \text{current gallonage charge} \\ r &= \text{water use reduction expressed as a decimal fraction (the pumping restrictions)} \\ prr &= \text{percentage of revenues to be recovered expressed as a decimal fraction (i.e.} \\ &\quad 100\% = 1.0), \text{ for this tariff, prr shall equal 0.5.} \end{aligned}$$

To implement the Temporary Water Rate, the Utility must comply with all notice and other requirements of 16 TAC § 24.25(b)(2)(F).

SECTION 1.0 -- RATE SCHEDULE

<u>Meter Size</u>	<u>Monthly Minimum Charge</u>	<u>Gallage Charge</u>
5/8" or 3/4"	<u>\$35.19</u> (Includes 2,000 gallons)	<u>\$3.54</u> per 1000 gallons
1"	<u>\$77.34</u>	
1½ "	<u>\$147.60</u>	
2"	<u>\$231.91</u>	
3"	<u>\$428.63</u>	

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

Cash X, Check X, Money Order X, Credit Card \_\_\_\_\_, Other (specify) \_\_\_\_\_  
THE UTILITY MAY REQUIRE EXACT CHANGE FOR PAYMENTS AND MAY REFUSE TO ACCEPT PAYMENTS MADE USING MORE THAN \$1.00 IN SMALL COINS. A WRITTEN RECEIPT WILL BE GIVEN FOR CASH PAYMENTS.

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

Section 1.02 - Miscellaneous Fees

TAP FEE ..... \$350.00  
TAP FEE COVERS THE UTILITY'S COSTS FOR MATERIALS AND LABOR TO INSTALL A STANDARD RESIDENTIAL 5/8" or 3/4" METER. AN ADDITIONAL FEE TO COVER UNIQUE COSTS IS PERMITTED IF LISTED ON THIS TARIFF.

TAP FEE (Unique costs) ..... Actual Cost  
FOR EXAMPLE, A ROAD BORE FOR CUSTOMERS OUTSIDE OF SUBDIVISIONS OR RESIDENTIAL AREAS.

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

METER RELOCATION FEE ..... Actual Relocation Cost, Not to Exceed Tap Fee  
THIS FEE MAY BE CHARGED IF A CUSTOMER REQUESTS THAT AN EXISTING METER BE RELOCATED.

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

RECONNECTION FEE  
THE RECONNECT FEE MUST BE PAID BEFORE SERVICE CAN BE RESTORED TO A CUSTOMER WHO HAS BEEN DISCONNECTED FOR THE FOLLOWING REASONS (OR OTHER REASONS LISTED UNDER SECTION 2.0 OF THIS TARIFF):  
a) Non-payment of bill (Maximum \$25.00) ..... \$25.00  
b) Customer's request that service be disconnected ..... \$25.00

SECTION 1.0 -- RATE SCHEDULE (Continued)

TRANSFER FEE .....\$35.00  
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  
TCEQ 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).....N/A

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. [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.



Control Number: 48863



Item Number: 30

Addendum StartPage: 0

# **Public Utility Commission of Texas**

## **Memorandum**

2019 SEP 27 PM 2:25  
PUBLIC UTILITY COMMISSION  
FILING CLERK

TO: All Parties of Record

FROM: Nabaraj Pokharel, Engineering Specialist  
Infrastructure Division

Richard Nemer, Attorney  
Legal Division

DATE: September 27, 2019

RE: **Docket No. 48863**, *Application of Camp Joy Water and Texas Water Systems Inc. for Sale, Transfer, or Merger of Facilities and Certificate Rights in Upshur County*

CC: Henry A. Brookshire, Jr., Camp Joy Water Company  
Belinda Tompkins, Texas Water Systems

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In response to the Notice of Approval issued in Docket No. 48863, approving Texas Water System Inc.'s (TWS's) purchase of Camp Joy Water Company's (Camp Joy's) water system, the transfer of Camp Joy's water service area under CCN number 12960 to TWS's CCN number 12473, and the cancellation of Camp Joy's CCN number 12960, please find attached a clean copy of TWS's water utility tariff to be filed with Central Records. Staff requests that the attached tariff be marked as "Approved," and retained in the Commission tariff book. The attached water utility tariff supersedes TWS's current water utility tariff, which may be removed from the Commission tariff book.

All parties to Docket No. 48863 have been copied on this memo.



**WATER UTILITY TARIFF**  
**Docket Number 48863**

Texas Water Systems, Inc.  
(Utility Name)

7891 U.S. Highway 271  
(Business Address)

Tyler, Texas 75708  
(City, State, Zip Code)

(903) 595-2128  
(Area Code/Telephone)

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

12473

This tariff is effective in the following county:

Gregg, Henderson, Limestone, Smith and Upshur

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

None

This tariff is effective in the following subdivisions or systems:

See attached list.

**TABLE OF CONTENTS**

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

SECTION 1.0 -- RATE SCHEDULE .....	2
SECTION 2.0 -- SERVICE RULES AND POLICIES .....	4
SECTION 2.20 -- SPECIFIC SERVICE RULES AND POLICIES .....	8
SECTION 3.0 -- EXTENSION POLICY .....	9
SECTION 3.02 -- SPECIFIC UTILITY EXTENSION POLICY .....	10

APPENDIX A -- DROUGHT CONTINGENCY PLAN  
APPENDIX B -- APPLICATION FOR SERVICE

**Texas Water Systems, Inc.**

This tariff is effective in the following subdivisions or systems:

<b>Subdivision</b>	<b>PWS ID Number</b>	<b>County</b>
Cape Tranquility	1070176	Henderson
Country Club Estates	2300021	Upshur
Friendship Community	2300020	Upshur
Garden Acres Subdivision	0920031	Gregg
Garden Valley Water System	2120081	Smith
Mount Sylvan Community	2120034	Smith
Rosewood Community	2300026	Upshur
Stallion Lake	2120104	Smith
Tall Oaks Subdivision	1470037	Limestone

**Formerly Camp Joy Water Company**

Brookshires Camp Joy . Water System	230015	Upshur
--	--------	--------



## 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"	<u>\$42.00</u>	<u>\$3.00</u> per 1,000 gallons
3/4"	<u>\$63.00</u>	
1"	<u>\$104.00</u>	
1½"	<u>\$205.00</u>	
2"	<u>\$325.00</u>	
3"	<u>\$600.00</u>	

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

Cash X Check X Money Order X Credit Card \_\_\_\_\_ Other (specify) \_\_\_\_\_  
 THE UTILITY MAY REQUIRE EXACT CHANGE FOR PAYMENTS AND MAY REFUSE TO ACCEPT PAYMENTS  
 MADE USING MORE THAN \$1.00 IN SMALL COINS. A WRITTEN RECEIPT WILL BE GIVEN FOR CASH  
 PAYMENTS.

REGULATORY ASSESSMENT ..... 1.0%  
 PUC RULES REQUIRE THE UTILITY TO COLLECT A FEE OF ONE PERCENT OF THE RETAIL MONTHLY BILL  
 AND TO REMIT TO THE TCEQ.

Section 1.02 – Miscellaneous Fees

TAP FEE ..... 800.00  
 TAP COVERS THE UTILITY'S COST FOR MATERIALS AND LABOR TO INSTALL STANDARD RESIDENTIAL 5/8"  
 OR 3/4" METER. AN ADDITIONAL FEE TO COVER UNIQUE COSTS IS PERMITTED IF LISTED ON THIS TARIFF.

