



Filing Receipt

Filing Date - 2024-05-28 11:12:56 AM

Control Number - 53429

Item Number - 77

DOCKET NO. 53429

**APPLICATION OF CSWR-TEXAS
UTILITY OPERATING COMPANY
LLC AND DEER SPRINGS WATER
COMPANY FOR SALE, TRANSFER,
OR MERGER OF FACILITIES AND
CERTIFICATE RIGHTS IN BURNET
COUNTY**

§
§
§
§
§
§
§

**PUBLIC UTILITY COMMISSION

OF TEXAS**

NOTICE OF APPROVAL

This Notice of Approval addresses the application of CSWR-Texas Utility Operating Company, LLC and Deer Springs Water Company for approval of the sale, transfer, or merger of facilities in Burnet County. The Commission approves the following: (1) the sale and transfer of all facilities held under Deer Springs' certificate of convenience and necessity (CCN) number 11630 to CSWR-Texas; (2) the cancellation of Deer Springs' CCN number 11630; (3) the amendment of CSWR-Texas' CCN number 13290 to include the facilities previously included in Deer Springs' CCN number 11630; and (4) the amendment of CSWR-Texas' CCN number 13290 to add 229 acres of previously uncertificated area.

I. Findings of Fact

The Commission makes the following findings of fact.

Applicants

1. CSWR-Texas is a Texas limited liability company registered with the Texas secretary of state under file number 803367893.
2. CSWR-Texas operates, maintains, and controls facilities for providing water service in multiple counties under CCN number 13290.
3. CSWR-Texas owns multiple public water systems registered with the Texas Commission on Environmental Quality (TCEQ).
4. Deer Springs is an investor-owned utility that operates, maintains, and controls facilities for providing retail water service in Burnet County under CCN number 11630.
5. Deer Springs owns and operates a public water system registered with the TCEQ under identification number 0270006.

Application

6. On February 22, 2022, CSWR-Texas and Cassie Water Company, Deer Springs Water Company, and Water Works I and II filed an application for the sale, transfer, or merger of facilities and certificate rights in Burnet and Llano counties.
7. CSWR-Texas supplemented the application on February 25 and March 28, 2022.
8. In Order No. 2 filed on April 4, 2022, in Docket No. 53259,¹ the administrative law judge (ALJ) severed the application into three dockets: Docket Nos. 53259, 53430,² and the present docket, which only includes CSWR-Texas and Deer Springs.
9. CSWR-Texas supplemented the severed application on April 5, 6, 19, and 28, May 9, and June 14 and 20, 2022.
10. In the application, as severed and supplemented, the applicants seek approval of the following:
 - a. CSWR-Texas' acquisition of Deer Springs' water facilities held under CCN number 11630;
 - b. the cancellation of Deer Springs' CCN number 11630;
 - c. the amendment of CSWR-Texas' CCN number 13290 to include the facilities previously included in Deer Springs' CCN number 11630; and
 - d. the amendment of CSWR-Texas' CCN number 13290 to add 229 acres of uncertificated area which are being served by Deer Springs' water system.
11. The requested area includes approximately 229 acres of uncertificated area and 109 customer connections.
12. The requested area is located approximately 5.3 miles west of downtown Burnet, Texas, and is generally bounded on the north by State Highway 29; on the east by the intersection of State Highway 29 and Yucca Drive; on the south by Williams Road; and on the west by a parallel line approximately 415 feet west of Deer Springs Loop.

¹ *Application of CSWR-Texas Utility Operating Company LLC and Cody and Anita Lewis dba Cassie Water Company for Sale, Transfer, or Merger of Facilities and Certificate Rights in Llano County*, Docket No. 53430, Notice of Approval (May 13, 2024).

² *Application of CSWR-Texas Utility Operating Company LLC and Water Works I and II for Sale, Transfer, or Merger of Facilities and Certificate Rights in Llano County*, Docket No. 53430 (pending).

13. In Order No. 3 filed on May 9, 2022, the ALJ found the application, as supplemented, administratively complete.

Notice

14. On June 13, 2022, CSWR-Texas filed the affidavit of Aaron Silas, regulatory case manager of CSWR-Texas, attesting that notice was provided to all current customers neighboring utilities, and affected parties on June 8, 2022.
15. In Order No. 5 filed on June 28, 2022, the ALJ found notice sufficient.
16. On April 30, 2024, CSWR-Texas filed the affidavit of Eric Rocchio, regulatory case manager for CSWR-Texas, attesting that there are no landowners owning tracts of land over 25 acres wholly or partly inside the requested area.
17. In Order No. 18 filed on May 28, 2024, the ALJ found the notice, as supplemented, sufficient.

