



## Filing Receipt

**Received - 2022-07-06 10:23:21 AM**  
**Control Number - 53075**  
**ItemNumber - 584**

**WATER UTILITY TARIFF  
FOR**

J & S Water Company, L.L.C.  
(Utility Name)

1905 N. Battle Bell Road  
(Business Address)

Highlands, Texas 77562  
(City, State, Zip Code)

(281) 590-4359  
(Area Code/Telephone)

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

12085

This tariff is effective in the following counties:

Harris, Chambers and Liberty

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

None

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):

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LIST OF SUBDIVISIONS OR SYSTEMS

<b>SUBDIVISION</b>	<b>PWS ID NUMBER</b>	<b>COUNTY</b>
Aldine Village	1010931	Harris
Arbor Oaks	1011493	Harris
Azalea Estates	1011253	Harris
Cottonwood Mobile Home Park	1010283	Harris
Cypress Hill	1011792	Harris
Five Oaks	1011832	Harris
Maple Leaf Gardens	1011493	Harris
Oakland Village	1010049	Harris
Windfern Meadows	1011493	Harris
Woodland Acres (Subdivision and Mobile Home Park)	0360027	Chambers

Aldine Village

SECTION 1.0 - RATE SCHEDULE

Section 1.01 - Rates

<u>Meter Size</u>	<u>Monthly Minimum Charge</u>	<u>Gallonage Charge (*)</u>
5/8" or 3/4"	\$20.56 (Includes 0 gallons)	\$2.03 per 1000 gallons
1"	\$51.40	same for all meter sizes
1 1/2"	\$102.80	
2"	\$164.48	
3"	\$308.40	
4"	\$411.20	

(\*) Gallonage charge includes \$0.53/1000 gallons surcharge for the City of Houston Groundwater Reduction Plan Fee.

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 ..... \$500.00  
THE TAP FEE IS BASED ON THE AVERAGE OF THE UTILITY'S ACTUAL COST FOR MATERIALS AND LABOR FOR STANDARD RESIDENTIAL CONNECTIONS OF 5/8" or 3/4" METER.

NON-RESIDENTIAL TAP FEE ..... Actual Cost  
THE TAP FEE IS BASED ON THE AVERAGE OF THE UTILITY'S ACTUAL COST FOR MATERIALS AND LABOR FOR NON-RESIDENTIAL CONNECTIONS.

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

RATES LISTED ARE EFFECTIVE ONLY  
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Aldine Village

SECTION 1.0 - RATE SCHEDULE

Section 1.02 - Miscellaneous Fees (continued)

TRANSFER FEE .....	<u>\$35.00</u>
THE TRANSFER FEE WILL BE CHARGED FOR CHANGING AN ACCOUNT NAME AT THE SAME SERVICE LOCATION WHERE THE SERVICE IS NOT DISCONNECTED.	
LATE CHARGE (EITHER \$5.00 OR 10% OF THE BILL) .....	<u>\$5.00</u>
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 .....	<u>\$25.00</u>
CUSTOMER DEPOSIT RESIDENTIAL (Maximum \$50) .....	<u>\$50.00</u>
NON-RESIDENTIAL CUSTOMER DEPOSIT .....	<u>1/6 of estimated annual billing</u>
METER TEST FEE .....	<u>\$25.00</u>
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.	
METER CONVERSION FEE .....	<u>Actual Cost</u>
TO CHANGE LOCATION OR INCREASE THE SIZE OF THE METER AT THE CUSTOMER'S REQUEST	

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TEXAS COMM. ON ENVIRONMENTAL QUALITY  
35878-R, CCN 12085, JANUARY 14, 2008  
APPROVED TARIFF BY LA/KM

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>23.44</u> (Includes 0 gallons)	\$ <u>3.56</u> *** per 1000 gallons over the minimum
1"	\$ <u>58.60</u>	
1 1/2"	\$ <u>117.20</u>	
2"	\$ <u>187.52</u>	
3"	\$ <u>351.60</u>	
4"	\$ <u>586.00</u>	
6"	\$ <u>1,172.00</u>	

\*\*\*Gallonage Charge: Gallonage charge of \$3.56 per 1,000 gallons include North Harris County Regional Water Authority's ground water fee surcharge of \$2.06 per 1,000 gallons.

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

Cash X, Check X, Money Order X, Credit Card \_\_\_\_\_, Other (specify) By Phone\*  
 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.

Phone Payment Fee\*: A fee of five percent (5%) of the amount paid will be charge for all phone payments.

REGULATORY ASSESSMENT ..... 1.0%  
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SECTION 1.0 - RATE SCHEDULE (Continued)

TRANSFER FEE .....	<u>\$50.00</u>
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LATE CHARGE (EITHER \$5.00 OR 10% OF THE BILL) .....	<u>\$5.00</u>
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.....	<u>\$30.00</u>
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**PASS THROUGH ADJUSTMENT CLAUSE:**

The utility may pass on only to those customers served by systems subject to the jurisdiction of the North Harris County Regional Water Authority (NHCRWA) or systems receiving purchased water from the City of Houston Groundwater Reduction Plan (COH GRP), 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 effected customers and filing of notice with the TCEQ as required by 30 T.A.C. 291.21(h). The change 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 system wide line loss for the preceding 12 months, not to exceed 15 %

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SECTION 1.0 - RATE SCHEDULE

Section 1.01 - Rates

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CUSTOMER DEPOSIT RESIDENTIAL (Maximum \$50).....	<u>\$50.00</u>
NON-RESIDENTIAL CUSTOMER DEPOSIT .....	1/6 OF ESTIMATED ANNUAL BILLING
METER TEST FEE.....	<u>\$25.00</u>
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.	
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$$(A \times B) / C + L [(A \times B) / C] = \text{increase or decrease to existing gallonage rate}$$

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- B = Average number of gallons
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- L = Percentage system wide line loss for the preceding 12 months, not to exceed 15 %

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SECTION 2.0 -- SERVICE RULES AND POLICIES

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

Section 2.01 - Application for Water Service

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

Section 2.02 - Refusal of Service

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

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

(A) Customer Deposits

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

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

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

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

SECTION 2.0 – SERVICE RULES AND POLICIES (Continued)

(B) Tap or Reconnect Fees

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

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

(C) Easement Requirement

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

Section 2.04 - Utility Response to Applications for Service

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

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

SECTION 2.0 – SERVICE RULES AND POLICIES (Continued)

Section 2.05 - Customer Responsibility

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

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

Section 2.06 - Customer Service Inspections

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

Section 2.07 - Back Flow Prevention Devices

No water connection shall be allowed to any residence or establishment where an actual or potential contamination hazard exists unless the public water facilities are protected from contamination by either an approved air gap, backflow prevention assembly, or other approved device. The type of device or backflow prevention assembly required shall be determined by the specific potential hazard identified in §290.47(i) Appendix I, Assessment of Hazards and Selection of Assemblies of the TCEQ Rules and Regulations for Public Water Systems.