METER TEST FEE (actual cost of testing the meter up to) ..... \$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. THIS FEE MAY NOT EXCEED \$25.

## RECONNECTION FEE

THE RECONNECT FEE MUST BE PAID BEFORE SERVICE CAN BE RESTORED TO A CUSTOMER WHO HAS  
 BEEN DISCONNECTED FOR THE FOLLOWING REASONS:

- a) Nonpayment of bill (Maximum \$25.00) ..... \$25.00
- b) Customer's request ..... None  
 or other reasons listed under Section 2.0 of this tariff

LATE CHARGE ..... \$5.00  
 PUC RULES ALLOW A ONE-TIME PENALTY TO BE CHARGED ON DELINQUENT BILLS. A LATE CHARGE MAY  
 NOT BE APPLIED TO ANY BALANCE TO WHICH THE PENALTY WAS APPLIED IN A PREVIOUS BILLING.

SECTION 1.0 -- RATE SCHEDULE (Continued)

RETURNED CHECK CHARGE..... \$25.00  
RETURNED CHECK CHARGES MUST BE BASED ON THE UTILITY'S DOCUMENTABLE COST.

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

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

GOVERNMENTAL TESTING, INSPECTION AND COSTS SURCHARGE

WHEN AUTHORIZED IN WRITING BY PUC AND AFTER NOTICE TO CUSTOMERS, THE UTILITY MAY INCREASE RATES TO RECOVER INCREASED COSTS FOR INSPECTION FEES AND WATER TESTING. [16 TAC 24.21(b)(2)(F)]

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

### Section 1.01 - Rates

<u>Meter Size</u>	<u>Monthly Minimum Charge</u>	<u>Gallonage Charge</u>
5/8" or 3/4"	<u>\$19.00</u> (Includes 2000 gallons)	<u>\$2.00</u> per 1,000 gallons, 2001-8000 gallons
1"	<u>\$35.00</u>	<u>\$3.50</u> per 1,000 gallons, 8001-15,000 gallons
1½"	<u>\$65.00</u>	<u>\$4.00</u> per 1,000 gallons, 15,001-30,000 gallons
2"	<u>\$105.00</u>	<u>\$4.50</u> per 1,000 gallons thereafter

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

Cash ☒ Check ☒ Money Order ☒ Credit Card ☐ Other (specify) \_\_\_\_\_  
THE UTILITY MAY REQUIRE EXACT CHANGE FOR PAYMENTS AND MAY REFUSE TO ACCEPT PAYMENTS MADE USING MORE THAN \$1.00 IN SMALL COINS. A WRITTEN RECEIPT WILL BE GIVEN FOR CASH PAYMENTS.

REGULATORY ASSESSMENT ..... 1.0%  
PUC RULES REQUIRE THE UTILITY TO COLLECT A FEE OF ONE PERCENT OF THE RETAIL MONTHLY BILL AND TO REMIT TO THE TCEQ.

### Section 1.02 – Miscellaneous Fees

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

TAP FEE (Unique costs) ..... Actual Cost  
FOR EXAMPLE, A ROAD BORE FOR CUSTOMERS OUTSIDE OF SUBDIVISION OR RESIDENTIAL AREAS.

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

METER RELOCATION FEE ..... Actual Relocation Cost, Not to Exceed Tap Fee  
THIS FEE MAY BE CHARGED IF A CUSTOMER REQUESTS THAT AN EXISTING METER BE RELOCATED.

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

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:

- a) Nonpayment of bill (Maximum \$25.00) ..... \$25.00
- b) Customer's request that service be disconnected ..... \$10.00

TRANSFER FEE ..... \$10.00

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

LATE CHARGE ..... \$5.00

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

RETURNED CHECK CHARGE..... \$15.00

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

CUSTOMER DEPOSIT RESIDENTIAL (Maximum \$50) ..... \$25.00

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

GOVERNMENTAL TESTING, INSPECTION AND COSTS SURCHARGE

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

LINE EXTENSION AND CONSTRUCTION CHARGES:

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

## **Attachment 'D'**

### ***Part B: Question 5***

#### ***Confidential***

Customer Name, Address and Deposit Information

# CONFIDENTIAL

**DOCKET NO.:** 52502

**STYLE:** Application of Texas Water Systems, Inc. and Undine Development, LLC for Sale, Transfer, or Merger of Facilities and Certificate Rights in Gregg, Henderson, Smith, and Upshur Counties, Texas

**SUBMITTING PARTY:** Undine Development, LLC

**BRIEF DESCRIPTION OF CONTENTS:** Attachment D – Customer Name, Address, and Deposit Information

**BATE STAMP OR SEQUENTIAL PAGE NUMBER RANGE:** 64 to 82

**ENVELOPE #:** 1 OF 1

**ADDITIONAL INFORMATION REQUIRED BY PROTECTIVE ORDER:**

---

**DATE SUBMITTED TO COMMISSION:** August 26, 2022

## **Attachment 'E'**

### ***Part C: Question 7***

#### ***Confidential***

Limited Liability Company Agreement Undine Texas, LLC and  
Organizational Chart

# CONFIDENTIAL

**DOCKET NO.:** 52502

**STYLE:** Application of Texas Water Systems, Inc. and Undine Development, LLC for Sale, Transfer, or Merger of Facilities and Certificate Rights in Gregg, Henderson, Smith, and Upshur Counties, Texas

**SUBMITTING PARTY:** Undine Development, LLC

**BRIEF DESCRIPTION OF CONTENTS:** Attachment E – Limited Liability Company Agreement Undine Texas, LLC and Organizational Chart

**BATE STAMP OR SEQUENTIAL PAGE NUMBER RANGE:** 84 to 91

**ENVELOPE #:** 1 OF 1

**ADDITIONAL INFORMATION REQUIRED BY PROTECTIVE ORDER:**

---

**DATE SUBMITTED TO COMMISSION:** August 26, 2022



## **Attachment 'F'**

### ***Part C: Question 7***

#### **Certificates of Account Status**

### **Party Information**

The legal name of the seller party is Texas Water Systems, Inc. It does not conduct business under an assumed name.

The legal name of the CCN owner party is Undine Texas, LLC. It does not conduct business under an assumed name.

The seller party, Texas Water Systems, Inc., operates as a Texas, USA corporation. The business was formed on October 19, 1998.

The CCN owner party, Undine Texas, LLC, operates as a operates as a domestic limited liability company. The business was formed on November 25, 2015.

Texas Water Systems, Inc. and TWS Management, Inc. are owned by TWS Holdings Corporation. The primary business of TWS Holdings Corporation is owning and operating a management and water system.

Undine, LLC is the Sole Member of Undine Texas, LLC which was registered on November 25, 2015. The Primary business of Undine, LLC is owning and operating water and wastewater utilities.



