



Filing Receipt

Received - 2022-02-03 05:13:57 PM

Control Number - 53075

ItemNumber - 212

WATER UTILITY TARIFF

FOR

Cresson Crossroads, LLC
(Utility Name)

919 E. Hwy. 377, Suite 4
(Business Address)

Granbury, TX 76048
(City, State, Zip Code)

(817) 279-0999
(Area Code/Telephone)

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

13153

This tariff is effective in the following county:

Hood

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

None

This tariff is effective in the following subdivisions or systems and PWS:

Cresson Crossroads, LLC: PWS 1110128

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 3.0 -- EXTENSION POLICY	11
SECTION 4.0 -- DROUGHT CONTINGENCY PLAN	15
APPENDIX A -- SAMPLE SERVICE AGREEMENT	
APPENDIX B -- APPLICATION FOR SERVICE	

SECTION 1.0 -- RATE SCHEDULE

Section 1.01 - Rates

<u>Meter Size</u>	<u>Monthly Minimum Charge</u> (Including -0- Gallons)	<u>Gallonage Charge</u>
LUE	\$35.00	\$3.00 per 1000 gal. first 5,000 gallons
5/8" or 3/4"	\$35.00	\$3.50 per 1000 gal. next 10,000 gallons
3/4"	\$35.00	\$4.00 per 1000 gal. thereafter
1"	\$87.50	
1 1/2 "	\$175.00	
2"	\$280.00	
3" turbine	\$612.00	
4" turbine	\$1,050.00	

LUE: A residential customer residing in an apartment, condominium, manufactured home or other similar dwelling with little or no yard or opportunity to use outside water so that all water consumed through the meter can reasonably be presumed to be used for human consumption as defined by 30 TAC 290.38. LUE customers are required to have a consumption of less than 10 gpm or they shall be billed at a 5/8" x 3/4" meter rate or such other larger meter rate as their actual consumption is tested to be.

MASTER METER GALLONAGE CHARGES: The monthly gallonage charge for a customer receiving service through a large size master meter for the benefit of multiple consuming facilities under his control, i.e., manufactured home lots, apartments, office buildings, etc., shall be calculated by multiplying the potential number of units served by the incremental gallonage blocks before the escalation of unit charges. For example, an apartment with ten units may consume 100,000 gallons during a month before its gallonage charge is escalated from \$2.00 per 1,000 gallons to \$3.00 per 1,000 gallons.

DEVELOPER OPERATING CHARGE: A developer requesting the construction of a new utility system who does not pay all of the cost of plant constructed to serve that development shall be billed each month for the incremental difference between the revenues collected for utility services rendered and \$2,500 or other amount mutually agreed to. This charge shall cease when utility service revenues collected from consumers in that new development exceed \$2,500 or other amount agreed to for three consecutive months excluding July through September or five consecutive months including July through September. This charge shall be implemented only where the developer voluntarily agrees to pay it in a service, construction or extension contract.

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

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.

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

SECTION 1.0 -- RATE SCHEDULE (Continued)

Section 1.02 - Miscellaneous Fees

TAP FEE.....\$800.00
5/8 x 3/4" meter in rocky soil

TAP FEE.....\$650.00
5/8 x 3/4" meter in sand or loam
Plus unique costs at actual cost where permitted by TCEQ rule

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

RECONNECTION FEE

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

- a) Non payment of bill (Maximum \$25.00).....\$25.00
 - b) Customer's request that service be disconnected.....\$45.00
- OR OTHER REASONS LISTED UNDER SECTION 2.0 OF THIS TARIFF

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

SEASONAL RECONNECTION FEE:

BASE RATE FOR METER SIZE TIMES NUMBER OF MONTHS OFF THE SYSTEM NOT TO EXCEED SIX MONTHS WHEN LEAVE AND RETURN WITHIN A TWELVE MONTH PERIOD.

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.

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 (actual cost of testing the meter up to).....\$25.00
THIS FEE MAY BE CHARGED IF A CUSTOMER REQUESTS A SECOND METER TEST WITHIN A TWO YEAR PERIOD AND THE TEST INDICATES THAT THE METER IS RECORDING ACCURATELY.

RETURNED CHECK CHARGE\$25.00

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

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

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

SECTION 1.0 - RATE SCHEDULE

Section 1.02 - Miscellaneous Fees (Continued)

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.

PURCHASED WATER / UNDERGROUND WATER DISTRICT FEE PASS THROUGH CLAUSE:

Changes in fees imposed by any wholesale 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 formula:

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

Where:

AG = adjusted gallonage charge, rounded to nearest one cent

G = approved per 1,000 gallon gallonage charge

B = change in district fee (per 1,000 gallons)

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

To implement or modify the Purchased Water / Underground Water District Fee, the utility must comply with all notice and other requirements of 30 TAC 291.21(h).

TEMPORARY WATER RATE:

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

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

Where:

TGC = temporary gallonage charge

cgc = current gallonage charge

r = water use reduction expressed as a decimal fraction (the pumping restrictions

pr = percentage of revenues to be recovered expressed as a decimal fraction

(i.e. 100% = 1.0), for this tariff pr shall equal 0.5.

To implement the Temporary Water Rate, the utility must comply with all notice and other requirements of 30 T.A.C. 291.21(l).

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

TEXAS COMM. ON ENVIRONMENTAL QUALITY
35868-C, CCN 13153, AUGUST 28, 2008
APPROVED TARIFF BY *BJHG*

SECTION 2.0 - SERVICE RULES AND REGULATIONS (CONT.)

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

Each bill will provide all information required by the TCEQ Rules. For each of the systems it operates, the utility will maintain and note on the monthly bill a telephone number (or numbers), which may be reached by a local call by customers. At the utility's option, a toll-free telephone number or the equivalent may be provided.

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

Section 2.07 - Service Disconnection

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

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

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

Section 2.08 - Reconnection of Service

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

Utility personnel must be available to collect payments and to reconnect service on the day of and the day after any disconnection of service unless service was disconnected at the customer's request or due to a hazardous condition.

Service will be reconnected within 36 hours after the past due bill and any other outstanding charges are paid or correction of the conditions that caused service to be disconnected.

SECTION 2.0 - SERVICE RULES AND REGULATIONS (CONT.)

Section 2.09 - Service Interruptions

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

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

Section 2.10 - Quality of Service

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

Section 2.11 - Customer Complaints and Disputes

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

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

SECTION 2.20 - SPECIFIC UTILITY SERVICE RULES AND REGULATIONS

This section contains specific utility service rules in addition to the rules previously listed under Section 2.0. It must be reviewed and approved by the Commission and in compliance with TCEQ Rules to be effective.

The utility adopts the administrative rules of the Texas Commission on Environmental Quality, as the same may be amended from time to time, as its company specific service rules and regulations. **These rules will be kept on file at the company's offices for customer inspection during regular business hours.** In the event of a conflict between the TCEQ's amended rules and the provisions of this tariff, the amended rules shall prevail. Where necessary, any conflicting provision of this tariff shall be deemed to have been superseded by the TCEQ rule in question to the degree that the Utility may conduct its lawful business in conformance with all requirements of said rule. All TCEQ rules are available for public inspection 24/7 via the Internet on the TCEQ's website and the Texas Secretary of State's Texas Administrative Code website.