The use of a backflow prevention assembly at the service connection shall be considered as additional backflow protection and shall not negate the use of backflow protection on internal hazards as outlined and enforced by local plumbing codes. When a customer service inspection certificate indicates that an adequate internal cross-connection control program is in effect, backflow protection at the water service entrance or meter is not required.

At any residence or establishment where it has been determined by a customer service inspection, that there is no actual or potential contamination hazard, as referenced in Section 290.47(i) Appendix I, Assessment of Hazards and Selection of Assemblies of the TCEQ Rules and Regulations for Public Water Systems, then a backflow prevention assembly or device is not required. Outside hose bibs do require, at a minimum, the installation and maintenance of a working atmospheric vacuum breaker.

SECTION 2.0 – SERVICE RULES AND POLICIES (Continued)

All backflow prevention assemblies or devices shall be tested upon installation by a TCEQ certified backflow prevention assembly tester and certified to be operating within specifications. Backflow prevention assemblies which are installed to provide protection against health hazards must also be tested and certified to be operating within specifications at least annually by a certified backflow prevention assembly tester.

If the utility determines that a backflow prevention assembly or device is required, the utility will provide the customer or applicant with a list of TCEQ certified backflow prevention assembly testers. The customer will be responsible for the cost of installation and testing, if any, of backflow prevention assembly or device. The customer should contact several qualified installers to compare prices before installation. The customer must pay for any required maintenance and annual testing and must furnish a copy of the test results demonstrating that the assembly is functioning properly to the utility within 30 days after the anniversary date of the installation unless a different date is agreed upon.

Section 2.08 - Access to Customer's Premises

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

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

Section 2.09 – Meter Requirements, Readings and Testing

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

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

SECTION 2.0 – SERVICE RULES AND POLICIES (Continued)

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

Section 2.10 - Billing

(A) Regular Billing

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

(B) Late Fees

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

(C) Information on Bill

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

(D) Prorated Bills

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



SECTION 2.0 – SERVICE RULES AND POLICIES (Continued)

Section 2.11- Payments

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

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

Section 2.12 - Service Disconnection

(A) With Notice

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

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

B) Without Notice

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

Section 2.13 - Reconnection of Service

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

Service will be reconnected within 36 hours after the past due bill, reconnect fees and any other outstanding charges are paid or the conditions which caused service to be disconnected are corrected.

SECTION 2.0 – SERVICE RULES AND POLICIES (Continued)

Section 2.14 - Service Interruptions

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

Section 2.15 - Quality of Service

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

Section 2.16 - Customer Complaints and Disputes

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

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

Section 2.17 - Customer Liability

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

SECTION 3.0 -- EXTENSION POLICY

Section 3.01 - Standard Extension Requirements

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

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

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

Section 3.02 - Costs Utilities and Service Applicants Shall Bear

Within its certified area, the utility will pay the cost of the first 200 feet of any water main or distribution line necessary to extend service to an individual residential customer within a platted subdivision.

However, if the residential customer requesting service purchased the property after the developer was notified in writing of the need to provide facilities to the utility, the utility may charge for the first 200 feet. The utility must also be able to document that the developer of the subdivision refused to provide facilities compatible with the utility's facilities in accordance with the utility's approved extension policy after receiving a written request from the utility.

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

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

Exceptions may be granted by the TCEQ Executive Director if

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

SECTION 3.0 -- EXTENSION POLICY (Continued)

- or larger minimum line sizes are required under subdivision platting requirements or building codes of municipalities within whose corporate limits or extraterritorial jurisdiction the point of use is located; or the residential service applicant is located outside the CCN service area.

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

For purposes of determining the costs that service applicants shall pay, commercial customers with service demands greater than residential customer demands in the certified area, industrial, and wholesale customers shall be treated as developers. A service applicant requesting a one inch meter for a lawn sprinkler system to service a residential lot is not considered nonstandard service.

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

The utility will bear the full cost of any over-sizing 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.

Section 3.03 - Contributions in Aid of Construction

Developers may be required to provide contributions in aid of construction in amounts sufficient to furnish the development with all facilities necessary to provide for reasonable local demand requirements and to comply with Texas 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.

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 3.0 -- EXTENSION POLICY (Continued)

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

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

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

Section 3.04 - Appealing Connection Costs

The imposition of additional extension costs or charges as provided by Sections 3.0 - Extension Policy of this tariff shall be subject to appeal as provided in this tariff, 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 given a written explanation of such costs prior to payment and/or commencement of construction. If the applicant does not believe that these costs are reasonable or necessary, the applicant shall be informed of the right to appeal such costs to the 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.

Section 3.05 - Applying for Service

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

SECTION 3.0 -- EXTENSION POLICY (Continued)

Completed applications should be returned by hand delivery in case there are questions which might delay fulfilling the service request. Completed service applications may be submitted by mail if hand delivery is not possible.

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

Section 3.06 - Qualified Service Applicant

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

The Utility shall serve each qualified service applicant within its certified service area as soon as practical after receiving a completed service application. All service requests will be fulfilled within the time limits prescribed by 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 by TCEQ rules.

Section 3.07 - Developer Requirements

As a condition of service to a new subdivision, 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.

SECTION 4.0 – DROUGHT CONTIGENCY PLAN  
(Utility must attach a copy of the TCEQ approved Drought Contingency Plan)

**Drought Contingency Plan  
for  
J&S Water Company, L.L.C.**

January 2006

**Texas Commission on  
Environmental Quality**

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**DROUGHT CONTINGENCY PLAN  
FOR  
J&S WATER COMPANY LLC. (J&S)**

**Section I: Declaration of Policy, Purpose, and Intent**

In order to conserve the available water supply and protect the integrity of water supply facilities, with particular regard for domestic water use, sanitation, and to protect and preserve public health, welfare, and safety and minimize the adverse impacts of water supply shortage or other water supply emergency conditions, Utilities Investment Company, Inc. hereby adopts the following regulations and restrictions on the delivery and consumption of water from the Plant.