## Franchise Tax Account Status

As of : 08/23/2021 14:09:08

This page is valid for most business transactions but is not sufficient for filings with the Secretary of State

### TEXAS WATER SYSTEMS, INC.

**Texas Taxpayer Number** 17522535883

**Mailing Address** 7891 US HIGHWAY 271 TYLER, TX 75708-4002

**? Right to Transact Business in Texas** ACTIVE

**State of Formation** TX

**Effective SOS Registration Date** 10/19/1988

**Texas SOS File Number** 0109227500

**Registered Agent Name** JAMES BROWN

**Registered Office Street Address** 7891 HWY 271 TYLER, TX 75708



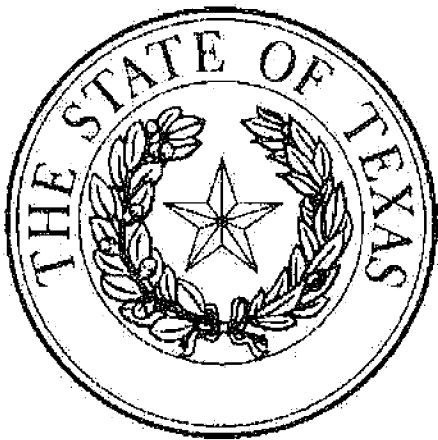
## Office of the Secretary of State

### Certificate of Fact

The undersigned, as Secretary of State of Texas, does hereby certify that the document, Articles Of Incorporation for TEXAS WATER SYSTEMS, INC. (file number 109227500), a Domestic For-Profit Corporation, was filed in this office on October 19, 1988.

It is further certified that the entity status in Texas is in existence.

In testimony whereof, I have hereunto signed my name officially and caused to be impressed hereon the Seal of State at my office in Austin, Texas on March 07, 2019.



A handwritten signature in black ink, appearing to read "David Whitley".

David Whitley  
Secretary of State

# Delaware

The First State

Page 1

I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY "UNDINE, LLC" IS DULY FORMED UNDER THE LAWS OF THE STATE OF DELAWARE AND IS IN GOOD STANDING AND HAS A LEGAL EXISTENCE SO FAR AS THE RECORDS OF THIS OFFICE SHOW, AS OF THE SEVENTH DAY OF MARCH, A.D. 2022.

AND I DO HEREBY FURTHER CERTIFY THAT THE SAID "UNDINE, LLC" WAS FORMED ON THE TWENTY-THIRD DAY OF OCTOBER, A.D. 2015.

AND I DO HEREBY FURTHER CERTIFY THAT THE ANNUAL TAXES HAVE BEEN PAID TO DATE.



5831919 8300

SR# 20220908091

You may verify this certificate online at [corp.delaware.gov/authver.shtml](http://corp.delaware.gov/authver.shtml)

A handwritten signature in black ink, appearing to read "JBullock", is written over a horizontal line. Below the line, the text "Jeffrey W. Bullock, Secretary of State" is printed.

Jeffrey W. Bullock, Secretary of State

Authentication: 202845383

Date: 03-07-22



## Office of the Secretary of State

### Certificate of Fact

The undersigned, as Secretary of State of Texas, does hereby certify that the document, Application for Registration for Undine, LLC (file number 802339315), a DELAWARE, USA, Foreign Limited Liability Company (LLC), was filed in this office on November 25, 2015.

It is further certified that the entity status in Texas is in existence.

In testimony whereof, I have hereunto signed my name officially and caused to be impressed hereon the Seal of State at my office in Austin, Texas on March 09, 2022.



A handwritten signature in black ink, appearing to read "John B. Scott".

John B. Scott  
Secretary of State

# Delaware

The First State

Page 1

*I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY "UNDINE TEXAS, LLC" IS DULY FORMED UNDER THE LAWS OF THE STATE OF DELAWARE AND IS IN GOOD STANDING AND HAS A LEGAL EXISTENCE SO FAR AS THE RECORDS OF THIS OFFICE SHOW, AS OF THE SEVENTH DAY OF MARCH, A.D. 2022.*

*AND I DO HEREBY FURTHER CERTIFY THAT THE SAID "UNDINE TEXAS, LLC" WAS FORMED ON THE TWENTY-THIRD DAY OF OCTOBER, A.D. 2015.*

*AND I DO HEREBY FURTHER CERTIFY THAT THE ANNUAL TAXES HAVE BEEN PAID TO DATE.*



5860781 8300

SR# 20220908090

You may verify this certificate online at [corp.delaware.gov/authver.shtml](http://corp.delaware.gov/authver.shtml)

A handwritten signature in black ink, appearing to read "JB", is written over a horizontal line. Below the line, the text "Jeffrey W. Bullock, Secretary of State" is printed.

Authentication: 202845382

Date: 03-07-22

# Delaware

The First State

Page 1

I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY "UNDINE TEXAS, LLC" IS DULY FORMED UNDER THE LAWS OF THE STATE OF DELAWARE AND IS IN GOOD STANDING AND HAS A LEGAL EXISTENCE SO FAR AS THE RECORDS OF THIS OFFICE SHOW, AS OF THE THIRTEENTH DAY OF DECEMBER, A.D. 2021.

AND I DO HEREBY FURTHER CERTIFY THAT THE SAID "UNDINE TEXAS, LLC" WAS FORMED ON THE TWENTY-THIRD DAY OF OCTOBER, A.D. 2015.

AND I DO HEREBY FURTHER CERTIFY THAT THE ANNUAL TAXES HAVE BEEN PAID TO DATE.



5860781 8300

SR# 20214075340

You may verify this certificate online at [corp.delaware.gov/authver.shtml](http://corp.delaware.gov/authver.shtml)

A handwritten signature in black ink, appearing to read "JBULLOCK", is written over a horizontal line. Below the line, the text "Jeffrey W. Bullock, Secretary of State" is printed.

Authentication: 204961815

Date: 12-13-21





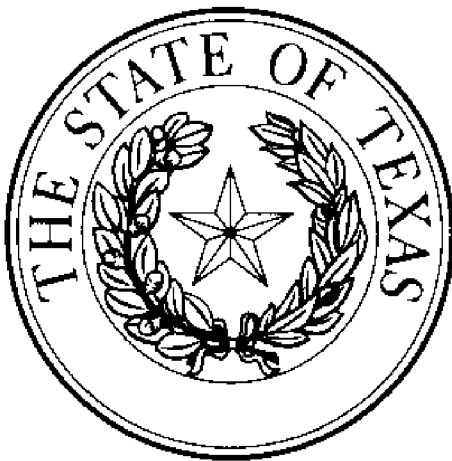
## Office of the Secretary of State

### Certificate of Fact

The undersigned, as Secretary of State of Texas, does hereby certify that the document, Application for Registration for Undine Texas, LLC (file number 802339329), a DELAWARE, USA, Foreign Limited Liability Company (LLC), was filed in this office on November 25, 2015.

It is further certified that the entity status in Texas is in existence.

In testimony whereof, I have hereunto signed my name officially and caused to be impressed hereon the Seal of State at my office in Austin, Texas on December 13, 2021.



A handwritten signature of John B. Scott, consisting of a stylized 'J' and 'S'.