Evidentiary Record

18. In Order No. 7 filed on August 16, 2022, the ALJ admitted the following evidence into the record:
 - a. the application, including confidential attachments, filed in Docket No. 53259 on February 22, 2022;
 - b. CSWR-Texas' first supplement to application, including confidential attachment, filed on April 5 and 6, 2022;
 - c. CSWR-Texas' supplemental attachments F and G to the application, including confidential and highly sensitive attachments, filed on April 19, 2022;
 - d. CSWR-Texas' third supplement to the application, including confidential attachment, filed on April 28, 2022;
 - e. Commission Staff's recommendation on administrative completeness filed on May 6, 2022;
 - f. CSWR-Texas' supplement to the application, including highly sensitive attachment, filed on May 9, 2022;

- g. CSWR-Texas' affidavit of notice to current customers, neighboring utilities, and affected parties, including confidential exhibit B, filed on June 13, 2022;
 - h. CSWR-Texas' supplemental attachment B to the application filed on June 14, 2022;
 - i. CSWR-Texas' supplemental attachment G-1 to the application filed on June 20, 2022;
 - j. Commission Staff's recommendation on the sufficiency of notice filed on June 27, 2022; and
 - k. Commission Staff's recommendation on approval of the sale, including confidential attachments, filed on July 29 and August 4, 2022.
19. In Order No. 19 filed on May 28, 2024, the ALJ admitted the following supplemental evidence into the record:
- a. CSWR-Texas' notice of completed transaction and attachments, including highly sensitive attachments, filed on January 5, 2024;
 - b. Deer Spring's affidavit regarding customer deposits, including highly sensitive exhibit A to the affidavit, filed on January 18, 2024;
 - c. CSWR-Texas' additional closing documentation filed on January 22, 2024;
 - d. Commission Staff's recommendation on closing documents filed on February 6, 2024;
 - e. the applicants' consent forms filed on March 14, 2024;
 - f. the maps, tariff pages, and certificate attached to the joint supplemental motion to admit evidence and proposed notice of approval filed on April 5, 2024;
 - g. CSWR-Texas' submission of capital improvement plan, including confidential attachment, filed on April 30, 2024; and
 - h. Commission Staff's recommendation on the sufficiency of the supplemented notice and CSWR-Texas' capital improvement plan filed on May 13, 2024.

Sale

20. In Order No. 8 filed on September 13, 2022, the ALJ approved the sale and transaction to proceed and required the applicants to file proof that the transaction had closed and that customer deposits, if any, had been addressed.
21. In Order Nos. 9 through 13 filed on February 27 through November 3, 2023, the ALJ granted applicants' requests to extend the 180-day deadline to complete the transaction due to real estate title issues and the need to assign a purchased water agreement.
22. On January 5, 2024, CSWR-Texas filed notice that the sale had closed on December 7, 2023, and by a filing on January 18, 2024, confirmed that there were no outstanding customer deposits that needed to be addressed.
23. In Order No. 15 filed on February 7, 2024, the ALJ found the closing documentation sufficient.

Purchaser's Compliance History

24. CSWR-Texas has not been under enforcement action by the Commission, TCEQ, Texas Health and Human Services, the Office of the Texas Attorney General, or the United States Environmental Protection Agency in the past five years for non-compliance with rules, orders, or state statutes.
25. The Commission's complaint records, which date back to 2017, show 12 complaints against CSWR-Texas.
26. CSWR-Texas does not have a history of continuing mismanagement or misuse or revenues as a utility service provider.
27. CSWR-Texas demonstrated a compliance history that is adequate for approval of the transaction.

Adequacy of Existing Service

28. There are currently 109 connections in the requested area that are being served by Deer Springs through public water system number 0270006 and such service has been continuous and adequate.
29. Deer Springs does not have any violations listed in the TCEQ database.

30. The Commission's complaint records, which date back to 2018, show three complaints against Deer Springs.

Need for Additional Service

31. There are 109 existing customer connections in the requested area that are receiving service from Deer Springs and have an ongoing need for service.
32. This is an application to transfer only existing facilities and customers.
33. There is a need for additional service to serve Deer Springs' current customers within the requested area.