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

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

Customers shall not be allowed to use the utility's cutoff valve on the utility's side of the meter. Existing customers may install cutoff valves on their side of the meter and are encouraged to do so. All new customers must install customer-owned and -maintained cutoff valves on their side of the meter.

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

Customer shall be liable for any damage or injury to utility-owned property or personnel shown to be caused by the customer, his invitees, his agents, his employees, or others directly under his control.

Limitation on Product/Service Liability - Public water utilities are required to deliver water to the customer's side of the meter or service connection that meets the potability and pressure standards of the Texas Commission on Environmental Quality. The utility will not accept liability for any injury or damage to individuals or their property occurring on the customer's side

SECTION 2.20 - SPECIFIC UTILITY SERVICE RULES AND REGULATIONS (CONT.)

of the meter when the water delivered meets these state standards. The utility makes no representations or warranties (expressed or implied) that customer's appliances will not be damaged by disruptions of or fluctuations in water service whatever the cause. The utility will not accept liability for injuries or damages to persons or property due to disruption of water service caused by: (1) acts of God, (2) acts of third parties not subject to the control of the utility if the utility has undertaken such preventive measures as are required by TCEQ rules, (3) electrical power failures in water systems not required by TCEQ rule to have auxiliary power supplies, or (4) termination of water service pursuant to the utility's tariff and the TCEQ's rules. The utility is not required by law and does not provide fire prevention or fire fighting services. The utility therefore does not accept liability for fire-related injuries or damages to persons or property caused or aggravated by the availability (or lack thereof) of water or water pressure (or lack thereof) during fire emergencies. The utility will accept liability for any injury or damage to individuals or their property directly caused by defective utility plant (leaking water lines or meters) or the repairs to or construction of the utility's facilities.

If the services of a registered professional engineer are required as a result of an application for serviced received by the Utility for service to that applicant's service extension only, such engineer will be selected by the Utility and the applicant, and the applicant shall bear all expenses incurred therein.

If an applicant requires service other than the standard service provided by the utility, such applicant will be required to pay all expenses incurred by the utility in excess of the expenses that would be incurred in providing the standard service and connection. Any applicant who places unique or non-standard service demands on the system may be required to provide contributions in aid of construction (as may be allowed by TCEQ rule) for the actual costs of any additional facilities required to maintain compliance with the Texas Commission on Environmental Quality minimum design criteria for water production, treatment, pumping, storage and transmission.

Any applicant or existing customer required to pay for any costs not specifically set forth in the rate schedule pages of this tariff shall be entitled to a written explanation of such costs prior to payment and/or commencement of construction. If the applicant or existing customer does not believe that these costs are reasonable or necessary, the applicant or existing customer shall have the right to appeal such costs to the TCEQ or such other regulatory authority having jurisdiction over the utility's rates in that portion of the utility's service area in which the applicant's or existing customer's property(ies) is located.

Tap fees may be increased by the cost of road bores where pavement cuts are not permitted or other unique costs not normally incurred as may be permitted by 30 T. A. C. 291.86(a)(1)(C).

The Utility adopts the Uniform Plumbing Code pursuant to TCEQ Rule 290.46(i). The piping and other equipment on the premises furnished by the customer will be maintained by the customer at all times in conformity with the requirements of the TCEQ, the Uniform Plumbing

SECTION 2.20 - SPECIFIC UTILITY SERVICE RULES AND REGULATIONS (CONT.)

It is agreed and understood that any and all meters, water lines and other equipment furnished by the utility (excepting the customer's individual service lines from the point of connection to customer's structures on customer's premises) are and shall remain the sole property of the utility, and nothing contained herein or in a contract/application for service shall be construed to reflect a sale or transfer of any such meters, lines or equipment to any customer. All tap and extension charges shall be for the privilege of connecting to said water lines and for installation, not purchase, of said meters and lines.

Applicants for service at new consuming facilities or facilities which have undergone extensive plumbing modifications are required to deliver to the Utility a certificate that their facilities have been inspected by a state-licensed inspector and that they are in compliance with all applicable plumbing codes and are free of potential hazards to public health and safety. Service may be denied until the certificate is received or any identified violations or hazards are remedied. The Utility is not required to perform these inspections for the applicant/customer, but will assist the applicant/customer to locate and obtain the services of a licensed inspector in a timely manner. When potential sources of contamination are identified which, in the opinion of the inspector or the Utility, require the installation of a state-approved backflow prevention device, such back flow prevention device shall be installed on the customer's service line or other necessary plumbing facilities by an appropriately licensed plumber/back flow prevention device specialist at the customer's expense. The backflow prevention device shall be maintained by the customer at his expense and inspected annually by a licensed inspector. Copies of the annual inspection report must be provided to the Utility. Failure to comply with this requirement may constitute grounds for termination of water service with notice.

All customers or service applicants shall provide access to meters and utility cutoff valves at all times reasonably necessary to conduct ordinary utility business and after normal business hours as needed to protect and preserve the integrity of the public drinking water supply. Access to meters and cutoff valves shall be controlled by the provisions of 30 TAC 291.89(c).

Where necessary to serve an applicant's property, the Utility may require the applicant to provide it a permanent recorded public utility easement on and across the applicant's real property sufficient to provide service to that applicant and adjacent land owners inside the Utility's certificated service area. Such easement(s) shall not be used for the construction of production, storage or pressure facilities unless they are needed for adequate service to that applicant.

Service applicants may be required to comply with any pre-condition to receiving service not printed herein as may exist under TCEQ rule (customer service, health and safety, water conservation, or environmental), USEPA rule, TWDB rule, local water or conservation district rule or health department rule. Existing customer shall be required to comply with such rules, including modification of their plumbing and/or consumption patterns, after notice.

SECTION 3.0 - EXTENSION POLICY

Section 3.01 - Standard Extension Requirements

LINE EXTENSION AND CONSTRUCTION CHARGES. No contribution in aid of construction may be required of any customer except as provided for in this approved extension policy.

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

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

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

Developers may be required to provide contributions in aid of construction in amounts to furnish the system with all facilities necessary to comply with the Texas Commission on Environmental Quality's Rules.

SECTION 3.20 - SPECIFIC UTILITY EXTENSION POLICY

This section contains the utility's specific extension policy that complies with the requirements already stated under Section 3.01. It must be reviewed and approved by the Commission and in compliance with TCEQ Rules to be effective.

Residential customers not covered under Section 3.01 will be charged the equivalent of the costs of extending service to their property from the nearest transmission or distribution line even if that line does not have adequate capacity to serve the customer. However, if the customer places unique, non-standard service demands upon the system, the customer may be charged the full cost of extending service to and throughout their property, including the cost of all necessary transmission and storage facilities necessary to meet the service demands anticipated to be created by that property.