John B. Scott  
Secretary of State

## **Attachment 'G'**

### ***Part C: Question 9***

#### ***Confidential***

List of the Officers of Undine Texas, LLC

# CONFIDENTIAL

**DOCKET NO.:** 52502

**STYLE:** Application of Texas Water Systems, Inc. and Undine Development, LLC for Sale, Transfer, or Merger of Facilities and Certificate Rights in Gregg, Henderson, Smith, and Upshur Counties, Texas

**SUBMITTING PARTY:** Undine Development, LLC

**BRIEF DESCRIPTION OF CONTENTS:** Attachment G – List of the Officers of Undine Texas, LLC

**BATE STAMP OR SEQUENTIAL PAGE NUMBER RANGE:** 102

**ENVELOPE #:** 1 OF 1

**ADDITIONAL INFORMATION REQUIRED BY PROTECTIVE ORDER:**

---

**DATE SUBMITTED TO COMMISSION:** August 26, 2022

# **Attachment 'H'**

***Part D***

***Confidential***

Financial Information

# CONFIDENTIAL

**DOCKET NO.:** 52502

**STYLE:** Application of Texas Water Systems, Inc. and Undine Development, LLC for Sale, Transfer, or Merger of Facilities and Certificate Rights in Gregg, Henderson, Smith, and Upshur Counties, Texas

**SUBMITTING PARTY:** Undine Development, LLC

**BRIEF DESCRIPTION OF CONTENTS:** Attachment H – Financial Information

**BATE STAMP OR SEQUENTIAL PAGE NUMBER RANGE:** 104 to 119

**ENVELOPE #:** 1 OF 1

**ADDITIONAL INFORMATION REQUIRED BY PROTECTIVE ORDER:**

---

**DATE SUBMITTED TO COMMISSION:** August 26, 2022

## **Attachment 'I'**

### ***Part E: Question 17***

Evidence of Financial, Managerial and Technical Capabilities

List of Currently Held Utilities

## Who We Are – Proven Expertise

<u>Name and Title</u>	<u>W&amp;WW Industry Exp.</u>	<u>Summary</u>
<b>Ed Wallace</b> President	<ul style="list-style-type: none"> <li>35 years of total experience</li> </ul>	<ul style="list-style-type: none"> <li>Founded AquaSource in 1996</li> <li>Founded Ni America in 2007</li> <li>Eight year career with Coopers and Lybrand</li> <li>Director at Credit Suisse First Boston</li> </ul>
<b>Carey Thomas</b> Sr. Vice President	<ul style="list-style-type: none"> <li>25 years of total experience</li> </ul>	<ul style="list-style-type: none"> <li>One of 16 Original Investors at AquaSource</li> <li>One of 10 Original Investors at Ni America</li> <li>Former Sr. VP of Administration and HR for AquaSource and Ni America</li> <li>Overall responsibility for Transition and Administration</li> </ul>
<b>Andy Thomas</b> Sr. Vice President	<ul style="list-style-type: none"> <li>30 years of total experience</li> </ul>	<ul style="list-style-type: none"> <li>One of 16 Original Investors at AquaSource</li> <li>One of 10 Original Investors at Ni America</li> <li>Former Sr. VP of Capital Projects and Due Diligence for AquaSource and Ni America</li> </ul>
<b>Vance Tillman</b> Chief Financial Officer	<ul style="list-style-type: none"> <li>33 years of total experience</li> </ul>	<ul style="list-style-type: none"> <li>Former CFO of Big City Access Holdings, LLC</li> <li>Former CFO of Tideland Signal Corporation</li> <li>Twenty year progressively responsible career with Gulf States Toyota automotive conglomerate culminating as CFO of financial services business unit</li> </ul>
<b>Mike Ashfield</b> Sr. Vice President Acquisitions	<ul style="list-style-type: none"> <li>19 years of total experience</li> </ul>	<ul style="list-style-type: none"> <li>VP Transactions at Ni America</li> <li>Former Sr. VP of Transactions at AquaSource</li> <li>Nine year career with Coopers and Lybrand</li> <li>Coordinated due diligence protocol and administered definitive document negotiations at AquaSource and Ni America</li> </ul>
<b>Rick Melcher</b> Manager of Public Relations	<ul style="list-style-type: none"> <li>22 years of total experience</li> </ul>	<ul style="list-style-type: none"> <li>Former Public Relations Manager and Spokesperson for AquaSource and Ni America</li> </ul>
<b>Jeff Goebel</b> Manager Business Development	<ul style="list-style-type: none"> <li>23 years of total experience</li> </ul>	<ul style="list-style-type: none"> <li>Project Coordinator for AquaSource</li> <li>Business Development for Quadvest for 10 years</li> </ul>

### List of Utilities Served By Undine Texas, LLC

TCEQ PWS ID	Name of PWS	Date of TCEQ Inspection	Subdivisions Served
1700187	Allendale Water System	2/14/2020	Allendale
0200244	Angle Acres Water System	9/6/2019	Angle Acres
260019	Apache Hills	10/15/2021	Apache Hills
1460076	Bar-D Ranchettes	12/10/2021	Bar-D Ranchettes
2290015	Barlow Lake Estates	4/3/2019	Barlow Lake Estates
0200358	Bayou Colony Subdivision	10/1/2020	Bayou Colony
360028	Bayridge Subdivision Water System	8/4/2021	Bayridge
2200336	Bear Creek Estates	11/30/2020	Bear Creek Estates
1010098	Beaumont Place	6/4/2020	Beaumont Place
0200245	Beechwood Subdivision	4/24/2019	Beechwood
1260080	Bell Manor Subdivision	3/25/2020	Bell Manor
210039	Benchley Oaks Subdivision	8/6/2019	Benchley Oaks
1870154	Bentwood Bend Water System	7/23/2020	Bentwood Bend
0200338	Bernard Oaks Subdivision	10/24/2019	Bernard Oaks
0200323	Blue Sage Gardens Subdivision	9/24/2019	Blue Sage Gardens
0200325	Brandi Estates	10/7/2019	Brandi Estates
0200639	Brazos Oaks Subdivision	n/a	Los Robles
0200410	Briar Meadows	12/27/2018	Briar Meadows
1260084	Buffalo Creek	8/5/2020	Buffalo Creek
1010111	Castlewood Subdivision	5/21/2020	Castlewood
0200324	Colony Cove Subdivision Water System	2/11/2020	Colony Cove
0200604	Colony Trails Subdivision	5/27/2021	Colony Trails
1870026	Commodore Cape Water System	3/18/2021	Commodore Cape
0200275	Coronado Country	12/28/2017	Coronado Country
0200274	Country Acre Estates	9/17/2019	Country Acres Estates
0200273	Country Meadows	11/27/2018	Country Meadows
1260012	Crowley II Acre Subdivision	8/12/2020	Crowley II Acres
0790510	Crystal Lake Estates	6/4/2020	Crystal Lake Estates
1010119	Cypress Bend Subdivision	3/18/2021	Cypress Bend
0200234	Demi John Island Water System	10/8/2020	Demi John Island
0200185	Demi John Place Water System	2/11/2021	Demi John Place
1010264	Forest Manor Subdivision	6/11/2020	Forest Manor
1870059	Forest Springs	3/18/2020	Forest Springs
1010132	Greengate Acres Subdivision	1/21/2021	Greengate Acres
1700013	Hazy Hollow East Estates	7/30/2020	Hazy Hollow East Estates
1011302	Heathergate Estates	8/23/2021	Heathergate Estates
1010285	Highland Mobile Home Subdivision	12/2/2021	Highland Mobile Home
1010157	Highland Ridge Subdivision	8/24/2021	Highland Ridge
1700539	Hillgreen Subdivision Water	12/4/2018	Hillgreen
1010700	Huffman Heights Subdivision	12/8/2021	Huffman Heights
1260090	John Dame	3/25/2020	John Dame
1700021	Joy Village	6/4/2020	Joy Village
0200665	Kucera Farms Subdivision	5/7/2020	Kucera Farms
1870095	Lakeside Village Water	3/25/2021	Lakeside Village Water
260010	Lakeview N Marshall Oaks Sommerville Place	2/3/2017	Lakeview N Marshall Oaks & Sommerville Place
1700029	Lakewood Colony	5/20/2021	Lakewood Colony
210042	Lakewood Estates	7/25/2019	Lakewood Estates
0200339	Larkspur Subdivision	Inactive	Larkspur
0200506	Lee Ridge Subdivision	1/11/2019	Lee Ridge
260037	Little Oak Forest Subdivision	4/17/2020	Little Oak Forest
1700148	Loch Ness Cove Subdivision Water System	9/8/2020	Loch Ness Cove
360108	Lost Lakes	4/9/2020	Lost Lakes
0200432	Mark V Estates	9/5/2019	Mark V Estates
1260122	Martin Creek Estates	3/25/2020	Martin Creek Estates
1010287	Meadowlake Estates	12/1/2021	Meadowlake Estates