Water uses regulated or prohibited under this Drought Contingency Plan (the "Plan") are considered to be non-essential and continuation of such uses during times of water shortage or other emergency water supply condition are deemed to constitute a waste of water which subjects the offender(s) to penalties as defined in Section X of this Plan.

**Section II: Public Involvement**

Opportunity for the public to provide input into the preparation of the Plan was provided by J&S Water Company LLC by means of direct contact with utility customers.

**Section III: Public Education**

J&S Water Company 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. This information will be provided by means of letters to the customers, notices on the utility bills, or other similar measures as appropriate.

**Section IV: Coordination with Regional Water Planning Groups**

The service area of the J&S Water Company LLC. is located within the Houston Region (Region H) Regional Water Planning Group and the J&S Water Company LLC. will provide a copy of this Plan to the Region H Planning Group.

**Section V: Authorization**

J&S Water Company LLC., or its designee, is hereby authorized and directed to implement the applicable provisions of this Plan upon determination that such implementation is necessary to protect public health, safety, and welfare. J&S Water Company LLC., or its designee, shall have the authority to initiate or terminate drought or other water supply emergency response measures as described in this Plan.

**Section VI: Application**

The provisions of this Plan shall apply to all persons, customers, and property utilizing water provided by the J&S Water Company LLC.. The terms "person" and "customer" as used in the Plan include individuals, corporations, partnerships, associations, and all other legal entities.

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**Section VII: Definitions**

For the purposes of the Plan, the following definitions shall apply:

Aesthetic water use: water use for ornamental or decorative purposes such as fountains, reflecting pools, and water gardens.

Commercial and institutional water use: water use which is integral to the operations of commercial and non-profit establishments and governmental entities such as retail establishments, hotels and motels, restaurants, and office buildings.

Conservation: those practices, techniques, and technologies that reduce the consumption of water, reduce the loss or waste of water, improve the efficiency in the use of water or increase the recycling and reuse of water so that a supply is conserved and made available for future or alternative uses.

Customer: any person, company, or organization using water supplied by the J&S.

Domestic water use: water use for personal needs or for household or sanitary purposes such as drinking, bathing, heating, cooking, sanitation, or for cleaning a residence, business, industry, or institution.

Even number address: street addresses, box numbers, or rural postal route numbers ending in 0, 2, 4, 6, or 8 and locations without addresses.

Industrial water use: the use of water in processes designed to convert materials of lower value into forms having greater usability and value.

Landscape irrigation use: water used for the irrigation and maintenance of landscaped areas, whether publicly or privately owned, including residential and commercial lawns, gardens, golf courses, parks, and rights-of-way and medians.

Non-essential water use: water uses that are not essential nor required for the protection of public, health, safety, and welfare, including:

J&S: Utilities Investment Company, Inc.

- (a) irrigation of landscape areas, including parks, athletic fields, and golf courses, except otherwise provided under this Plan;
- (b) use of water to wash any motor vehicle, motorbike, boat, trailer, airplane or other vehicle;
- (c) use of water to wash down any sidewalks, walkways, driveways, parking lots, tennis courts, or other hard-surfaced areas;
- (d) use of water to wash down buildings or structures for purposes other than immediate fire protection;
- (e) flushing gutters or permitting water to run or accumulate in any gutter or street;

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- (f) use of water to fill, refill, or add to any indoor or outdoor swimming pools or Jacuzzi-type pools;
- (g) use of water in a fountain or pond for aesthetic or scenic purposes except where necessary to support aquatic life;
- (h) failure to repair a controllable leak(s) within a reasonable period after having been given notice directing the repair of such leak(s); and
- (i) use of water from hydrants for construction purposes or any other purpose other than fire fighting.

Odd numbered address: street addresses, box numbers, or rural postal route numbers ending in 1, 3, 5, 7, or 9.

**Section VIII: Triggering Criteria for Initiation and Termination of Drought Response Stages**

J&S , or its designee, shall monitor water supply and/or demand conditions on a daily basis and shall determine when conditions warrant initiation or termination of each stage of the Plan, that is, when the specified “triggers” are reached.

The triggering criteria described below are based on known system capacity limits. J&S will adopt measures for each stage of the Plan as warranted by the triggers. The stages will not necessarily be adopted in consecutive order. Public notification shall be provided in accordance with Section IX hereof.

J&S shall comply with all voluntary and/or mandatory supply management measures, described as follows, at its own facilities which are supplied by this water system.

**Stage 1 – MODERATE Water Shortage Conditions**

Triggers / Requirements for Initiation

Customers shall be required to comply with the requirements and restrictions on certain non-essential water uses for Stage 1 of this Plan when the average well run time is at or above 18 hours per day for three (3) consecutive days or when any of the water facilities cannot meet the water supply demand.

Requirements for Termination

Stage 1 of the Plan may be rescinded when the conditions listed as triggering events have ceased to exist for a period of three (3) consecutive days or at the discretion of J&S .

Supply Management Measures:

1. If the water system is normally operated above 55 psi pressure, reduce system pressure at the water plant to 55 psi.
2. Voluntary Water Use Restrictions as follows:

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- a. Water customers are requested to voluntarily limit the irrigation of landscaped areas to Sundays and Thursday for customers with a street address ending in an even number (0, 2, 4, 6, or 8), and Saturdays and Wednesdays for customers with a street address ending in an odd number (1, 3, 5, 7 or 9), and to irrigate landscapes only between the hours of midnight and 6:00 AM and 8:00 PM to midnight on designated water days.
- b. Water customers are requested to practice water conservation and to minimize or discontinue water use for non-essential purposes.

\*\*\*\*Implementation of STAGE 1 is expected to reduce water demands by 15%

Customers shall be notified of the implementation of the water use restrictions by sending the letter attached as Exhibit 1.

### **Stage 2 – SEVERE Water Shortage Conditions**

#### **Triggers / Requirements for Initiation**

Customers shall be required to comply with the requirements and restrictions on certain non-essential water uses for Stage 2 of this Plan when the average well run time is at or above 20 hours per day for three (3) consecutive days or when any of the water facilities cannot meet the water supply demand.

#### **Requirements for Termination**

Stage 2 of the Plan may be rescinded when the conditions listed as triggering events have ceased to exist for a period of three (3) consecutive days or at the discretion of J&S . Termination of Stage 2, Stage 1 becomes operative.