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

When an individual residential applicant requires an extension of a main line beyond 200 feet, the charge to that applicant shall be the actual cost of such extension in excess of 200 feet, plus the applicable tap fee plus such other approved costs as may be provided in this tariff and/or TCEQ rules.

Residential tap fees may be increased by the actual cost of road bores (where pavement cuts are not permitted) or other unique costs not normally incurred as permitted by TCEQ rule. Larger meter taps shall be made at actual cost associated with that tap which shall include such extraordinary expenses.

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

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

SECTION 3.20 - SPECIFIC UTILITY EXTENSION POLICY (CONT.)

Unless expressly exempted by TCEQ rule or order, each point of use (as defined by 30 TAC 291.3) must be individually metered.

The imposition of additional extension costs or charges as provided by Sections 2.20 and 3.20 of this tariff shall be subject to appeal as provided in this tariff, TCEQ rules, or the rules of such other regulatory authority as may have jurisdiction over the utility's rates and services. Any applicant required to pay for any costs not specifically set forth in the rate schedule pages of this tariff shall be entitled to a written explanation of such costs prior to payment and/or commencement of construction. If the applicant does not believe that these costs are reasonable or necessary, the applicant shall have the right to appeal such costs to the TCEQ or such other regulatory authority having jurisdiction over the utility's rates in that portion of the utility's service area in which the applicant's property(ies) is located. Unless the TCEQ or other regulatory authority enters interlocutory orders to the contrary, service to the applicant may be delayed until such appeal is resolved.

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

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

The Utility is not required to extend service to any applicant outside of its certificated service area and will only do so, at the Utility's sole option, under terms and conditions mutually agreeable to the Utility and the applicant and upon extension of the Utility's certificated service area boundaries by the TCEQ. Service applicants may be required to bear the cost of the service area amendment.

A "qualified service applicant" is an applicant who has: (1) met all of the Utility's requirements of service contained in this tariff, TCEQ rules and/or TCEQ order, (2) has made all payments for tap fees and extension charges, (3) has provided all necessary easements and rights-of-way

SECTION 3.20 - SPECIFIC UTILITY EXTENSION POLICY (CONT.)

necessary to provide service to the requested location, including staking said easements or rights-of-way where necessary, (4) delivered an executed customer service inspection certificate to the Utility or executed a temporary non-potable water service agreement for interim construction service and (5) has executed a customer service application for each location to which service is being requested.

Where a new tap or service connection is required, the service applicant shall be required to submit a written service application and request that a tap be made. The tap request must be accompanied with a plat, map, diagram or written metes and bounds description of precisely where the applicant desires each tap or service connection is to be made and, if necessary, where the meter is to be installed, along the applicant's property line. The actual point of connection and meter installation must be readily accessible to Utility personnel for inspection, servicing and meter reading while being reasonably secure from damage by vehicles and mowers. If the Utility has more than one main adjacent to the service applicant's property, the tap or service connection will be made to the Utility's near service main with adequate capacity to service the applicant's full potential service demand. If the tap or service connection cannot be made at the applicant's desired location, it will be made at another location mutually acceptable to the applicant and the Utility. If no agreement on location can be made, applicant may refer the matter to the TCEQ for resolution. Unless otherwise ordered by the TCEQ, the tap or service connection will not be made until the location dispute is resolved.

The Utility shall require a developer (as defined by TCEQ rule) to provide permanent recorded public utility easements as a condition of service to any location within the developer's property. The Developer shall be required to obtain all necessary easements and rights-of-way required to extend the Utility's existing service facilities from their nearest point with adequate service capacity (as prescribed by TCEQ rules and local service conditions) to and throughout the Developer's property. The easements shall be sufficient to allow the construction, installation, repair, maintenance, testing, and replacement of any and all utility plant necessary to provide continuous and adequate service to each and every potential service location within the property at full occupancy. Unless otherwise restricted by law, well plant sites shall convey with unrestricted rights to produce water for public drinking water supply. Developers shall be required to provide sanitary control easements acceptable to the TCEQ for each water well site to be located within their property or otherwise being obtained to serve their property. Unless otherwise agreed to by the Utility, pipe line right-of-way easements must be at least 15 feet wide to allow adequate room to facilitate backhoe and other heavy equipment operation and meters. Easements or fee simple title must be provided for all production, storage, treatment, pressurization and disposal sites that are sufficient to construct and maintain all weather roads as prescribed by TCEQ rules. All easements shall be evidenced, at Developer's expense, by recorded county-approved subdivision plat or by specific assignment supported by metes and bounds survey from a surveyor licensed by the State of Texas.

Prior to the extension of utility service to developers (as defined by TCEQ rules) or new subdivisions, the Developer shall comply with the following:

SECTION 3.20 - SPECIFIC UTILITY EXTENSION POLICY (CONT.)

(a) The Developer shall make a written request for service to property that is to be subdivided and developed. The Developer shall submit to the Utility a proposed plat on a scale of one inch (1") to two hundred feet (200') for review and determination of required easements, utility plant, and plant location. If sewer service is requested, the plat must contain elevation data. A reconcilable deposit in an amount set by the Utility may be required to cover preliminary engineering, legal and copy cost to be incurred by the Utility in reviewing and planning to meet this service request. The plat and/or accompanying information shall identify the type, location and number of houses and other planned structures that will be requiring utility service. If other than residential structures are to be located on the property, all other types of anticipated businesses and their service demands shall be identified with specificity. All areas requiring special irrigation and/or other unique water demands must be identified. To the extent reasonably possible, this information must be precise so that adequate facilities can be designed and constructed to meet all future service demands without hazard to the public, other utility customers and/or the environment.

(b) After the requirements of easements and rights-of-way have been determined, a red line copy will be returned by the Utility to the Developer for final plat preparation.

(c) Copies of all proposed plats and plans must be submitted to the Utility prior to their submission to the county for approval to insure that they are compatible with the adequate long-term utility needs of potential service customers. Copies will be returned after review by the Utility so that necessary changes may be incorporated into the Developer's final submitted plat(s) and plans.

(d) Copies of all proposed deed restrictions, covenants, or other property restrictions running with the land shall be submitted to the Utility for review and comment. Developer shall, by deed restrictions, covenants, or other property restrictions running with the land, prohibit the installation of private water systems or other facilities which might create a hazard or point of pollutant entry to any water-bearing sand, aquifer, strata, stream, river, lake or other public water supply source to be used by the Utility to serve its certificated service area.

(e) The Utility shall be provided with three (3) certified copies of the final plat(s) approved by the County Commissioners Court. At this time, the Utility will begin engineering the facilities necessary to serve the property. Plans and specifications will be prepared and submitted to the TCEQ by the Utility if required by law. If further plat or plans changes are necessary to accommodate the specific service needs of the property and the anticipated customer demands, the Developer will be so notified. Plat amendments must be obtained by the Developer. The Developer shall be notified when all required TCEQ or other governmental approvals or permits have been received. No construction of utility plant which requires prior TCEQ plans approval shall be commenced until that approval has been received by the Utility and any conditions imposed by the TCEQ in association with its approvals have been satisfied.