2290027	Mont Neches Lake Estates	Inactive	Mont Neches Lake Estates and Town Bluff
0200094	Mooreland Subdivision Water System	4/9/2020	Mooreland
1980017	Oak Forest Lakeway Manor	3/27/2020	Oak Forest Lakeway Manor
360126	Oaks at Houston Point	1/21/2021	Oaks at Houston Point
1700051	Peach Creek Oaks Subdivision	4/8/2021	Peach Creek Oaks
1700114	Pioneer Trails Subdivision	11/30/2021	Pioneer Trails
1700161	Porter Terrace	9/5/2019	Porter Terrace
1010197	Reservoir Acres Subdivision	12/6/2019	Reservoir Acres
1700185	River Club Water	5/19/2017	River Club
0790425	River Ranch	1/18/2019	River Ranch
1460088	Riverboat Bend Trailer Park	4/17/2019	Riverboat Bend Trailer Park
0200058	Riverside Estates	11/26/2019	Riverside Estates
1260082	Rock Creek Estates	7/28/2017	Rock Creek Estates
0200346	Rosharon Road Estates Subdivision	4/12/2018	Rosharon Road Estates
0200108	Ryan Long Subdivision 2 Water System	12/28/2017	Ryan Long 2
0200460	San Bernard River Estates	6/2/2021	San Bernard River Estates
1260086	Sandersview Subdivision PWS	8/12/2020	Sandersview
0200335	Sandy Meadow Estates Subdivision	4/12/2018	Sandy Meadow Estates
1700031	Shady Brook Acres	12/10/2020	Shady Brook Acres
1460015	Six Lakes Subdivision	9/5/2019	Six Lakes
210010	Smetana Forest	1/5/2019	Smetana Forest
0200053	Snug Harbor Subdivision	9/6/2019	Snug Harbor
260010	Sommerville Place	3/16/2020	Lakeview N Marshall Oaks & Sommerville Place
0200403	Southwood Estates	7/1/2021	Southwood Estates & Cold River Ranch
1610102	Spanish Bit Plantation Sub	7/14/2021	Spanish Bit Plantation
1870149	Spring Creek Pure Utilities	10/7/2021	Spring Creek
1010213	Spring Creek Valley Estates	9/13/2019	Spring Creek Valley Estates
0200666	Spring Crossing Subdivision	status pending	Spring Crossing
1700033	Spring Forest Subdivision	11/23/2021	Spring Forest
1010255	Springmont Subdivision	6/25/2020	Springmont
1700113	Sweetgum Forest	7/23/2020	Sweetgum Forest
1010219	Tall Cedars Mobile Home Subdivision	4/1/2021	Tall Cedars Mobile Home
2040054	Tanglewood Forest Subdivision	12/9/2021	Tanglewood Forest
1870064	Taylor Lake Estates Water System	6/10/2019	Taylor Lake Estates
0790504	Tejas Lakes Subdivision	9/12/2019	Tejas Lakes
1870131	Texas Water Supply	3/19/2020	Texas Water Supply
2290043	Town Bluff Water System	12/10/2021	Town Bluff
1010252	Urban Acres Subdivision	12/15/2021	Urban Acres
0200638	Village Lakes Subdivision	status pending	Village Lakes
260032	Whispering Woods	1/3/2020	Whispering Woods
2290012	Whitetail Ridge Lake Estates	3/27/2020	Whitetail Ridge Lake Estates
0200083	Wilco Water	10/10/2019	Wilco Water
2360078	Wildwood Shores	12/15/2021	Wildwood Shores
0200370	Wolf Glen Water System	6/29/2021	Wolf Glen
1700481	Woodhaven Estates	11/7/2018	Woodhaven Estates

## **Attachment 'J'**

### ***Part E: Question 21***

#### **Utilities Within 2 Miles**

<b>Texas Water Systems, Inc. CCN 12473 STM</b>	<b>Utility Name- 2 mile Notice</b>	<b>CCN#</b>	<b>Street</b>	<b>City</b>	<b>State</b>	<b>Zip</b>
<b>Camp Joy</b>	Bi County WSC	10490	PO Box 848	Pittsburg	TX	75686
	City of Hughes Springs	10531	PO Box 805	Hughes Springs	TX	75656
	City of Ore City	10424	PO Box 327	Ore City	TX	75683
	Cypress Valley Navigation District		PO Box 8463	Marshall	TX	75683
	Diana SUD	10425	PO Box 74	Diana	TX	75640
	MIMS WSC	11650	RR1 Box 466	Avinger	TX	75630
	Notheast Texas Municipal Water District		PO Box 955	Hughes Springs	TX	75656
	Upper Sabine Valley SWMD		PO Box 82	Gilmer	TX	75644
	Upshur County Judge Todd Tefteller		PO Box 730	Gilmer	TX	75644
<b>Cape Tranquility</b>	City of Coffee City		7019 Pleasant Ridge Rd	Coffee City	TX	75763
	Aqua Texas, Inc.	13201	1106 Clayton Ln Ste 400W	Austin	TX	78723
	Monarch Utilities, LP	12983	12535 Reed Rd	Sugar Land	TX	77478
	Southern Utilities Co	10762	218 N Broadway	Tyler	TX	75702
	Neches & Trinity Valleys GCD		PO Box 1387	Jacksonville	TX	75766
	Henderson County Judge Wade McKinney		125 N Prairieville St Rm 100	Athens	TX	75751
<b>Country Club</b>	City of Gilmer	11264	PO Box 760	Gilmer	TX	75644
	Pritchett WSC	10478	3670 State Highway 155 S	Gilmer	TX	75645
	Sabine River Authority		PO Box 579	Orange	TX	77631
	Upper Sabine Valley SWMD		PO Box 82	Gilmer	TX	75644
	Upshur County Judge Todd Tefteller		PO Box 730	Gilmer	TX	75644
<b>Friendship</b>	City of Gilmer	11264	PO Box 760	Gilmer	TX	75644
	Pritchett WSC	10478	3670 State Highway 155 S	Gilmer	TX	75645
	Sharon WSC	10476	6175 N State Hwy 37	Winnsboro	TX	75494
	Upper Sabine Valley SWMD		PO Box 82	Gilmer	TX	75644
	Upshur County Judge Todd Tefteller		PO Box 730	Gilmer	TX	75644
<b>Garden Acres</b>	City of Longview	10361	PO Box 1952	Longview	TX	75606
	City of White Oak	10422	906 S White Oak Rd	White Oak	TX	75693
	Liberty City WSC	10408	6144 Gateway Ctr Ste 349	Kilgore	TX	75662
	Little Cypress Utility District		deleted/ dissolved per TCEQ		TX	
	Sabine River Authority		PO Box 579	Orange	TX	77631
	Gregg County Judge Bill Stoudt		PO Box 4147	Longview	TX	75606
<b>Harmony and Rosewood</b>	Pritchett WSC	10478	3670 State Highway 155 S	Gilmer	TX	75645
	Sharon WSC	10476	6175 N State Hwy 37	Winnsboro	TX	75494
	Sabine River Authority		PO Box 579	Orange	TX	77631
	Upper Sabine Valley SWMD		PO Box 82	Gilmer	TX	75644
	Upshur County Judge Todd Tefteller		PO Box 730	Gilmer	TX	75644