Effect of Approving the Transaction and Granting the Amendment

34. CSWR-Texas will be the sole certificated water utility for the requested area.
35. CSWR-Texas will be required to provide continuous and adequate water service to current and future customers in the requested area.
36. Landowners in the requested area will have a water service provider available when they need to request water service.
37. All retail public utilities in the proximate area were provided notice of the application. No protests, adverse comments, or motions to intervene were filed by any adjacent retail public utility in this docket.
38. There will be no effect on any retail public utility providing service to the proximate area.

Ability to Serve: Managerial and Technical

39. CSWR-Texas owns and operates numerous public water systems registered with TCEQ and does not have any active violations listed in the TCEQ database.
40. CSWR-Texas employs or contracts with TCEQ-licensed operators who will operate the public water system being transferred.
41. CSWR-Texas stated that it intends to make upgrades, renovations, and repairs necessary to ensure that Deer Springs' public water system remains in compliance with TCEQ regulations and that customers receive safe and reliable service.
42. CSWR-Texas filed a capital improvement plan that included a budget and estimated timeline for construction of all facilities necessary to provide continuous and adequate

service to the requested area and was keyed to a map showing where such facilities will be located to provide service.

43. CSWR-Texas has the technical and managerial capability to provide continuous and adequate service to the requested area.

Feasibility of Obtaining Service from Adjacent Retail Public Utility

44. Deer Springs is currently serving customers and such service has been continuous and adequate.
45. Obtaining service from an adjacent retail public utility would likely increase costs to customers because new facilities will need to be constructed. At a minimum, an interconnect would need to be installed in order to connect to a neighboring retail public utility.
46. All retail public utilities in the proximate area were provided notice of the application and no protests or adverse comments were filed.
47. It is not feasible to obtain service from an adjacent retail public utility.

Regionalization or Consolidation

48. It will not be necessary for CSWR-Texas to construct a physically separate water system to serve the requested area.
49. Because the requested area will not require construction of a physically separate water system, consideration of regionalization or consolidation with another retail public utility is not required.

Ability to Serve: Financial Ability

50. CSWR, LLC, the immediate parent company of CSWR-Texas, is capable, available, and willing to cover temporary cash shortages, and has a debt-to-equity ratio that is less than one. Therefore, CSWR-Texas satisfies the leverage test.
51. CSWR, LLC provided a written guarantee of coverage of temporary cash shortages and demonstrated that it has sufficient cash available to cover any projected operations and maintenance shortages in the first five years of operations after completion of the transaction and possesses the cash and leverage ability to pay for capital improvements and necessary equity investments. Therefore, CSWR-Texas satisfies the operations test.

52. CSWR-Texas demonstrated the financial capability and stability to pay for the facilities necessary to provide continuous and adequate service to the requested area.

Financial Assurance

53. There is no need to require CSWR-Texas to provide a bond or other financial assurance to ensure continuous and adequate service.

Environmental Integrity and Effect on the Land

54. The requested area will continue to be served with existing infrastructure.
55. There will be minimal effects on environmental integrity and on the land as a result of CSWR-Texas' planned upgrades, renovations, and repairs to the water system.

Improvement of Service or Lowering Cost to Customers

56. Water service to the requested area is expected to improve because CSWR-Texas intends to make upgrades, renovations, and repairs necessary to improve the safety and reliability of service.
57. The rates charged to customers in the requested area will not change as a result of the proposed transaction because CSWR-Texas will adopt the currently in effect tariff for the water system upon approval of the transaction.

Map, Tariff Pages, and Certificate

58. On March 6, 2024, Commission Staff emailed to CSWR-Texas the proposed final map, relevant tariff pages, and certificate related to this docket.
59. On March 6, 2024, Commission Staff emailed to Deer Springs the proposed final map related to this docket.
60. On March 14, 2024, CSWR-Texas filed the following: (a) its consent form concurring with the proposed final map, tariff pages, and certificate; and (b) Deer Springs' consent form concurring with the proposed final map.
61. The proposed final map, relevant tariff pages, and certificate were included as attachments to the joint supplemental motion to admit evidence and proposed notice of approval filed on April 5, 2024.

Informal Disposition

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

63. No person filed a protest or motion to intervene.
64. Deer Springs, CSWR-Texas, and Commission Staff are the only parties to this proceeding.
65. No party requested a hearing and no hearing is needed.
66. Commission Staff recommended approval of the application.
67. This decision is not adverse to any party.

II. Conclusions of Law

The Commission makes the following conclusions of law.