SECTION 3.20 - SPECIFIC UTILITY EXTENSION POLICY (CONT.)

(b) that the Developer defaulted on the terms and conditions of a written agreement or contract existing between the utility and the developer or the terms of this tariff regarding payment for services, extensions, or other requirements; or in the event the Developer declared bankruptcy and was therefore unable to meet obligations; and,

(c) that the residential service applicant purchased the property from the Developer after the Developer was notified of the need to provide facilities to the utility. A residential service applicant may be charged the remaining costs of extending service to his property; provided, however, that the residential service applicant may only be required to pay the cost equivalent to the cost of extending the nearest water main or wastewater collection line, whether or not that line has adequate capacity to serve that residential service applicant. The following criteria shall be considered to determine the residential service applicant's cost for extending service:

(1) the residential service applicant shall not be required to pay for costs of main extensions greater than 2" in diameter for water distribution and pressure wastewater collection lines and 6" in diameter for gravity wastewater lines.

(2) Exceptions may be granted by the TCEQ Executive Director if:

(A) adequate service cannot be provided to the applicant using the maximum line sizes listed due to distance or elevation, in which case, it shall be the utility's burden to justify that a larger diameter pipe is required for adequate service;

(B) larger minimum line sizes are required under subdivision platting requirements or applicable building codes.

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

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

A service applicant requesting a one inch meter for a lawn sprinkler system to service a residential lot is not considered nonstandard service.

CRESSON CROSSROADS, LLC

919 E. Hwy. 377, Suite 4

Granbury, TX 76048

(817) 279-0999

CONTRACT/APPLICATION FOR UTILITY SERVICE

This Contract/Application for Utility Service ("Contract/Application") is by and between CRESSON CROSSROADS, LLC, a Texas limited liability company, its successors and assigns ("Utility") and the applicant ("Customer" or "Applicant") whose name and signature is shown below on the last page of this document.

CUSTOMER LIABILITY: Customer shall be liable for any damage or injury to Utility-owned property or personnel shown to be caused by the customer his invitees, his agents, his employees, or others under his control. By accepting service under this agreement, customer agrees to take no action to create a health hazard or otherwise endanger, injure, damage or threaten utility's plant, its personnel, or its customers. Failure to comply with this provision shall be grounds to terminate Customer's service.

LIMITATION ON UTILITY'S PRODUCT/SERVICE LIABILITY: Public water utilities are required to deliver water to the customer's side of the meter or service connection which meets the potability and pressure standards of the Texas Commission on Environmental Quality ("TCEQ"). Utility will not accept liability for any injury or damage to individuals or to their properties occurring on the customer's side of the meter when the water delivered meets these state standards. Utility makes no representations or warranties (expressed or implied) that customer's appliances will not be damaged by disruption of or fluctuations in water service whatever the cause. Utility will not accept liability for injuries or damages to persons or property due to disruption of water service caused by: (1) acts of God (2) acts of third parties not subject to the control of Utility if Utility has undertaken such preventive measures as are required by TCEQ rules, (3) electrical power failures in water systems not required by TCEQ rule to have auxiliary power supplies, or (4) termination of water service pursuant to Utility's tariff and the TCEQ rules. Utility will accept liability for any injury or damage to individuals or their property directly caused by its defective utility plant (leaking water lines or meters) or the repair to or construction of Utility's facilities.

FIRE PROTECTION: Utility is not required by law and does not provide fire prevention or fire fighting services. Utility therefore does not accept liability for fire-related injuries or damages to persons or property caused or aggravated by the availability (or lack thereof) of water or water pressure (or lack thereof) during fire emergencies. Utility may (but is not required to) contract with individual customers/applicants to provide water service capacities to their properties in excess of the TCEQ's domestic water system regulations so that such water volumes and pressures may be used by the customer/applicant or local fire department (at their sole election and responsibility) for fire fighting purposes. Such additional water service capacities shall be provided only in response to and according to design criteria and/or plans prepared by the customer/applicant's registered professional engineer. Notwithstanding any understanding or intent of such customer/applicant for the use of such excess water service capacity, Utility does not profess, state, warrant, guarantee, or imply that such additional water service capacity is, or shall ever be, adequate or sufficient for fire fighting. Utility neither possesses nor claims to possess knowledge or expertise in fire fighting or the requirements of fire fighting. No statement or action of Utility shall ever be implied or meant to suggest that any facilities of Utility comply with any state or local fire code.

EXTENSION AND FACILITIES: If the services of a registered professional engineer are required as a result of an application for service to that Applicant only, Utility and the Applicant will select such engineer, and Applicant shall bear all expense incurred therein. The applicant shall bear all extension charges and fees as may be provided in Utility's tariff and the rules of the TCEQ.

PLUMBING CODE: Utility has adopted the Uniform Plumbing Code. Any extensions and/or new facilities shall comply with that code and all standards established by the TCEQ. Where conflicts arise, the more stringent standard must be followed.

If an Applicant requires service other than the standard service provided by Utility, such Applicant will be required to pay all expenses incurred by Utility in excess of the expenses that would be incurred in providing the standard service and connection. Any applicant who places unique or non-standard service demands on the system may be required to provide contributions in aid of construction for the actual costs of any additional facilities required to maintain compliance with the TCEQ's minimum design criteria for Public Drinking Water Systems plus meeting any additional requirements needed to meet local service conditions. Utility shall bear all expense related to main oversizing or additional production, storage or treatment facilities for individual residential customers with normal domestic service demands.

The piping and other equipment on the premises furnished by the Customer will be maintained by the Customer at all times in conformity with the requirements of the applicable regulatory authorities and with the service rules and regulations of Utility. The Customer will bring out his service line to his property line at a point mutually acceptable to Utility and the customer. No water service smaller than 5/8" will be connected. The Customer shall install and maintain a cut-off valve on the Customer side of the meter and within three (3) feet of the meter. If the Customer desires water at a lower pressure than that which is delivered at the meter and such delivery pressure does not exceed any TCEQ rule or order pressure standard, the Customer will install, at the Customer's expense, the equipment necessary for such reduction in pressure. It shall be the Customer's responsibility to maintain such equipment in good repair and working order.

Except in cases where the customer has a contract with Utility for reserve or auxiliary service, no other water service will be used by the Customer on the same installation in conjunction with Utility's service, either by means of a cross-over valve or any other connection. Customer shall not connect, or allow any other person or party to connect, onto any water lines on his premises. Two places shall not be permitted to be supplied with one service pipe where there is a water main abutting the premises; each shall have separate service lines and meters. For the purpose of this paragraph, each residence shall be construed to be one entity or consuming facility.

It is agreed and understood that any and all meters, water lines and other equipment furnished by Utility (excepting the Customer's individual service line from the point of connection to the Customer's point of ultimate use) is and shall remain the sole property of Utility and nothing contained herein shall be construed to reflect a sale or transfer of any such meters, lines or equipment to any customer. All tap charges shall be for the privilege of connecting to said water lines and for installation, not purchase, of said meters and lines.