**Mt. Sylvan**

City of Lindale	12795	PO Box 130	Lindale	TX	75771
City of Tyler	10772	PO Box 2039	Tyler	TX	75710
Crystal Systems of Texas Inc.	10804	PO Box 1084	Tyler	TX	75710
Lindale Rural WSC	10758	PO Box 756	Lindale	TX	75771
RPM WSC	10787	5765 SH 64	Ben Wheeler	TX	75754
Southern Utilities Co	10762	218 N Broadway	Tyler	TX	75702
Carroll WSC	10765	PO Box 428	Van	TX	75790
Angelina & Neches River Authority		PO Box 387	Lufkin	TX	75902
Sabine River Authority		PO Box 579	Orange	TX	77631
Upper Sabine Valley SWMD		PO Box 82	Gilmer	TX	75644
Van Zandt County Waste Disposal District		PO Box 117	Canton	TX	75103
Smith County Judge Nathaniel Moran		200 E. Ferguson, Suite 100	Tyler	TX	75702

**Stallion Lake and Garden Valley**

Ben Wheeler WSC	10749	PO Box 104	Ben Wheeler	TX	75754
City of Van	10768	PO Box 487	Van	TX	75790
Crystal Systems of Texas Inc.	10804	PO Box 1084	Tyler	TX	75710
Lindale Rural WSC	10758	PO Box 756	Lindale	TX	75771
RPM WSC	10787	5765 SH 64	Ben Wheeler	TX	75754
Carroll WSC	10765	PO box 428	Van	TX	75790
Angelina & Neches River Authority		PO Box 387	Lufkin	TX	75902
Sabine River Authority		PO Box 579	Orange	TX	77631
Upper Sabine Valley SWMD		PO Box 82	Gilmer	TX	75644
Van Zandt County Waste Disposal District		PO Box 117	Canton	TX	75103
Smith County Judge Nathaniel Moran		200 E. Ferguson, Suite 100	Tyler	TX	75702

## **Attachment 'K'**

### ***Part F: Question 22***

Inspection Reports for Each System

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

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

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

TCEQ PWS Identification Number: TX2300015 (7 digit ID)

Name of PWS: Brookshires Camp Joy Water System

Date of last TCEQ compliance inspection: September 27, 2016 (attach TCEQ letter)

Subdivisions served: Camp Joy

**B.** For Sewer service:

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

Name of Wastewater Facility: \_\_\_\_\_

Name of Permittee: \_\_\_\_\_

Date of last TCEQ compliance inspection: \_\_\_\_\_ (attach TCEQ letter)

Subdivisions served: \_\_\_\_\_

Date of application to transfer permit submitted to TCEQ: \_\_\_\_\_

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

Water				Sewer	
	Non-metered		2"		Residential
113	5/8" or 3/4"		3"		Commercial
	1"		4"		Industrial
	1 1/2"		Other		Other
Total Water Connections:		113	Total Sewer Connections:		

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

☒ No ☐ Yes

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

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

**C.** Is there a moratorium on new connections?

☐ No ☐ Yes:

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

☐ No ☐ Yes: \_\_\_\_\_ (name of municipality)

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

Water: \_\_\_\_\_ Sewer: \_\_\_\_\_

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

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

Capacity is purchased from: \_\_\_\_\_

Water: \_\_\_\_\_

Sewer: \_\_\_\_\_

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

☐ No ☐ Yes

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

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

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

☐ No ☐ Yes:

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

☐ No ☐ Yes:

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

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

### Part G: Mapping & Affidavits

**ALL applications require mapping information to be filed in conjunction with the STM application.**

*Read question 29 A and B to determine what information is required for your application.*

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

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

Texas Commission on Environmental Quality	Office of Water	Public Drinking Water Section
County Map of TX	Water System Search	Office of Compliance and Enforcement

Water System Detail			
Water System Facilities Source Water Assessment Results	Violations   Enforcement Actions	TCR Sample Results	TTHM HAA5 Summaries
Sample Points	Assistance Actions	Recent Positive TCR Results	PBCU Summaries
Sample Schedules / FANLs / Plans	Compliance Schedules	Other Chemical Results	Chlorine Summaries
Site Visits   Milestones	TOC/Alkalinity Results	Chemical Results: Sort by: Name Code	Turbidity Summaries
Operators   All POC	LRAA (TTHM/HAA5)	Recent Non-TCR Sample Results	TCR Sample Summaries
Glossary		DWW Instructions	

Water System Detail Information			
Water System No.:	TX2300015	Federal Type:	C
Water System Name:	BROOKSHIRES CAMP JOY WATER SYSTEM	Federal Source:	GW
Principal County Served:	UPSHUR	System Status:	A
Principal City Served:		Activity Date:	01-01-1913

Group Violations					
Fed Fiscal Year	Determ. Date	Violation Type	Violation Name	Analyte Group	Analyte Group Name

Individual Violations							
Violation No.	Compliance Period	Violation Type Code	Violation Name	Analyte Code	Analyte Name	Has the Violation been Addressed? (On the Path to Compliance)	Has the Violation been Resolved? (Returned to Compliance)
<a href="#">2014-100069401</a>	07-01-2014-09-30-2014	27	MONITORING, ROUTINE (DBP), MAJOR	0999	CHLORINE	Yes - Informal	Yes
<a href="#">2011-100069395</a>	06-01-2011-06-30-2011	24	MONITORING (TCR), ROUTINE MINOR	3100	COLIFORM (TCR)	Yes - Informal	Yes
<a href="#">2011-100069393</a>	05-01-2011-05-31-2011	22	MCL (TCR), MONTHLY	3100	COLIFORM (TCR)	Yes - Informal	Yes
<a href="#">2010-100069391</a>	07-01-2010-09-30-2010	27	MONITORING, ROUTINE (DBP), MAJOR	0999	CHLORINE	Not yet on path to compliance	Yes
<a href="#">2004-104</a>	07-01-2004-03-31-2005	71	CCR REPORT	7000	CONSUMER CONFIDENCE RULE	Yes - Informal	Yes