#### **Supply Management Measures:**

1. If the water system is normally operated above 50 psi pressure, reduce system pressure at the water plant to 50 psi, if system operation permits.
2. Water Use Restrictions. Under threat of penalty for violation, the following water use restrictions shall apply to all persons:
  - a. Water customers are requested to practice water conservation and to minimize or discontinue water use for non-essential purposes.
  - b. Irrigation of landscaped areas shall be limited to Sundays and Thursdays for customers with a street address ending in an even number (0, 2, 4, 6 or 8), and Saturday and Wednesdays for customers with a street address ending in an odd number (1, 3, 5, 7 or 9), and irrigation of landscaped areas is further limited to the hours of 12:00 midnight until 6:00 AM and between 8:00 PM and 12:00 midnight on designated watering days. Irrigation of landscaped areas is permitted only 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 or a

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permanently installed automatic system. Portable household sprinklers must be timed. Total irrigation times for any zone shall not exceed 30 minutes.

- c. Use of water to wash any motor vehicle, motorbike, boat, trailer, airplane, or other vehicle is prohibited except on designated water days between the hours of 12:00 midnight and 10:00 AM and between 8:00 PM and 12:00 midnight. 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.
- d. 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 water days between the hours of 12:00 midnight and 6:00 AM and between 8:00 PM and 12:00 midnight.
- e. 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 re-circulation system.
- f. Use of water from hydrants shall be limited to fire fighting, related activities, or other activities necessary to maintain public health, safety and welfare and use of water from designated fire hydrants for construction purposes is to be discontinued unless special considerations are made by J&S .
- g. All restaurants are prohibited from serving water to patrons except upon request of the patron.
- h. The following uses of water are defined as non-essential and are prohibited:
  - i. wash down of any sidewalks, walkways, driveways, parking lots, tennis courts, or other hard-surfaced areas.
  - ii. use of water to wash down buildings or structures for purposes other than immediate fire protection;
  - iii. use of water for dust control, except where special permit is given for construction projects;
  - iv. flushing gutters or permitting water to run or accumulate in any gutter or street; and
  - v. failure to repair a controllable leak(s) within a reasonable period after having been given notice directing the repair of such leak(s), but in no event more than seventy-two hours after notice is given.

\*\*\*\*Implementation of STAGE 2 is expected to reduce water demands by 25%

Customers shall be notified of the implementation of water use restrictions by sending the letter attached as Exhibit 2.

**Stage 3 – CRITICAL / EMERGENCY Water Shortage Conditions**

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### Triggers / Requirements for Initiation

Customers shall be required to comply with the requirements and restrictions on certain non-essential water uses for Stage 3 of this Plan when the average well run time is at or above 22 hours per day for any one (1) day or when any of the water facilities cannot meet the water supply demand.

### Requirements for Termination

Stage 3 of the Plan may be rescinded when the conditions listed as triggering events have ceased to exist for a period of three (3) consecutive days or at the discretion of J&S . Upon termination of Stage 3, Stage 2 becomes operative.

### Supply Management Measures:

1. If the water system is normally operated above 45 psi pressure, reduce system pressure at the water plant to 45 psi, if system operation permits.
2. Water Use Restrictions. Under threat of penalty for violation, the following water use restrictions shall apply to all persons:
  - a. Irrigation of landscaped areas is prohibited at all times.
  - b. Use of water to wash any motor vehicle, motorbike, boat, trailer, airplane, or other vehicle not occurring on the premises of a commercial car wash or commercial service station and not in the immediate interest of public health, safety, and welfare is prohibited. Further, such vehicle washing at commercial car washes and commercial service stations shall occur only between the hours of 8:00 AM and 10:00 AM and between 6:00 PM and 10:00 PM. 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.
  - c. The filling, refilling, or adding of to any indoor or outdoor swimming pools, wading pools, or Jacuzzi-type pools is prohibited.
  - d. 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 re-circulation system.
  - e. No application for new, additional, expanded or increased-in-size water service connections, meters, service lines, pipeline extensions, mains or water service facilities of any kind shall be approved, and time limits for approval of such applications are hereby suspended for such time as this drought response stage shall be in effect.
  - f. Use of water from hydrants shall be limited to fire fighting, related activities, or other activities necessary to maintain public health, safety and welfare and use of water from designated fire hydrants for construction purposes is to be discontinued.

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- g. All restaurants are prohibited from serving water to patrons except upon request of the patron.
- h. The following uses of water are defined as non-essential and are prohibited:
  - i. wash down of any sidewalks, walkways, driveways, parking lots, tennis courts, or other hard-surfaced areas.
  - ii. use of water to wash down buildings or structures for purposes other than immediate fire protection;
  - iii. use of water for dust control;
  - iv. flushing gutters or permitting water to run or accumulate in any gutter or street; and
  - v. failure to repair a controllable leak(s) within a reasonable period after having been given notice directing the repair of such leak(s), but in no event more than forty-eight hours after notice is given.

\*\*\*\*Implementation of STAGE 3 is expected to reduce water demands by 35%

Customers shall be notified of the implementation of water use restrictions by sending the letter attached as Exhibit 3.

### **Section IX: Notification of Drought Stages**

J&S , or its designee, shall monitor water supply and/or demand conditions on a daily basis and, in accordance with the triggering criteria set forth in Section VIII of the Plan, shall determine that a Moderate, Severe, Critical/Emergency, or water shortage condition exists and shall implement the following notification procedures:

#### Notification of the Public:

J&S , or its designee, shall notify the public by means of:

- Direct mail to each customer
- Signs posted in public places; or
- Other measures that might be appropriate.

Additional Notification: J&S , or its designee, shall notify directly, or cause to be notified directly, the following individuals and entities:

- Texas Natural Resource Conservation Commission as required by TCEQ rules;
- Major water users;
- Critical water users, i.e. hospitals

### **Section X: Enforcement**

- a. No person shall knowingly or intentionally allow the use of water from the J&S for residential, commercial, industrial, agricultural, governmental, or any other purpose in a manner contrary to any provision of this Plan, or in an amount in excess of that

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permitted by the drought response stage in effect at the time pursuant to action taken by J&S , or its designee, in accordance with provisions of this Plan.