PERIOD OF USE. Customer shall tie onto the Utility system within sixty (60) days of the date of this application or this application shall be deemed void. Any additional request for service for this location must then be made by a new Contract/Application. If major utility construction is needed prior to service being connected, the above date may be extended for another sixty (60) days, or conversely, the Customer may begin paying a monthly water bill based upon an average of the estimated annual gallons as shown below.

ASSIGNMENT: No application, agreement or contract for service may be assigned or transferred without the written consent of Utility.

OTHER CONTRACTS: It is possible that Applicant and Utility will enter into an additional contract pertaining to water service at this location. Any such contract shall be in addition to this Contract/Application. Nothing therein will negate any provision of this Contract/Application.

RIGHT OF ACCESS AND EASEMENTS: Utility will have the right of access to the Customer's premises at all reasonable times for the purpose of installing, inspecting or repairing water mains or other equipment used in connection with its provision of water service, or for the purpose of removing its property and disconnecting lines, and all other purposes necessary to the operation of Utility's system, including inspecting the customer's plumbing for code, plumbing or tariff violations. This right of access shall not include the right to construct and maintain production, storage or treatment facilities unless these facilities are required to provide continuous and adequate service to the individual property in question.

If the property to be served does not have dedicated, recorded public utility easements available for Utility's use in providing water utility service to the property, the Applicant (or the Applicant's landlord in the case of a tenant applicant) shall be required to provide Utility with a suitable recorded easement as a condition of service. Such easement shall be in a location acceptable to Utility and shall be for a corridor no less than fifteen (15) feet in width. The easement shall be signed by (and shall be binding upon) all record title owners of the property in question. No applicant shall be deemed to be a "qualified" applicant under the TCEQ's rules until such easement is recorded.

LANDLORD GUARANTEE: the owner of the property must countersign Applications by tenants. By signing the application, the landlord grants all required rights of access. IF the landlord is designated herein as the person responsible for the bill, then the landlord GUARANTEES PAYMENT of all utility service charges and fees incurred by or compensable damages caused by their tenant.

PLUMBING RESTRICTIONS:

The following undesirable plumbing practices are prohibited by state regulations. Other prohibitions are found in the Uniform Plumbing Code and/or Utility's tariff.

- A. No direct connection between the public drinking water supply and a potential source of contamination is permitted. Potential sources of contamination shall be isolated from the public drinking water system by an air-gap only.
- B. No cross-connection between the public drinking water supply and a private water system is permitted. These potential threats to the public drinking water supply shall be eliminated at the service connection by the installation of an air-gap only.
- C. No connection, which allows water to return to the public drinking water supply, is permitted.
- D. No pipe or pipe fitting which contains more than 8.0% lead may be used for the installation or repair of plumbing at any connection, which provides water for human use.
- E. No solder or flux, which contains more than 0.2% lead, can be used for the installation or repair of plumbing of any connection that provides water for human use.

APPEAL TO THE TCEQ OR OTHER REGULATORY AGENCY: Any applicant or existing customer required to pay for any costs not specifically set forth in the rate schedule pages of Utility's approved tariff shall be entitled to a written explanation of such costs prior to payment and/or commencement of construction. If the applicant or existing customer does not believe that these costs are reasonable or necessary, the applicant or existing customer shall have the right to appeal such costs to the TCEQ or such other regulatory authority with jurisdiction over Utility's rates in that portion of Utility's service area in which the applicant's or existing customer's property is located. Unless the TCEQ or other regulatory authority enters interlocutory orders to the contrary, service to the applicant may be delayed until such appeal is resolved.

PLUMBING INSPECTION: State law requires applicants for service at new consuming facilities or facilities which have undergone extensive plumbing modifications to deliver to Utility a certificate that their facilities have been inspected by a state-licensed inspector and that they are in compliance with all applicable plumbing codes and are free of potential hazards to public health and safety. In addition, Utility shall require such certificates in the case of extensive plumbing modifications to the Customer's water system made after the initial date of service to customer. Installation of a landscaping sprinkler system shall be considered extensive plumbing modifications. If the Customer installs, and/or maintains a landscaping sprinkler system, the Customer must present appropriate inspection reports, including any annual inspection reports, if required. Service may be denied until the certificate is received or any identified violations or hazards remedied. When potential sources of contamination are identified which, in the opinion of the inspector or Utility, require the installation of a state-approved backflow prevention device, such backflow prevention device shall be installed on the customer's service line or other necessary plumbing facilities by an appropriately licensed plumber/backflow prevention device specialist at the customer's expense.

The backflow prevention device shall be maintained by the customer at his expense and shall be inspected annually by a licensed inspector. Copies of the annual inspection report shall be provided to Utility. Failure to comply with this inspection and reporting requirement may constitute grounds for termination of water service with notice.

SEWER REGULATIONS: The disposal into the utility's sewer collection system of bulk quantities of food or food scraps not previously processed by a grinder or similar garbage disposal unit and grease and oils, except as incidental waste in process or wash water, used in or resulting from food preparation by sewer utility customers engaged in the preparation and/or processing of food for other than domestic consumption for sale to the public shall be prohibited. Specifically included in this prohibition are grease and oils from grease traps to other grease and/or oil storage containers. These substances are defined as "garbage" under Section 361.003 (10) of the Solid Waste Disposal Act, Texas Health and Safety Code, and are not "sewage" as defined by Section 26.001 (7) of the Texas Water Code. The utility only provides "sewage" collection and disposal service to the public. This service is limited to the collection, treatment and disposal of waterborne human waste and waste from domestic activities such as washing, bathing, and food preparation. This service does not include the collection, treatment or disposal of waste of such high BOD or TSS characteristics that it cannot reasonably be processed by the utility's state-approved waste water treatment plant within the parameters of the utility's state and federal waste water discharge permits. **THIS SERVICE DOES NOT INCLUDE THE COLLECTION AND DISPOSAL OF STORM WATERS OR RUN OFF WATERS, WHICH MAY NOT BE DIVERTED INTO OR DRAINED INTO THE UTILITY'S COLLECTION SYSTEM. NO GREASE, OIL, SOLVENT, PAINT, OR OTHER TOXIC CHEMICAL COMPOUND MAY BE DIVERTED INTO OR DRAINED INTO THE UTILITY'S COLLECTION SYSTEM.**

Pursuant to TCEQ Rule 291.86(b)(3)(B), the utility may charge for all labor, material, equipment, and other costs necessary to repair or replace all equipment damaged due to service diversion or the discharge of wastes that the system cannot properly treat. This shall include all repair and clean up costs associated with discharges of grease and oils, except as incidental waste in process or wash water, used in or resulting from food preparation by sewer utility customers engaged in the preparation and/or processing of food for other than domestic consumption or for sale to the public discharged from grease traps or other grease and/or oil storage containers.