1. The Commission has authority over this proceeding under Texas Water Code (TWC) §§ 13.041, 13.241, 13.242, 13.244, 13.246, 13.251, and 13.301.
2. Deer Springs and CSWR-Texas are retail public utilities as defined by TWC § 13.002(19) and 16 Texas Administrative Code (TAC) § 24.3(31).
3. The applicants provided notice of the application in compliance with TWC §§ 13.246 and 13.301(a)(2) and 16 TAC § 24.239.³
4. The application meets the requirements of TWC § 13.244 and 16 TAC §§ 24.227 and 24.233.
5. The Commission processed the application as required by the TWC, the Administrative Procedure Act,⁴ and Commission rules.
6. Deer Springs and CSWR-Texas complied with the requirements of 16 TAC § 24.239(k) and (l) with respect to customer deposits.
7. Deer Springs and CSWR-Texas completed the sale within the time required by 16 TAC §24.239(m), as extended in writing by the ALJ.
8. After consideration of the factors in TWC § 13.246(c), CSWR-Texas demonstrated that it is capable of rendering continuous and adequate service to every customer in the requested area, as required by TWC § 13.251.

³ After this application was filed, 16 TAC § 24.239 was amended, effective March 29, 2023. Accordingly, all references and citations to 16 TAC § 24.239 in this Notice of Approval are made to the version in effect at the time the application was filed.

⁴ Tex. Gov't Code §§ 2001.001-.903.

9. CSWR-Texas demonstrated adequate financial, managerial, and technical capability for providing continuous and adequate service to the requested area, as required by TWC §§ 13.241(a) and 13.301(b).
10. It is not necessary for CSWR-Texas to provide a bond or other financial assurance under TWC §§ 13.246(d) and 13.301(c).
11. Regionalization and consolidation concerns under TWC § 13.241(d) do not apply in this proceeding because construction of a physically separate water system is not required.
12. CSWR-Texas and Deer Springs demonstrated that the sale and transfer of Deer Springs' facilities under CCN number 11630 to CSWR-Texas and the addition of uncertificated area to CSWR-Texas' CCN number 13290 will serve the public interest and is necessary for the service, accommodation, convenience, or safety of the public under TWC §§ 13.246(b) and 13.301(d) and (e).
13. Under TWC § 13.257(r) and (s), CSWR-Texas must record a certified copy of the map and certificate approved by this Notice of Approval, along with a boundary description of the service area, in the real property records of Burnet County within 31 days of receiving this Notice of Approval and submit to the Commission evidence of the recording.
14. The requirements for informal disposition under 16 TAC § 22.35 have been met in this proceeding.

III. Ordering Paragraphs

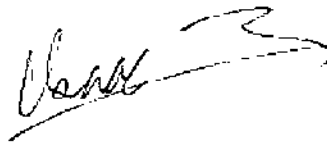
In accordance with these findings of fact and conclusions of law, the Commission issues the following orders.

1. The Commission approves the sale and transfer of Deer Springs' facilities under CCN number 11630 to CSWR-Texas.
2. The Commission cancels CCN number 11630.
3. The Commission amends CSWR-Texas' CCN number 13290 to include the facilities previously included in CCN number 11630.
4. The Commission amends CSWR-Texas' CCN number 13290 to include the requested area, as shown on the attached map.

5. The Commission approves the map and tariff pages attached to this Notice of Approval.
6. The Commission issues the certificate attached to this Notice of Approval.
7. CSWR-Texas must provide service to every customer or applicant for service within the approved area under CCN number 13290 that requests service and meets the terms of CSWR-Texas' water service policies, and such service must be continuous and adequate.
8. CSWR-Texas must comply with the recording requirements in TWC § 13.257(r) and (s) for the area in Burnet County affected by the application and must submit to the Commission evidence of the recording no later than 45 days after receipt of the Notice of Approval.
9. Within ten days of the date this Notice of Approval is filed, Commission Staff must provide the Commission with a clean copy of CSWR-Texas' most current comprehensive tariff, including the tariff pages approved by this Notice of Approval, to be stamped *Approved* and retained by Central Records.
10. The Commission denies all other motions and any other requests for general or specific relief, if not expressly granted.

Signed at Austin, Texas the 28th day of May 2024.