- b. First Violation. Any person or entity who violates this Plan shall receive written notification of such violation, which notice shall be set forth (i) the date of the violation, (ii) the nature of the violation, (iii) the Drought Stage measures then in effect, and (iv) the penalties applicable for any further violations of the Plan: provided, however, that if such person or entity has ever previously violated this Plan, the penalties set forth below may, at the discretion of the Owners of J&S , be imposed. The letter attached as Exhibit 4 may be used for the written notification of a first violation of the provisions of the Plan.
- c. Subsequent Violations.
  1. Disconnection for Noncompliance. If any person or entity violated any provision of this Plan more than one time (which violation shall constitute an unauthorized use of J&S services and/or facilities), then in addition to any other remedies, penalties, sanctions, and enforcement procedures provided for herein, J&S or its designee (with the assistance of a peace officer, when deemed necessary by J&S or its designee) shall have the right to terminate water service to such person or entity after notice and any other procedural requirements in J&S 's Rate Order are satisfied. The letter attached as Exhibit 5 may be used to notify the person or entity of the termination of services.
- d. Remedies Cumulative. All rights, remedies, sanctions, penalties, and enforcement procedures provided for in this Plan are cumulative. In addition, J&S shall have and may exercise and enforce any and all rights and remedies provided by law or in equity.

## **Section XI: Variances**

J&S or its designee, may, in writing, grant temporary variances, subject to confirmation by J&S , for existing water uses otherwise prohibited under this Plan if it is determined that failure to grant such variance would cause an emergency condition adversely affecting the health, sanitation, or fire protection for the public or the person requesting such variance and if one or more other following conditions are met:

- a. Compliance with this Plan cannot be technically accomplished during the duration of the water supply shortage or other condition for which the Plan is in effect.
- b. Alternative methods can be implemented which will achieve the same level of reduction in water use.

Persons requesting an exemption from the provisions of this Ordinance shall file a petition for variance with J&S within 5 days after the Plan or a particular drought response stage has been invoked. All petitions for variances shall be reviewed by J&S , and shall include the following:

- a. Name and address of the petitioner(s).
- b. Purpose of water use.
- c. Specific provision(s) of the Plan from which the petitioner is requesting relief.

TEXAS COMM. ON ENVIRONMENTAL QUALITY

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- d. Detailed statement as to how the specific provision of the Plan adversely affects the petitioner or what damage or harm will occur to the petitioner or others if petitioner complies with this Ordinance.
- e. Description of the relief requested.
- f. Period of time for which the variance is sought.
- g. Alternative water use restrictions or other measures the petitioner is taking or proposes to take to meet the intent of this Plan and the compliance date.
- h. Other pertinent information.

Variances granted by J&S shall be subject to the following conditions, unless waived or modified by J&S :

- a. Variances granted shall include a timetable for compliance.
- b. Variances granted shall expire when the Plan is no longer in effect, unless the petitioner has failed to meet specified requirements.

No variance shall be retroactive or otherwise justify any violation of this Plan occurring prior to the issuance of the variance.

**Section XII: End of Drought Contingency Water Use Restrictions**

When the water system is able to return to normal water use, J&S shall send out the letter attached as Exhibit 6, or otherwise notify the customers of the end of all water use restrictions.

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# EXHIBITS

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

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EXHIBIT 1

**J&S WATER COMPANY LLC.**

Drought Contingency Stage 1

\_\_\_\_\_  
(Date)

Dear Customer:

As a result of \_\_\_\_\_, the water plant is unable to provide water at the customary levels of pressure.

To ensure that an adequate supply of water is available for drinking and bathing, you are hereby notified that Stage One of the Drought Contingency Plan is now in effect. Stage One includes the following provisions:

1. Water system pressure will be reduced.
2. Voluntary Water Use Restrictions as follows:
  - a. Water customers are requested to voluntarily limit the irrigation of landscaped areas to Sundays and Thursdays for customers with a street address ending in an even number (0, 2, 4, 6, or 8), and Saturdays and Wednesdays for water customers with a street address ending in an odd number (1, 3, 5, 7, or 9), and to irrigate landscapes only between the hours of midnight and 6:00 AM and 8:00 PM to midnight on designated water days.
  - b. Water customers are requested to practice water conservation and to minimize or discontinue water use for non-essential purposes.

J&S appreciates your cooperation and perseverance during this Conservation Condition. Once the Conservation Condition ends, we will notify you and you may then return to normal usage. If conditions should worsen, it may be necessary to proceed to Stage 2 at which time you will be notified of the more stringent restrictions, to ensure the availability of water in your community.

Very truly yours,

TEXAS COMM. ON ENVIRONMENTAL QUALITY

35215 S CCN 12085 SEP 18 '07

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EXHIBIT 2

**J&S WATER COMPANY LLC.**

Drought Contingency Stage 2

---

(Date)

Dear Customer:

As a result of \_\_\_\_\_, the water plant is unable to provide water at the customary levels of pressure.

To ensure that an adequate supply of water is available for drinking and bathing, you are hereby notified that Stage Two of the Drought Contingency Plan is now in effect. Stage Two includes the following provisions:

1. Water system pressure will be reduced.
2. Water Use Restrictions. Under threat of penalty for violation, the following water use restrictions shall apply to all persons:
  - a. Water customers are requested to practice water conservation and to minimize or discontinue water use for non-essential purposes.
  - b. Irrigation of landscaped areas by automatic irrigation systems shall be limited to Sundays and Thursdays for customers with a street address ending in an even number (0, 2, 4, 6, or 8) and Saturdays and Wednesdays for water customers with a street address ending in an odd number (1, 3, 5, 7, or 9), and irrigation of landscaped areas is further limited to the hours of 12:00 midnight until 6:00 AM and between 8:00 PM and 12:00 midnight on designated watering days. Irrigation of landscaped areas is permitted 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 or a permanently installed automatic system. Portable household sprinklers must also be timed. Total irrigation times for any zone shall not exceed thirty (30) minutes.
  - c. Use of water to wash any motor vehicle, motorbike, boat, trailer, airplane or other vehicle is prohibited except on designated watering days between the hours of 12:00 midnight and 10:00 AM and between 8:00 PM and 12:00 midnight. Such washing, when allowed, shall be done with a hand-held bucket

TEXAS COM. AN ENVIRONMENTAL QUALITY  
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APPROVED TARIFF BY Lf/TT

- 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 for 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.
- d. 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 water days between the hours of 12:00 midnight and 6:00 AM and between 8:00 PM and 12:00 midnight.
  - e. 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 re-circulation system.
  - f. Use of water from hydrants shall be limited to fire fighting, related activities, or other activities necessary to maintain public health, safety, and welfare, and use of water from designated fire hydrants for construction purposes is to be discontinued, unless otherwise approved by the Owners of the J&S or the designee of J&S.
  - g. All restaurants are prohibited from serving water to patrons except upon request of the patron.
  - h. The following uses of water are defined as non-essential and are prohibited:
    - i. wash down of any sidewalks, walkways, driveways, parking lots, tennis courts, or other hard-surfaced areas.
    - ii. use of water to wash down buildings or structures for purposes other than immediate fire protection;
    - iii. use of water for dust control, except where special permit is given for construction projects;
    - iv. flushing gutters or permitting water to run or accumulate in any gutter or street; and
    - v. failure to repair a controllable leak(s) within a reasonable period after having been given notice directing the repair of such leak(s), but in no event more than seventy-two hours after notice is given.