Pursuant to TCEQ Rule 291.86(b)(3), the customer's service line and appurtenances shall be constructed in accordance with the laws and regulations of the State of Texas, local plumbing codes, or, in the absence of such local codes, the Uniform Plumbing Code. It shall be the customer's responsibility to maintain the service line and appurtenances in good operating condition, i.e., clear of obstruction, defects, or blockage. If the utility can provide evidence of excessive, infiltration or inflow or failure to provide proper pretreatment, the utility may, with the written approval of the TCEQ's executive director, require the customer to repair the line or eliminate the infiltration or inflow or take such actions necessary to correct the problem. If the customer fails to correct the problem within a reasonable time, the utility may disconnect service after proper notice.

Any and all sewer lines, tanks, pumps and other equipment furnished by the utility (excepting the customer's individual service lines from the point of connection to customer's structures on customer's premises) are and shall remain the sole property of the utility, and nothing contained herein shall be construed to reflect a sale or transfer of any such meters, lines or equipment to any customer. All tap charges shall be for the privilege of connecting to said lines and equipment.

In accordance with the requirements of utility's Waste Water Discharge Permit, any and all repairs and maintenance of utility's lines, tanks, pumps and equipment located on customer's premises shall be performed exclusively by the Utility or its approved contractors.

Non-residential customers electing the pretreatment option for sewage with non-standard characteristics may be charged those costs set forth in the utility's extension policy if such pretreatment fails or otherwise causes the utility's facilities to violate their waste-water discharge permits. Residential customers not covered under Section 3.01 will be charged the equivalent of the costs of extending service to their property from the nearest collection line even if that line does not have adequate capacity to serve the customer. However, if the customer places unique, non-standard

SECTION 4.0 - WATER RATIONING PROGRAM

**DROUGHT CONTINGENCY PLAN
FOR THE
INVESTOR OWNED UTILITY**

Cresson Crossroads, LLC

919 E. Hwy. 377, Suite 3
Granbury, Texas 76048

pending
(CCN#)

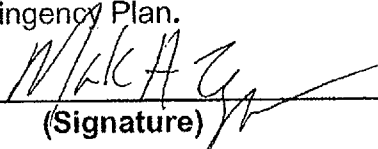
pending
(PWS #s)

September 24, 2007

Section 1 Declaration of Policy, Purpose, and Intent

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

I Mark Zeppa, being an authorized representative as Attorney of Record and Utility Consultant of Cresson Crossroads, LLC, request a minor tariff amendment to include the enclosed Drought Contingency Plan.



(Signature)

9-5-08

(Date)

SECTION 4.0 - WATER RATIONING PROGRAM

**DROUGHT CONTINGENCY PLAN
FOR THE
INVESTOR OWNED UTILITY**

Cresson Crossroads, LLC

919 E. Hwy. 377, Suite 3
Granbury, Texas 76048

13153
(CCN#)

1110128
(PWS #s)

September 24, 2007

Section 1 Declaration of Policy, Purpose, and Intent

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

I Mark Zeppa, being an authorized representative as Attorney of Record and Utility Consultant of Cresson Crossroads, LLC, request a minor tariff amendment to include the enclosed Drought Contingency Plan.

(Signature)

(Date)

Section 2 Public Involvement

Opportunity for the public to provide input into the preparation of the Plan was provided by:

X Scheduling and providing public notice of a public meeting to accept input on the Plan.

The meeting took place at:

Date, Time: 2:30 pm on September 24, 2007

Location: Law Offices of Mark H. Zeppa, PC, 4833 Spicewood Springs Road, Ste. 202, Austin, Texas 78759-8436 This is a non-existent water system with no customers which will not have any consumers until the TCEQ issues South Central Water Co. a CCN. Future changes and revisions will be made after public input.

Section 3 Public Education

Cresson Crossroads, LLC will periodically provide the public with information about the Plan, including information about the conditions under which each stage of the Plan is to be initiated or terminated and the drought response measures to be implemented in each stage.

Drought plan information will be provided by:

X Utility bill inserts and or public notification

Section 4 Coordination with Regional Water Planning Groups

The service area of the Cresson Crossroads, LLC is located within: Regional Water Planning Group B (RWPG). Cresson Crossroads, LLC has mailed a copy of this Plan to the RWPG.

Section 5 Notice Requirements

Written notice will be provided to each customer **prior to implementation or termination of each stage of the water restriction program**. Mailed notice must be given to each customer 72 hours prior to the start of water restriction. If notice is hand delivered, the utility cannot enforce the provisions of the plan for 24 hours after notice is provided. The written notice to customers will contain the following information:

1. the date restrictions will begin,
2. the circumstances that triggered the restrictions,
3. the stages of response and explanation of the restrictions to be implemented, and,
4. an explanation of the consequences for violations.

The utility must notify the TCEQ by telephone at 512/239-4691, or electronic mail at watermon@tceq.state.tx.us prior to implementing Stage III and must notify in writing the Public Drinking Water Section at MC - 155, P. O. Box 13087, Austin, Texas 78711-3087 within five (5) working days of implementation including a copy of the utility's restriction notice. The utility must file a status report of its restriction program with the TCEQ at the initiation and termination of mandatory water use restrictions (i.e., Stage III and IV).

Section 6 Violations

Any Violations of Stages III or IV of the Drought Contingency are as follows:

1. First violation - The customer will be notified by written notice of their specific violation.
2. Subsequent violations:
 - a. After written notice, the utility may install a flow restricting device in the line to limit the amount of water which will pass through the meter in a 24 hour period. The utility may charge the customer for the actual cost of installing and removing the flow restricting device, not to exceed \$50.00.
 - b. After written notice, the utility may discontinue service at the meter. The normal reconnect fee of the utility will apply for restoration of service and the customer will be provided a copy of the Drought Contingency Plan. Further violations will result in additional reconnect fees per the rate schedule.

Section 7 Exemptions or Variances

The utility may grant any customer an exemption or variance from the drought contingency plan for good cause **upon written request**. A customer who is refused an exemption or variance may appeal such action of the utility in writing to the Texas Commission on Environmental Quality. The utility will treat all customers equally concerning exemptions and variances, and shall not discriminate in granting exemptions and variances. No exemption or variance shall be retroactive or otherwise justify any violation of this Plan occurring prior to the issuance of the variance.

Section 8 Response Stages

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

STAGE I - CUSTOMER AWARENESS

Goal: Achieve a voluntary five (5) percent reduction in total water use when Stage I is in force.

Stage 1 will begin:

Every April 1st, the utility will mail a public notice to its customers. No notice to TCEQ required.

Stage 1 will end:

Every September 30th, the utility will mail a public notice to its customers. No notice to TCEQ required.

Utility Measures:

This announcement will be designed to increase customer awareness of water conservation and encourage the most efficient use of water. A copy of the current public announcement on water conservation awareness shall be kept on file available for inspection by the TCEQ.

Voluntary Water Use Restrictions:

Water customers are requested to voluntarily limit the use of water for non-essential purposes and to practice water conservation.

STAGE II - VOLUNTARY WATER CONSERVATION:

Goal: Achieve a voluntary fifteen (15) percent reduction in total water use when Stage II is in force.