Total Number of Records Fetched = 5



Texas Commission on Environmental Quality		Office of Water		Public Drinking Water Section	
County Map of TX		Water System Search		Office of Compliance and Enforcement	
Water System Detail					
Water System Facilities Source Water Assessment Results		Violations   Enforcement Actions		TCR Sample Results	
TTHM HAA5 Summaries					
Sample Points		Assistance Actions		Recent Positive TCR Results	
PBCU Summaries					
Sample Schedules / FANLs / Plans		Compliance Schedules		Other Chemical Results	
Chlorine Summaries					
Site Visits   Milestones		TOC/Alkalinity Results		Chemical Results: Sort by: Name Code	
Turbidity Summaries					
Operators   All POC		LRAA (TTHM/HAA5)		Recent Non-TCR Sample Results	
TCR Sample Summaries					
Glossary			DWW Instructions		
Water System Detail Information					
Water System No.:		TX2300015		Federal Type:	
C					
Water System Name:		BROOKSHIRES CAMP JOY WATER SYSTEM		Federal Source:	
GW					
Principal County Served:		UPSHUR		System Status:	
A					
Principal City Served:				Activity Date:	
01-01-1913					
Enforcement Actions					
EA Number	Action Type	PN Due/Proof PN Due PN Done/Proof PN Done	Action Name	Status	Date
<a href="#">2015-224</a>	SOX		ST COMPLIANCE ACHIEVED	T	05-11-2015
<a href="#">2015-223</a>	RTC		RETURN TO COMPLIANCE	T	04-07-2015
<a href="#">2015-222</a>	RTC		RETURN TO COMPLIANCE	T	03-19-2015
<a href="#">2015-221</a>	SIF		ST PUBLIC NOTIF RECEIVED	T	02-06-2015
<a href="#">2015-219</a>	SIA		ST VIOLATION/REMINDER NOTICE	T	01-14-2015
<a href="#">2015-220</a>	SIE	04-14-2015 / 04-24-2015 02-03-2015 / 02-06-2015	ST PUBLIC NOTIF REQUESTED	T	01-14-2015
<a href="#">2011-218</a>	NOE		NOTICE OF ENFORCEMENT	T	09-23-2011
<a href="#">2011-217</a>	SIF		ST PUBLIC NOTIF RECEIVED	T	09-09-2011
<a href="#">2011-215</a>	SIA		ST VIOLATION/REMINDER NOTICE	T	07-25-2011
<a href="#">2011-216</a>	SIE	10-09-2011 / 10-19-2011 09-02-2011 / 09-09-2011	ST PUBLIC NOTIF REQUESTED	T	07-25-2011
<a href="#">2011-211</a>	SIF		ST PUBLIC NOTIF RECEIVED	T	06-09-2011
<a href="#">2011-209</a>	SIA		ST VIOLATION/REMINDER NOTICE	T	05-25-2011
<a href="#">2011-210</a>	SIE	07-11-2011 / 07-21-2011 06-06-2011 / 06-09-2011	ST PUBLIC NOTIF REQUESTED	T	05-25-2011
<a href="#">2011-208</a>	SOX		ST COMPLIANCE ACHIEVED	T	02-16-2011
<a href="#">2005-205</a>	SOX		ST COMPLIANCE ACHIEVED	T	03-31-2005
<a href="#">2005-105</a>	SIA		ST VIOLATION/REMINDER NOTICE	T	01-26-2005

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

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

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

TCEQ PWS Identification Number: TX1070176 (7 digit ID)

Name of PWS: Camp Tranquility System

Date of last TCEQ compliance inspection: 2/14/2018 (attach TCEQ letter)

Subdivisions served: Camp Tranquility

**B. For Sewer service:**

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

Name of Wastewater Facility: \_\_\_\_\_

Name of Permittee: \_\_\_\_\_

Date of last TCEQ compliance inspection: \_\_\_\_\_ (attach TCEQ letter)

Subdivisions served: \_\_\_\_\_

Date of application to transfer permit submitted to TCEQ: \_\_\_\_\_

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

Water				Sewer	
	Non-metered		2"		Residential
72	5/8" or 3/4"		3"		Commercial
	1"		4"		Industrial
	1 1/2"		Other		Other
Total Water Connections:			72	Total Sewer Connections:	

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

☒ No ☐ Yes

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

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

**C. Is there a moratorium on new connections?**

☒ No ☐ Yes:

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

☒ No ☐ Yes: \_\_\_\_\_ (name of municipality)

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

Water: \_\_\_\_\_ Sewer: \_\_\_\_\_

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

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

Capacity is purchased from: \_\_\_\_\_

Water: \_\_\_\_\_

Sewer: \_\_\_\_\_

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

☒ No ☐ Yes

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

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

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

☒ No ☐ Yes:

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

☐ No ☒ Yes:

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

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

#### Part G: Mapping & Affidavits

**ALL applications require mapping information to be filed in conjunction with the STM application.**

***Read question 29 A and B to determine what information is required for your application.***

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

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

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



## TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

*Protecting Texas by Reducing and Preventing Pollution*

February 14, 2018

**CERTIFIED MAIL 9171 9690 0935 0136 8024 07**  
**RETURN RECEIPT REQUESTED**

Mr. James K. Brown, President  
Cape Tranquility Water System  
7891 Highway 271  
Tyler, Texas 75708-4002

Re: Unresolved Alleged Violations for the Comprehensive Compliance Investigation at:  
Cape Tranquility WS, located on CR 4202, NW of Coffee City (Henderson County), Texas  
RN101250405, TCEQ Additional ID No.: 1070176, Investigation No.: 1467197

Dear Mr. Brown:

The Texas Commission on Environmental Quality (TCEQ) Tyler Region Office has previously requested that you submit compliance documentation for the alleged violations noted during the investigation of the above-referenced public water supply conducted on May 29, 2017. We have received acceptable compliance documentation from you for all of the alleged violations except those listed in the enclosed summary.

Please submit to our office by **March 16, 2018** a written description of corrective action taken and the required compliance documentation demonstrating that this remaining alleged violation has been resolved by track no.: **648529**.

If you or members of your staff have any questions, please feel free to contact Ms. Jennifer Brewton in the Tyler Region Office at (903)535-5150.

Sincerely,

A handwritten signature in black ink, appearing to read "Cara C. Fisher".

Ms. Cara C. Fisher  
Water Work Leader, Tyler Region Office

CCF/jcb

Enclosures: Summary of Investigation Findings

*Answer move down tank frame! 16'x21' Ground storage TANK*

## Summary of Investigation Findings

CAPE TRANQUILITY SYSTEM

Investigation #

, HENDERSON COUNTY,

1467197  
Investigation Date: 02/02/2018

Additional ID(s): 1070176

### OUTSTANDING ALLEGED VIOLATION(S) ASSOCIATED TO A NOTICE OF VIOLATION

Track No: 648529 Compliance Due Date: 03/16/2018

30 TAC Chapter 291.93(3)(A)

#### Alleged Violation:

Investigation: 1425079

Comment Date: 07/17/2017

Failure to submit a Capacity Planning Report.