Failure to comply with the Water Use Restrictions is deemed a violation of the J&S 's Drought Contingency Plan and may result in the termination of water and sewer service to your property. Water and sewer service will not be restored until noncompliance is discontinued and a reconnect fee is paid.

The J&S appreciates your cooperation and perseverance during this Conservation Condition. Once the Conservation Condition ends, we will notify you and you may then return to normal usage. If conditions should worsen, it may be necessary to proceed to Stage 3 at which time you will be notified of the more stringent restrictions, to ensure the availability of water in your community.

Very truly yours, **TEXAS COMMISSION ON ENVIRONMENTAL QUALITY**

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EXHIBIT 3

**J&S WATER COMPANY LLC.**

Drought Contingency Stage 3

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(Date)

Dear Customer:

As a result of \_\_\_\_\_, the water plant is suffering extreme inability to provide water at the customary levels of pressure.

This condition should be resolved within the next \_\_\_\_\_ and/or a meeting will be held \_\_\_\_\_ at \_\_\_\_\_ M at \_\_\_\_\_ to explain the situation and possible solutions.

To ensure that an adequate supply of water is available for drinking and bathing, you are hereby notified that Stage Three of the Drought Contingency Plan is now in effect. J&S is aware of the inconvenience of these severe restrictions, but it is imperative that the water supply not only be available for drinking and bathing but also for fire fighters in the event of a residential or commercial facility fire. The following restrictions are now in effect:

1. Water system pressure will be reduced.
2. Water Use Restrictions. Under threat of penalty for violation, the following water use restrictions shall apply to all persons:
  - a. Irrigation of landscaped areas is prohibited at all times.
  - b. Use of water to wash any motor vehicle, motorbike, boat, trailer, airplane or other vehicle not occurring on the premises of a commercial car wash or commercial service station and not in the immediate interest of public health, safety, and welfare is prohibited. Further, such vehicle washing at commercial car washes and commercial service stations shall occur only between the hours of 8:00 AM and 10:00 AM and between 6:00 PM and 10:00 PM. 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.

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

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APPROVED TARIFF BY LR/TT

- c. The filling, refilling, or adding of water to swimming pools, wading pools or Jacuzzi-type pools is prohibited.
- d. 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 re-circulation system.
- e. No applications for new, additional, expanded, or increased-in-size water service connections, meters, service lines, pipelines, pipeline extensions, mains or water service facilities of any kind shall be approved, and time limits for approval of such applications are hereby suspended for such time as this drought response stage or a higher-numbered stage shall be in effect.
- f. Use of water from hydrants shall be limited to fire fighting, related activities, or other activities necessary to maintain public health, safety, and welfare, and use of water from designated fire hydrants for construction purposes is to be discontinued.
- g. All restaurants are prohibited from serving water to patrons except upon request of the patron.
- h. The following uses of water are defined as non-essential and are prohibited:
  - i. wash down of any sidewalks, walkways, driveways, parking lots, tennis courts, or other hard-surfaced areas.
  - ii. use of water to wash down buildings or structures for purposes other than immediate fire protection;
  - iii. use of water for dust control, except where special permit is given for construction projects;
  - iv. flushing gutters or permitting water to run or accumulate in any gutter or street; and
  - v. failure to repair a controllable leak(s) within a reasonable period after having been given notice directing the repair of such leak(s), but in no event more than forty-eight hours after notice is given.

Failure to comply with the Water Use Restrictions is deemed a violation of the J&S 's Drought Contingency Plan and may result in the termination of water and sewer service to your property. Water and sewer service will not be restored until noncompliance is discontinued and a reconnect fee is paid.

J&S appreciates your cooperation and perseverance during this Conservation Condition. Once the Conservation Condition ends, we will notify you and you may then return to normal usage.

Very truly yours,

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TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

35215 S. CCN 12085 SEP 18 '07

APPROVED TARIFF BY lf/TT



EXHIBIT 4  
J&S WATER COMPANY LLC.

CITATION

\_\_\_\_\_  
(Date)

Dear Customer:

You are hereby notified that you are violating the Water Use Restrictions of J&S .

You have been observed:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Attached is a copy of the letter we previously sent to you regarding Drought Stage \_\_\_\_\_ and the restrictions imposed.

Unless the use of water in a prohibited manner is ceased immediately, water service to your property will be terminated, and service will be restored only upon payment of a reconnect fee.

Sincerely,

\_\_\_\_\_

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

CCN 12085 SEP 18 '07

APPROVED TARIFF BY

JTT

EXHIBIT 5

J&S WATER COMPANY LLC.

CITATION

\_\_\_\_\_  
(Date)

Dear Customer:

On \_\_\_\_\_, you were notified that you were violating the Water Use Restrictions of the J&S . This second violation has resulted in the termination of water service to your property. Service will be restored upon discontinuation of the prohibited use and upon payment of a reconnect fee. In addition, you will have to sign a copy of the Water Use Restrictions now in effect. To have service restored you should contact J&S as listed on your monthly utility bill.

We urge you to comply with the provisions of the J&S Drought Contingency Plan.

Sincerely,

\_\_\_\_\_

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

35215 S CCN 12085 SEP 18 '07

APPROVED TARIFF BY *Lf/TT*

EXHIBIT 6  
J&S WATER COMPANY LLC.

\_\_\_\_\_  
(Date)

Dear Customer:

The Drought Condition has ended. You may return to normal water usage. J&S appreciates your cooperation and perseverance during this period and would appreciate your continued attention to water use. Continued water conservation practices will help ensure water availability in the future. Thank you for your efforts.