The water utility will implement Stage 2 when any one of the selected triggers is reached:

Supply Based Triggers

X For those systems where Cresson Crossroads, LLC purchases water from wholesalers, the wholesale supplier will formally notify Cresson Crossroads, LLC of one or more precipitating events triggering a stage of the wholesaler's Drought Contingency Plan. Upon enacting of a stage in the wholesaler's Drought Contingency Plan, Cresson Crossroads, LLC will correspondingly implement the same or equivalent stage in its service area.

Demand Based Triggers

X When total daily demand equals or exceeds **85%** of the daily well production capacity for three (3) consecutive days or **100 %** on a single day.

Permit Based Triggers

X For those Cresson Crossroads, LLC systems that are within the jurisdiction of a special district, the regulatory entity will formally notify Cresson Crossroads, LLC of one or more precipitating events triggering a stage of the entity's Drought Contingency Plan. Upon enacting of a stage in the Drought Contingency Plan, Cresson Crossroads, LLC will correspondingly implement the same or equivalent stage in its service area.

Upon initiation and termination of Stage 2, the utility will mail a public announcement to its customers. No notice to TCEQ required.

Requirements for termination

Stage 2 of the Plan may end when all of the conditions listed as triggering events have ceased to exist for a period of three (3) consecutive days. Upon termination of Stage 2, Stage 1 becomes operative.

Utility Measures:

Visually inspect lines and repair leaks on a daily basis. Monthly review of customer use records and follow-up on any that have unusually high usage.

Voluntary Water Use Restrictions:

1. Restricted Days/Hours: Irrigation of landscaped areas with hose-end sprinklers or automatic irrigation systems. Customers are requested to limit outdoor water use to **even number dates (2,4,6, or 8) for customers with an even numbered address, odd numbered dates (1,3,5 or 7) for water customers with an odd numbered address** and to irrigate landscaped areas between the hours of 8:00 p.m. and 6:00 a.m. on designated watering days. However, irrigation of landscaped areas is permitted at anytime if it is by means of a hand-held hose, a faucet filled bucket or watering can of five (5) gallons or less, or drip irrigation system.

STAGE III - MANDATORY WATER USE RESTRICTIONS:

Goal: Achieve a voluntary twenty (20) percent reduction in total water use when Stage III is in force.

The water utility will implement Stage 3 when any one of the selected triggers is reached:

Supply Based Triggers

X For those systems where Cresson Crossroads, LLC purchases water from wholesalers, the wholesale supplier will formally notify Cresson Crossroads, LLC of one or more precipitating events triggering a stage of the wholesaler's Drought Contingency Plan. Upon enacting of a stage in the wholesaler's Drought Contingency Plan, Cresson Crossroads, LLC will correspondingly implement the same or equivalent stage in its service area.

Demand Based Triggers

X When total daily demand equals or exceeds **90%** of the daily well production capacity for three (3) consecutive days or **100 %** on a single day while under Stage II Restrictions.

Permit Based Triggers

X For those Cresson Crossroads, LLC systems that are within the jurisdiction of a special district, the regulatory entity will formally notify Cresson Crossroads, LLC of one or more precipitating events triggering a stage of the entity's Drought Contingency Plan. Upon enacting of a stage in the Drought Contingency Plan, Cresson Crossroads, LLC will correspondingly implement the same or equivalent stage in its service area.

Upon initiation and termination of Stage 3, the utility will mail a public announcement to its customers. Notice to TCEQ required.

Requirements for termination

Stage 3 of the Plan may end when all of the conditions listed as triggering events have ceased to exist for a period of three (3) consecutive days. Upon termination of Stage 3, Stage 2 becomes operative.

Utility Measures:

Visually inspect lines and repair leaks on a regular basis. Flushing is prohibited except for dead end mains.

Mandatory Water Use Restrictions: Under the threat of penalties allowed by the utility tariff for violation, the following water use restrictions shall apply to all customers.

1. Customers are required to limit outdoor water use to **even number dates (2, 4, 6, or 8) for customers with an even numbered address, odd numbered dates (1, 3, 5 or 7) for water customers with an odd numbered address** and to irrigate landscaped areas between the hours of 8:00 p.m. and 6:00 a.m. on designated watering days and shall be by means of hand-held hoses, hand-held buckets or drip irrigation only. The use of hose-end sprinklers or permanently installed automatic sprinkler systems is prohibited at all times.
2. Use of water to wash any motor vehicle, motorbike, boat, trailer, airplane or other vehicle is prohibited except on designated watering days between the hours of 8:00 p.m. and 6:00 a.m. Such washing, when allowed, shall be done with a hand-held bucket or a hand-held hose equipped with a positive shutoff nozzle for quick rinses. Vehicle washing may be done at any time on the immediate premises of a commercial car wash or commercial service station. Further, such washing may be exempted from these regulations if the health, safety, and welfare of the public is contingent upon frequent vehicle cleansing, such as garbage trucks and vehicles used to transport food and perishables.

3. Use of water to fill, refill, or add to any indoor or outdoor swimming pools, wading pools, or "Jacuzzi" type pools is prohibited except on designated watering days between the hours of 8:00 p.m. and 6:00 a.m.
4. Operation of any ornamental fountain or pond for aesthetic or scenic purposes is prohibited except where necessary to support aquatic life or where such fountains or ponds are equipped with a recirculation system.
5. Use of water from hydrants or flush valves shall be limited to maintaining public health, safety, and welfare.
6. Unless irrigated with wastewater effluent or from own system, use of water for the irrigation of golf courses, parks, and green belt areas is prohibited except by hand held hose and only on designated watering days between the hours 8:00 p.m. and 6:00 a.m.
7. The following uses of water are defined as non-essential and are prohibited:
 - a. wash down of any sidewalks, walkways, driveways, parking lots, tennis courts, or other hard-surfaced areas;
 - b. use of water to wash down buildings or structures for purposes other than immediate fire protection;
 - c. use of water for dust control;
 - d. flushing gutters or permitting water to run or accumulate in any gutter or street;
 - e. failure to repair a controllable leak(s) within a reasonable period after having been given notice directing the repair of such leak(s); and
 - f. Any waste of water.

STAGE IV - CRITICAL WATER USE RESTRICTIONS:

Goal: Achieve a voluntary thirty (30) percent reduction in total water use when Stage IV is in force.

The water utility will implement Stage 4 when any one of the selected triggers is reached:

Supply Based Triggers

X For those systems where Cresson Crossroads, LLC purchases water from wholesalers, the wholesale supplier will formally notify Cresson Crossroads, LLC of one or more precipitating events triggering a stage of the wholesaler's Drought Contingency Plan. Upon enacting of a stage in the wholesaler's Drought Contingency Plan, Cresson Crossroads, LLC will correspondingly implement the same or equivalent stage in its service area.

Demand Based Triggers

X When total daily demand equals or exceeds **100%** of the daily well production capacity for three (3) consecutive days. Cresson Crossroads, LLC will recognize that an emergency water shortage condition exists when contamination, natural or man-made, of the water source occurs or a major water line breaks, pump or system failures occur, or when prolonged maintenance is required for storage facilities, which cause unprecedented loss of capability to provide water service.