PUBLIC UTILITY COMMISSION OF TEXAS



**ISAAC TA
ADMINISTRATIVE LAW JUDGE**

PUCT Docket No. 53429
CSWR-Texas Utility Operating Company, LLC
Portion of Water CCN No. 13290
Transfer all of Deer Springs Water Company, CCN No. 11630 in Burnet County



Water CCN



13290 - CSWR-Texas Utility Operating Company LLC





WATER UTILITY TARIFF
Docket Number: 53429

CSWR – Texas Utility Operating Company, LLC
(Utility Name)

1630 Des Peres Rd Suite 140
(Business Address)

St. Louis, MO 63131
(City, State, Zip Code)

(314) 380-8595
(Area Code/Telephone)

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

13290

This tariff is effective in the following counties:

Angelina, Aransas, Austin, Brazoria, Burleson, Burnet, Calhoun, Camp, Denton, Ellis, Erath, Gillespie, Guadalupe, Harris, Hays, Hidalgo, Hood, Jackson, Kerr, Limestone, Llano, Lubbock, McCulloch, Medina, Montague, Montgomery, Navarro, Orange, Palo Pinto, Parker, Polk, Robertson, Sabine, San Augustine, Tarrant, Uvalde, Victoria, Wilson, and Wood

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

City of Red Oak

Rates for the Red Oak Community Water Service subdivision (PWS #0700056), which is located within the City of Red Oak, are not included in this tariff and should be obtained from the City of Red Oak. (Docket No. 43175)

City of Granbury, City of Lubbock, and City of Rockport

The rates set or approved by a city for the systems entirely within its corporate boundary are not presented in this tariff. Those rates are not under the original jurisdiction of the PUC and will have to be obtained from the city or utility. This tariff applies to outside city customers of systems that provide service inside and outside of a city's corporate boundary.

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

See 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 REGULATIONSXX
SECTION 3.0 -- EXTENSION POLICYXX

APPENDIX A -- DROUGHT CONTINGENCY PLAN
APPENDIX B -- SERVICE AGREEMENT

LIST OF SUBDIVISIONS AND SYSTEMS

SUBDIVISION	PWS	COUNTY	PAGE No.
Aero Valley Water Service	0610243	Denton	2
Amberwood Subdivision	1011920	Harris	2
Aransas Bay	0040018	Aransas	2
Arrowhead Water System	2470025	Wilson	2
Big Wood Springs Subdivision	2500019	Wood	2
Bois D' Arc	0040018	Aransas	2
Chaparral Water System Gillespie	0860010	Gillespie	2
Coletto Water Company	2350036	Victoria	2
Copano Cove Subdivision	0040003	Aransas	2
Copano Heights Unit 1 & 2, Water System	0040017	Aransas	2
Copano Ridge Subdivision	0040029	Aransas	2
Council Creek Village	0270014	Burnet	2
Country Squire Water & Sewer	1810060	Orange	2
Crystal Land Water System	1330153	Kerr	2
Deer Springs Water Company	0270006	Burnet	XX
El Pinon Estates Water System	2030013	San Augustine	2
Emerald Forest	0700058	Ellis	2
Flag Creek Ranch	1500112	Llano	2
Forest Oak Unit 1 and 2	0940085	Guadalupe	2
Franklin Water Systems 1	1520224	Lubbock	2
Franklin Water Systems 3	1520080	Lubbock	2
Goose Island State Park	0040018	Aransas	2
Grande Casa Ranchitos	0700063	Ellis	2
Hickory Hill Water	2470018	Victoria	2
Hillside Estates Water System	0080049	Austin	2
Hilltop Home Addition	1840034	Parker	2
Hilltop Estates	1840034	Parker	2
Homestead @ Turtle Creek	1330153	Kerr	2
Indian Cove	0040018	Aransas	2

LIST OF SUBDIVISIONS AND SYSTEMS

SUBDIVISION	PWS	COUNTY	PAGE No.
Laguna Tres	1110019	Hood	2
Laguna Vista	1110095	Hood	2
Lake Limestone Coves	1980020	Limestone & Robertson	2
Lakeview Ranchettes Estates	0700057	Ellis	2
La Playa Subdivision Water System	2030015	San Augustine	2
Live Oak Hills	1540012	McCulloch	2
Longford Place Water System	1810015	Orange	2
Meadowview Estates	0080051	Austin	2
Meadowview Estates II	0080059	Austin	2
Neptune Harbor	0040018	Aransas	2
North Victoria Utilities	2350049	Victoria	2
Oak Hill Estates*	1013045	Harris	3
Oak Hill Ranch Estates, Oak Hill Ranchettes	0940085	Guadalupe	2
Oak Hollow Estates, Oak Hollow Park	2470019	Wilson	2
Palmetto Park Estates	0040018	Aransas	2
Pelican Isle Water System	1750036	Navarro	2
Quiet Village II Subdivision, Quiet Village II	1080221	Hidalgo	2
Settlers Crossing Water System	0080058	Austin	2
Settlers Crossing Water System 2	0080060	Austin	2
Settlers Estates Sec II	0080056	Austin	2
Settlers Meadows Water System	0080055	Austin	2
Shady Oaks Subdivision	2350036	Victoria	2
Shady Oaks Water Company	2470017	Wilson	2
South Council Creek 1	0270079	Burnet	2
South Council Creek 2	0270080	Burnet	2
South Silver Creek I, II, III	0270041	Burnet	2
Spanish Grant	0700064	Ellis	2
Tall Pines Utility	1010220	Harris	2
Texas Landing Utilities Deerwood	1700798	Montgomery	2