Sincerely,

\_\_\_\_\_

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

35215 S CCN 12085 SEP 18 '07

APPROVED TARIFF BY     *LT*

APPENDIX A -- SAMPLE SERVICE AGREEMENT  
From 30 TAC Chapter 290.47(b), Appendix B  
SERVICE AGREEMENT

I. PURPOSE. The NAME OF WATER SYSTEM is responsible for protecting the drinking water supply from contamination or pollution which could result from improper private water distribution system construction or configuration. The purpose of this service agreement is to notify each customer of the restrictions which are in place to provide this protection. The utility enforces these restrictions to ensure the public health and welfare. Each customer must sign this agreement before the NAME OF WATER SYSTEM will begin service. In addition, when service to an existing connection has been suspended or terminated, the water system will not re-establish service unless it has a signed copy of this agreement.

II .RESTRICTIONS. The following unacceptable practices are prohibited by State regulations.

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

III. SERVICE AGREEMENT. The following are the terms of the service agreement between the NAME OF WATER SYSTEM (the Water System) and NAME OF CUSTOMER (the Customer).

- A. The Water System will maintain a copy of this agreement as long as the Customer and/or the premises is connected to the Water System.
- B. The Customer shall allow his property to be inspected for possible cross-connections and other potential contamination hazards. These inspections shall be conducted by the Water System or its designated agent prior to initiating new water service; when there is reason to believe that cross-connections or other potential contamination hazards exist; or after any major changes to the private water distribution facilities. The inspections shall be conducted during the Water System's normal business hours.
- C. The Water System shall notify the Customer in writing of any cross-connection or other potential contamination hazard which has been identified during the initial inspection or the periodic reinspection.
- D. The Customer shall immediately remove or adequately isolate any potential cross-connections or other potential contamination hazards on his premises.
- E. The Customer shall, at his expense, properly install, test, and maintain any backflow prevention device required by the Water System. Copies of all testing and maintenance records shall be provided to the Water System.

IV.ENFORCEMENT. If the Customer fails to comply with the terms of the Service Agreement, the Water System shall, at its option, either terminate service or properly install, test, and maintain an appropriate backflow prevention device at the service connection. Any expenses associated with the enforcement of this agreement shall be billed to the Customer.

CUSTOMER'S SIGNATURE: \_\_\_\_\_

DATE: \_\_\_\_\_

APPENDIX B -- APPLICATION FOR SERVICE  
(Utility Must Attach Blank Copy)

**SEWER UTILITY TARIFF  
FOR**

J & S Water Company, L.L.C.  
(Utility Name)

1905 N. Battle Bell Road  
(Business Address)

Highlands, Texas 77562  
(City, State, Zip Code)

(281) 590-4359  
(Area Code/Telephone)

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

20658

This tariff is effective in the following counties:

Harris, Chambers, and Liberty

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 3.0 -- EXTENSION POLICY.....	9

APPENDIX A -- SAMPLE SERVICE AGREEMENT

LIST OF SUBDIVISIONS OR SYSTEMS

<b>SUBDIVISION</b>	<b>WQ ID NUMBER</b>	<b>COUNTY</b>
Aldine Village	11882-001	Harris
Arbor Oaks, Maple Leaf Gardens and Windfern Meadows	12342-001	Harris
Five Oaks	12382-001	Harris
Woodland Acres	11720-001	Chambers

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"	\$29.58 (Includes 0 gallons)	\$2.00 per 1000 gallons over the minimum
1"	\$73.95	
1 1/2"	\$147.90	
2"	\$236.64	
3"	\$443.70	
4"	\$739.50	
6"	\$ 1,479.00	

Gallonge charges are determined based on average consumption for winter period which includes the following months: December, January and February

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

Cash X, Check X, Money Order X, Credit Card \_\_\_\_\_, Other (specify) By Phone\*  
 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.

Phone Payment Fee\*: A fee of five percent (5%) of the amount paid will be charge for all phone 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 (Residential) ..... Actual Cost  
 TAP FEE COVERS THE UTILITY'S COSTS FOR MATERIALS AND LABOR TO INSTALL A STANDARD RESIDENTIAL CONNECTION 5/8" or 3/4" METER.

NON-RESIDENTIAL TAP FEE (Large Connection Tap) ..... Actual Cost  
 TAP FEE IS BASED ON THE AVERAGE OF THE AVERAGE OF THE UTILITY'S ACTUAL COST FOR MATERIALS AND LABOR FOR NON-RESIDENTIAL CONNECTIONS.

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

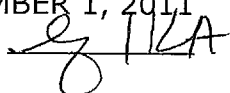
RATES LISTED ARE EFFECTIVE ONLY  
 IF THIS PAGE HAS TCEQ APPROVAL STAMP



SECTION 1.0 - RATE SCHEDULE (Continued)

TRANSFER FEE .....	<u>\$50.00</u>
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).....	<u>\$5.00</u>
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.....	<u>\$30.00</u>
RETURNED CHECK CHARGES MUST BE BASED ON THE UTILITY'S DOCUMENTABLE COST.	
CUSTOMER DEPOSIT RESIDENTIAL (Maximum \$50).....	<u>\$50.00</u>
COMMERCIAL & NON-RESIDENTIAL DEPOSIT .....	<u>1/6TH OF ESTIMATED ANNUAL BILL</u>

RATES LISTED ARE EFFECTIVE ONLY  
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TEXAS COMM. ON ENVIRONMENTAL QUALITY  
37124-R, CCN 20658, NOVEMBER 1, 2011  
APPROVED TARIFF BY 

Aldine Village

SECTION 1.0 - RATE SCHEDULE

<u>Meter Size</u>	<u>Monthly Minimum Charge</u>	<u>Gallonage Charge</u>
5/8" or 3/4"	\$25.00 (Includes 0 gallons)	\$1.50 per 1000 gallons
School	\$425.00	same for all meter sizes
Park	\$40.00	
Trailer Park	\$275.00	

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 (Residential) ..... \$500.00

TAP FEE COVERS THE UTILITY'S COSTS FOR MATERIALS AND LABOR TO INSTALL A STANDARD RESIDENTIAL CONNECTION. 5/8" or 3/4" METER

NON-RESIDENTIAL TAP FEE (Large Connection Tap) ..... Actual Cost

TAP FEE IS BASED ON THE AVERAGE OF THE AVERAGE OF THE UTILITY'S ACTUAL COST FOR MATERIALS AND LABOR FOR NON-RESIDENTIAL CONNECTIONS.