Permit Based Triggers

X For those Cresson Crossroads, LLC systems that are within the jurisdiction of a special district, the regulatory entity will formally notify Cresson Crossroads, LLC of one or more precipitating events triggering a stage of the entity's Drought Contingency Plan. Upon enacting of a stage in the Drought Contingency Plan, Cresson Crossroads, LLC will correspondingly implement the same or equivalent stage in its service area.

Upon initiation and termination of Stage 4, the utility will mail a public announcement to its customers. Notice to TCEQ required.

Requirements for termination:

Stage 4 of the Plan may be rescinded when all of the conditions listed as triggering events have ceased to exist for a period of three (3) consecutive days or at the discretion of the water purveyor. Upon termination of Stage 4, Stage 3 becomes operative.

Operational Measures:

The utility shall visually inspect lines and repair leaks on a daily basis. Flushing is prohibited except for dead end mains and only by the water purveyor. Emergency interconnects or alternative supply arrangements shall be initiated. All meters shall be read as often as necessary to ensure compliance with this program for the benefit of all the customers.

Mandatory Water Use Restrictions: Under the threat of penalties allowed by the utility tariff for violation, the following water use restrictions shall apply to all customers.

All outdoor use of water is prohibited.

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

service demands upon the system, the customer may be charged the full cost of extending service to and throughout their property, including the cost of all necessary treatment capacity necessary to meet the service demands anticipated to be created by that property.

Developers may be required to provide contributions in aid of construction in amounts sufficient to furnish the development with all facilities necessary to provide for reasonable local demand requirements and to comply with the TCEQ's minimum design criteria for facilities used in collecting, treating, transmitting, and discharging of wastewater effluent. For purposes of this subsection, a developer is one who subdivides or requests more than two connections on a piece of property. Commercial, industrial, and wholesale customers shall be treated as developers.

Non-residential customers generating sewage creating unique or non-standard treatment demands which might reasonably be expected to cause the utility's treatment facilities to operate outside their current waste-water discharge permit parameters may be charged the cost of all studies, engineering plans, permit costs, and collection treatment or discharge facilities construction or modification costs necessary to enable the utility to treat said sewage within permit limits acceptable to the TCEQ, EPA and other regulatory agencies. In the alternative, the customer may have the option of pre-treating said sewage in such a manner to that it may not reasonably be expected to cause the utility's facilities to operate outside their permit parameters. In such case, the customer shall be required to pay the utility's costs of evaluating such pretreatment processes and cost of obtaining regulatory approval of such pretreatment processes. In the event the pretreatment facilities of a customer making this election fail and cause the utility's facilities to operate outside their permit parameters, the customer shall indemnify the utility for all costs incurred for clean ups or environmental remediation and all fines, penalties, and costs imposed by regulatory or judicial enforcement actions relating to such permit violations.

CUSTOMER AGREEMENT: BY SIGNING THIS APPLICATION FOR PUBLIC UTILITY SERVICE, I AGREE TO COMPLY WITH UTILITY'S RULES AND TARIFF AND ALL RULES AND REGULATIONS OF THE TCEQ AND OTHER APPLICABLE REGULATORY AGENCIES. I GUARANTEE PROMPT PAYMENT OF ALL UTILITY BILLS FOR THE SERVICE ADDRESS PRINTED ABOVE. I AGREE TO REMAIN RESPONSIBLE FOR UTILITY BILLS FOR THIS SERVICE ADDRESS FROM THE DATE SERVICE IS STARTED UNTIL THE DAY SERVICE IS TERMINATED AT MY REQUEST.

I AGREE TO TAKE NO ACTION TO CREATE A HEALTH HAZARD OR OTHERWISE ENDANGER, INJURE, DAMAGE OR THREATEN UTILITY'S PLANT, ITS PERSONNEL, OR ITS CUSTOMERS. FAILURE TO COMPLY WITH THIS PROVISION SHALL BE GROUNDS TO TERMINATE MY SERVICE.

I AGREE TO PUT NO UNSAFE, NON-DOMESTIC SERVICE DEMANDS ON UTILITY'S SYSTEM WITHOUT NOTICE TO AND PERMISSION FROM UTILITY.

I HAVE BEEN SHOWN A COPY OF UTILITY'S TCEQ-APPROVED TARIFF AND I AGREE TO PAY THE RATES IN THE TARIFF AND ABIDE BY THE REQUIREMENTS IN THIS APPLICATION. I ACKNOWLEDGE THAT THE RATES AND/OR TERMS OF SERVICE IN THE TARIFF MAY BE CHANGED BY FUTURE ORDER OF THE TCEQ OR OTHER REGULATORY AUTHORITY HAVING JURISDICTION OVER UTILITY'S RATES. I AGREE TO ABIDE BY SUCH CHANGES AS THEY OCCUR.

1. Name of applicant: _____
Applicant is: Landowner _____ Tenant _____
Driver Lic. # _____ SS# _____

2. Address or location of requested service. (Attach plat or drawing if new development):

Subdivision: _____ Block: _____ Lot: _____

3. Type of service: Water _____ Sewer _____ Both _____
residential _____ commercial _____ industrial _____ developer _____
permanent _____ temporary _____ temporary service termination date: _____

4. Purpose for which water is to be used:
Residential _____ Other _____ (Explain) _____

5. List all toxic or hazardous chemicals to be used at service location excluding normal domestic cleaning agents typically used in a home or office. _____

6. Will any waste generated at this service location require special treatment?
yes _____ no _____ water borne or solid waste _____

7. Will service location have food grinder (garbage disposal unit) or grease trap?
yes _____ no _____ type _____

8. Water volume and pressure requirements (to be completed by other than residential applicant):
Gallons: Annual _____ highest day _____
Pressure required: Low _____ Average _____ High _____
Special service requirements: _____

9. Will a deposit be paid? _____ Amount \$ _____
If no deposit, reason for exemption. _____

10. Person responsible for utility service bills:
Name: _____
Relationship to Applicant: _____
Drivers Lic. # _____ SS # _____
Telephone (____) ____-____ Home _____ Business _____
Billing address if different from service location address.

11. Date of application: _____ Date to begin service: _____

12. Misc. fees required as a condition of service:
Amount: \$ _____ Type: _____ Refundable: yes ___ no ___
Amount: \$ _____ Type: _____ Refundable: yes ___ no ___

13. Is public utility easement required? yes _____ no _____

APPLICANT

BY: _____, Title _____
(To be signed by the person applying for service)

LANDLORD

BY: _____, Title _____
(By signing, the landlord grants all required rights of access to the Utility. Landlord must sign if the applicant is a tenant.)

GUARANTOR

BY: _____, Title _____
(By signing, guarantor guarantees payment for all water utility charges, related fees and damage caused by applicant.)

UTILITY

BY: _____
Utility Representative _____ Contract/Application Acceptance Date