During the investigation, the investigator documented the water system failed to submit a Capacity Planning Report after exceeding 85% total storage capacity. At the time of the current investigation the system capacities are as follows:

Well: Required—0.6 gpm x 71 con. = 43 gpm; Provided—53 gpm (80%)

Pressure Storage: Required—20 gal. x 71 con. = 0.00142 MG; Provided—0.0025 MG (57%)

Ground/Total Storage: Required—200 gal. x 71 con. = 0.014; Provided—0.0152 (95%)

Service Pump: Required—2.0 gpm x 71 con. = 142 gpm; Provided—180 gpm (79%)

Investigation: 1438803

Comment Date: 09/25/2017

Failure to submit a Capacity Planning Report.

During the file review, the investigator reviewed a letter from Mr. Dave Odle stating the water system plans to apply for an Alternative Capacity Requirement. The average time to complete this process once required documentation has been submitted is 90 days.

Therefore, a compliance due date will be set at 120 days from the date of this letter.

Investigation: 1467197

Comment Date: 02/02/2018

Failure to submit a Capacity Planning Report.

During the file review, the investigator reviewed a letter from Mr. Dave Odle stating the water system still plans to apply for an Alternative Capacity Requirement. No further information was submitted for this alleged violation.

**Recommended Corrective Action:** Please submit compliance documentation by March 16, 2018. The documentation should demonstrate what actions have been taken and may include photographs, purchase orders, results of analyses, etc.

### ALLEGED VIOLATION(S) NOTED AND RESOLVED ASSOCIATED TO A NOTICE OF VIOLATION

Track No: 548023

30 TAC Chapter 290.46(s)(2)(C)(i)

#### Alleged Violation:

Investigation: 1193744

Comment Date: 09/10/2014

Failure to verify accuracy of the manual disinfectant analyzer.

During the investigation, the investigator documented that the water system was not verifying the accuracy of the Hach colorimeter.

Investigation: 1425079

Comment Date: 07/17/2017

Failure to verify the accuracy of the manual disinfectant analyzer.

During the investigation, the investigator documented the water system gel standards for calibrating the handheld colorimeter were expired. Additionally, water system personnel were unable to provide calibration records showing accuracy checks every 90 days as required.

Investigation: 1438803

Comment Date: 09/25/2017

Failure to verify the accuracy of the manual disinfectant analyzer.

During the file review, the water system submitted a receipt for the purchase of new gel standards to be used for verification. However, the system did not submit any records showing the verifications had been performed. Therefore, this alleged violation cannot be resolved without further documentation.

Investigation: 1467197

Comment Date: 02/02/2018

See previous comments.

**Resolution:** During the file review, the investigator reviewed documentation of the verification of the manual disinfectant analyzer. This alleged violation will be resolved.

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**Track No: 648523****30 TAC Chapter 290.46(m)(1)(B)****Alleged Violation:**

Investigation: 1425079

Comment Date: 07/25/2017

Failure to conduct interior pressure tank inspections.

During the investigation, the investigator documented the water system had not conducted an interior inspection for the pressure tank within the last five years.

Investigation: 1438803

Comment Date: 09/25/2017

Failure to conduct interior pressure tank inspections.

During the file review, the investigator reviewed a letter from Mr. Dave Odle stating the water system anticipates having the tank inspection completed by November 30, 2017.

Investigation: 1467197

Comment Date: 02/02/2018

See previous comments.

**Resolution:** During the file review, the investigator reviewed a copy of the tank inspection completed on November 9, 2017. This alleged violation will be resolved.

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**Track No: 648524****30 TAC Chapter 290.46(l)****Alleged Violation:**

Investigation: 1425079

Comment Date: 07/17/2017

Failure to provide adequate flushing logs.

During the investigation, the investigator documented the water system was unable to provide complete flushing logs for the previous twelve months.

Investigation: 1438803

Comment Date: 09/25/2017

Failure to provide adequate flushing logs.

This alleged violation currently has a compliance due date of February 1, 2018.

Investigation: 1467197

Comment Date: 02/02/2018

See previous comments.

**Resolution:** During the file review, the investigator reviewed flushing logs for the previous months. This alleged violation will be resolved.

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**Track No:** 648526

**30 TAC Chapter 290.46(m)**

**Alleged Violation:**

Investigation: 1425079

Comment Date: 07/17/2017

Failure to maintain intruder resistant fencing.

During the investigation, the investigator documented that the fencing at the plant had numerous holes located near the bottom of the fencing.

Investigation: 1438803

Comment Date: 09/25/2017

Failure to maintain intruder resistant fencing.

During the file review, the investigator reviewed a letter from Mr. Dave Odle stating the water system anticipates having the fence repairs completed by October 30, 2017.

Investigation: 1467197

Comment Date: 02/02/2018

See previous comments.

**Resolution:** During the file review, the investigator reviewed photographic documentation of the repairs made to the fencing at the well site. This alleged violation will be resolved.

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**Track No:** 648528

**30 TAC Chapter 290.41(c)(3)(M)**

**Alleged Violation:**

Investigation: 1425079

Comment Date: 07/17/2017

Failure to provide a suitable sampling cock on discharge pipe.

During the investigation, the investigator observed the sampling cock for Well 1 was inoperable.

Investigation: 1438803

Comment Date: 09/25/2017

Failure to provide a suitable sampling cock on discharge pipe.

During the file review, the investigator reviewed a letter from Mr. Dave Odle stating the water system anticipates having the fence repairs completed by October 30, 2017.

Investigation: 1467197

Comment Date: 02/02/2018

See previous comments.

**Resolution:** During the file review, the investigator reviewed photographic documentation of the installation of a sampling cock on the discharge pipe. This alleged violation will be resolved.



COPY

## TEXAS WATER SYSTEMS Inc

*An Investor Owned Utility*

7891 Hwy. 271

Tyler, TX 75708

Phone: 903-597-5788 Fax: 903-526-0076

Ms. Cara C. Fisher  
Work Leader, Water Program  
Tyler Region 5 Office  
2916 Teague Drive  
Tyler, Texas 75701

Nov.28, 2017

Re: Cape Tranquility PWS ID No. 1070176, Investigation No. 1425079 ( Letter of July 28 & October 10, 2017 )

Dear Ms. Fisher:

We submit this up dated compliance plan for the Cape Tranquility system on the tracks at issue:

1. Track # 548023: We purchased a current set of standards--copy enclosed-- added test preformed to certificate of standards ( enclosed )
2. Track # 648523: We will have the inspection preformed by November 30, 2017 and documents to follow --preformed Nov. 9, 2017 ( copy enclosed )
3. Track # 648526: We will make corrected adjustments and send proof by Oct. 30, 2017 including picture -- ( repaired and photo's enclosed )
4. Track # 648528: New sample cock will be installed and a picture sent by Oct. 30, 2017 ( replaced and photo enclosed )
5. Track # 648524: Enclosed you will find a copy of flush records since investigation-- a better system of filing has been established to find same-- please consider
6. Concerning track 648529 we will probably apply for waiver due to no growth potential in subdivision and have enough water with well work.

David L. Odle  
TWS Management  
Operating Company