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

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.

RATES LISTED ARE EFFECTIVE ONLY  
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SECTION 1.0 - RATE SCHEDULE

Section 1.02 - Miscellaneous Fees (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

RATES LISTED ARE EFFECTIVE ONLY  
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TEXAS COMM. ON ENVIRONMENTAL QUALITY  
35879-R, CCN 20658, JANUARY 14, 2008  
APPROVED TARIFF BY LJKM

SECTION 2.0 -- SERVICE RULES AND POLICIES

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

Section 2.01 - Application for Sewer Service

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

Section 2.02 - Refusal of Service

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

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

(A) Customer Deposits

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

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

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

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

SECTION 2.0 -- SERVICE RULES AND POLICIES (Continued)

(B) Tap or Reconnect Fees

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

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

(C) Easement Requirement

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

Section 2.04 - Utility Response to Applications for Service

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

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

Section 2.05 - Customer Responsibility

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

SECTION 2.0 -- SERVICE RULES AND POLICIES (Continued)

2.06 Access to Customer's Premises

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

Section 2.07 - Back Flow Prevention Devices

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

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

Section 2.10 - Billing

(A) Regular Billing

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

(B) Late Fees

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

(C) Information on Bill

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

SECTION 2.0 -- SERVICE RULES AND POLICIES (Continued)

(D) Prorated Bills

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

Section 2.11 - Payments

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

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

Section 2.12 - Service Disconnection

(A) With Notice

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

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

(B) Without Notice

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

Section 2.13 - Reconnection of Service

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

SECTION 2.0 -- SERVICE RULES AND POLICIES (Continued)

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

Section 2.14 - Service Interruptions

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

Section 2.15 - Quality of Service

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

Section 2.16 - Customer Complaints and Disputes

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

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

Section 2.17 - Customer Liability

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



SECTION 3.0 -- EXTENSION POLICY

Section 3.01 - Standard Extension Requirements

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

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

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

Section 3.02 - Costs Utilities and Service Applicants Shall Bear

Within its certified area, the utility will pay the cost of the first 200 feet of any water main or distribution line necessary to extend service to an individual residential customer within a platted subdivision.

However, if the residential customer requesting service purchased the property after the developer was notified in writing of the need to provide facilities to the utility, the utility may charge for the first 200 feet. The utility must also be able to document that the developer of the subdivision refused to provide facilities compatible with the utility's facilities in accordance with the utility's approved extension policy after receiving a written request from the utility.

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

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

SECTION 3.0 -- EXTENSION POLICY (Continued)

Exceptions may be granted by the TCEQ Executive Director if:

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

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

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


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

The utility will bear the full cost of any over-sizing of sewer mains necessary to serve other customers in the immediate area. The individual residential customer shall not be charged for any additional 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.

Section 3.03 - Contributions in Aid of Construction

Developers may be required to provide contributions in aid of construction in amounts sufficient to furnish the development with all facilities necessary to provide for reasonable local demand requirements and to comply with Texas Commission on Environmental Quality minimum design criteria for facilities used in the production, collection, transmission, pumping, or treatment of sewage 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.

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.

TEXAS COMM. ON ENVIRONMENTAL QUALITY  
35219-S, CCN 20658, SEPTEMBER 18, 2007  
APPROVED TARIFF BY 

## SECTION 3.0 -- EXTENSION POLICY (Continued)

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

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

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

Section 3.04 - Appealing Connection Costs

The imposition of additional extension costs or charges as provided by Sections 3.0 - Extension Policy of this tariff shall be subject to appeal as provided in this tariff, 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 given a written explanation of such costs prior to payment and/or commencement of construction. If the applicant does not believe that these costs are reasonable or necessary, the applicant shall be informed of the right to appeal such costs to the 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.

Section 3.05 - Applying for Service

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

SECTION 3.0 -- EXTENSION POLICY (Continued)

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

Section 3.06 - Qualified Service Applicant

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

The Utility shall serve each qualified service applicant within its certified service area as soon as practical after receiving a completed service application. All service requests will be fulfilled within the time limits prescribed by 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 by TCEQ rules.

Section 3.07 - Developer Requirements

As a condition of service to a new subdivision, 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.

APPENDIX A -- SAMPLE SERVICE AGREEMENT  
From 30 TAC Chapter 290.47(b), Appendix B  
SERVICE AGREEMENT

PURPOSE. The NAME OF SEWER SYSTEM is responsible for protecting the drinking water supply from contamination or pollution which could result from improper private water distribution system construction or configuration. The purpose of this service agreement is to notify each customer of the restrictions which are in place to provide this protection. The utility enforces these restrictions to ensure the public health and welfare. Each customer must sign this agreement before the NAME OF SEWER SYSTEM will begin service. In addition, when service to an existing connection has been suspended or terminated, the sewer system will not re-establish service unless it has a signed copy of this agreement.

II. RESTRICTIONS. The following unacceptable practices are prohibited by State regulations.

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

III. SERVICE AGREEMENT. The following are the terms of the service agreement between the NAME OF SEWER SYSTEM (the Sewer System) and NAME OF CUSTOMER (the Customer).

- A. The Sewer System will maintain a copy of this agreement as long as the Customer and/or the premises is connected to the Sewer System.
- B. The Customer shall allow his property to be inspected for possible cross-connections and other potential contamination hazards. These inspections shall be conducted by the Sewer System or its designated agent prior to initiating new water service; when there is reason to believe that cross-connections or other potential contamination hazards exist; or after any major changes to the private water distribution facilities. The inspections shall be conducted during the Sewer System's normal business hours.
- C. The Sewer System shall notify the Customer in writing of any cross-connection or other potential contamination hazard which has been identified during the initial inspection or the periodic reinspection.
- D. The Customer shall immediately remove or adequately isolate any potential cross-connections or other potential contamination hazards on his premises.
- E. The Customer shall, at his expense, properly install, test, and maintain any backflow prevention device required by the Sewer System. Copies of all testing and maintenance records shall be provided to the Sewer System.

IV. ENFORCEMENT. If the Customer fails to comply with the terms of the Service Agreement, the Sewer System shall, at its option, either terminate service or properly install, test, and maintain an appropriate backflow prevention device at the service connection. Any expenses associated with the enforcement of this agreement shall be billed to the Customer.

CUSTOMER'S SIGNATURE: \_\_\_\_\_

DATE: \_\_\_\_\_