LIST OF SUBDIVISIONS AND SYSTEMS

SUBDIVISION	PWS	COUNTY	PAGE No.
Texas Landing Utilities Goode City	1700744	Montgomery	2
Texas Landing Utilities	1870151	Polk	2
Thousand Oaks	0720054	Erath	2
Timberlane Water	2020054	Sabine	2
Treetops Phase 1	1840134	Parker	2
Tri County Point Water System 2	1200027	Jackson	2
Tri County Point Water System 3	1200028	Jackson	2
Tri County Point Water System 4	1200029	Jackson	2
Ville d'Alsace Water Supply*	1630037	Medina	4
Vista Verde Water Systems	1700694	Montgomery	2
Walnut Bend Water Supply	0030037	Angelina	2
WaterCo	1690028	Montague	2
The Woodlands Water System	1050139	Hays	2
Woodland Harbor	0320014	Camp	2
Woodlands West	0260043	Burleson	2

* Denotes systems with separate rate schedules. The rate schedules designated as “applicable to all water service areas reflected on list of subdivisions and systems unless otherwise specified” do not apply to these systems.

SECTION 1.0 -- RATE SCHEDULE

Section 1.01 - Rates

<u>Meter Size</u>	<u>Monthly Minimum Charge</u>	<u>Gallonage Charge</u>
5/8" or 3/4"	<u>\$36.25</u> (Includes 0 gallons)	<u>\$2.75</u> per 1000 gallons

FORM OF PAYMENT: The utility will accept the following form(s) of payment:

Cash X, Check X, Money Order____, Credit Card____, Other (specify) _____

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

REGULATORY ASSESSMENT.....1.0%

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

Section 1.02 - Miscellaneous Fees

TAP FEE.....\$500.00

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

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

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

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

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

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

THIS FEE MAY BE CHARGED IF A CUSTOMER REQUESTS THAT AN EXISTING METER BE RELOCATED.

METER TEST FEE.....\$25.00

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

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

SECTION 1.0 -- RATE SCHEDULE (CONT.)

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

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

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

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

GOVERNMENTAL TESTING, INSPECTION AND COSTS SURCHARGE:

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

LINE EXTENSION AND CONSTRUCTION CHARGES:

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



Public Utility Commission of Texas

By These Presents Be It Known To All That

CSWR-Texas Utility Operating Company, LLC

having obtained certification to provide water utility service for the convenience and necessity of the public, and it having been determined by this Commission that the public convenience and necessity would in fact be advanced by the provision of such service, CSWR-Texas Utility Operating Company, LLC is entitled to this

Certificate of Convenience and Necessity No. 13290

to provide continuous and adequate water utility service to that service area or those service areas in Angelina, Aransas, Austin, Brazoria, Burleson, Burnet, Calhoun, Camp, Denton, Ellis, Erath, Gillespie, Guadalupe, Harris, Hays, Hidalgo, Hood, Jackson, Kerr, Limestone, Llano, Lubbock, McCulloch, Medina, Montague, Montgomery, Navarro, Orange, Palo Pinto, Parker, Polk, Robertson, Sabine, San Augustine, Tarrant, Uvalde, Victoria, Wilson, and Wood counties as by final Order or Orders duly entered by this Commission, which Order or Orders resulting from Docket No. 53429 are on file at the Commission offices in Austin, Texas; and are matters of official record available for public inspection; and be it known further that these presents do evidence the authority and the duty of the CSWR-Texas Utility Operating Company, LLC to provide such utility service in accordance with the laws of this State and Rules of this Commission, subject only to any power and responsibility of this Commission to revoke or amend this Certificate in whole or in part upon a subsequent showing that the public convenience and necessity would be better served thereby.