



Filing Receipt

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

Pursuant to Texas Water Code § 13.301 and 16 Texas Administrative Code § 24.239

Sale, Transfer, or Merger (STM) Application Instructions

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

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

FAQ:
Who can use this form?

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

Who is required to use this form?

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

Terms

Transferor: Seller

Transferee: Purchaser

CCN: Certificate of Convenience and Necessity

STM: Sale, Transfer, or Merger

IOU: Investor Owned Utility

Application Summary

Transferor: Woodland Oaks Utility LP
(selling entity)

CCN No.s: 12947 (w) and 20880 (s)

Sale Transfer Merger Consolidation Lease/Rental

Transferee: Texas Water Utilities, L.P.
(acquiring entity)

CCN No.s: 12983 (w) and 20899 (s)

Water Sewer All CCN Portion CCN Facilities transfer

County(ies): Montgomery

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Please mark the items included in this filing

<input checked="" type="checkbox"/> Contract, Lease, Purchase, or Sale Agreement	Part A: Question 1 Attachment 2
<input checked="" type="checkbox"/> Tariff including Rate Schedule	Part B: Question 4 Attachments 3 and 4
<input type="checkbox"/> List of Customer Deposits	Part B: Question 5
<input checked="" type="checkbox"/> Partnership Agreement	Part C: Question 7 Attachment 5
<input type="checkbox"/> Articles of Incorporation and By-Laws (WSC)	Part C: Question 7
<input checked="" type="checkbox"/> Certificate of Account Status	Part C: Question 7 Attachment 6
<input checked="" type="checkbox"/> Financial Audit	Part C: Question 10 Attachment 7
Application Attachment A & B	Part C: Question 10
<input checked="" type="checkbox"/> Disclosure of Affiliated Interests	Part C: Question 10 Attachment 9
<input checked="" type="checkbox"/> Capital Improvement Plan	Part C: Question 10 Attachment 8
<input checked="" type="checkbox"/> List of Assets to be Transferred	Part D: 11.B Attachment 13
Developer Contribution Contracts or Agreements	Part D: 11.D
<input checked="" type="checkbox"/> Enforcement Action Correspondence	Part E: Question 18 (Part D: Q12) Attachment 10
<input checked="" type="checkbox"/> TCEQ Compliance Correspondence	Part F: Question 22 Attachment 11
<input type="checkbox"/> TCEQ Engineering Approvals	Part F: Question 24
<input type="checkbox"/> Purchased Water Supply or Treatment Agreement	Part F: Question 26
<input checked="" type="checkbox"/> Detailed (large scale) Map	Part G: Question 29 Attachment 12
<input checked="" type="checkbox"/> General Location (small scale) Map	Part G: Question 29 Attachment 12
<input type="checkbox"/> Digital Mapping Data	Part G: Question 29
<input checked="" type="checkbox"/> Signed & Notarized Oath	Page 13-14

Part A: General Information

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

Please see Attachments 1 and 2

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

For **Transferee** (Purchaser) CCN:

For **Transferor** (Seller) CCN:

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

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

Part B: Transferor Information

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

3. A. Name: Woodland Oaks Utility LP
(individual, corporation, or other legal entity)
 Individual Corporation WSC Other: limited partnership

B. Mailing Address: PO Box 592, Conroe, Texas 77305

Phone: (936) 539-1232 Email: chuck@waterlogicadvisors.com

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

Name: Charles W. Profilet, Jr. Title: advisor

Mailing Address: 104 Drawing Maple St, San Marcos, Texas 78666

Phone: (281) 630-8119 Email: chuck@waterlogicadvisors.com

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

A. Effective date for most recent rates: September 1, 2022

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

No Yes Application or Docket Number: 53857

If the transferor is a Water Supply or Sewer Service Corporation, provide a copy of the current tariff. Please see Att 3

- County
- Affected County (a county to which Subchapter B, Chapter 232, Local Government Code, applies)
- Other (please explain): _____

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

Name: n/a

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

Name:	<u>Jeffrey L. McIntyre</u>	Ownership % (if applicable):	<u>0.00%</u>
Position:	<u>President</u>		
Address:	<u>12535 Reed Road, Sugar Land, Texas 77478</u>		
Phone:	<u>(830) 207-5800</u>	Email:	<u>swwc.com</u>
Name:	<u>Alison Zimlich</u>	Ownership % (if applicable):	<u>0.00%</u>
Position:	<u>Treasurer/CFO</u>		
Address:	<u>12535 Reed Road, Sugar Land, Texas 77478</u>		
Phone:	<u>(830) 207-5800</u>	Email:	<u>swwc.com</u>
Name:	<u>Mark Wang</u>	Ownership % (if applicable):	<u>0.00%</u>
Position:	<u>Secretary</u>		
Address:	<u>12535 Reed Road, Sugar Land, Texas 77478</u>		
Phone:	<u>(830) 207-5800</u>	Email:	<u>swwc.com</u>
Name:	<u>Joseph Park</u>	Ownership % (if applicable):	<u>0.00%</u>
Position:	<u>Assistant Secretary</u>		
Address:	<u>12535 Reed Road, Sugar Land, Texas 77478</u>		
Phone:	<u>(830) 207-5800</u>	Email:	<u>swwc.com</u>

10. **Financial Information**

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

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

1. Completed Appendix A;
2. Documentation that includes all of the information required in Appendix A in a concise format; or
- ③ Audited financial statements issued within 18 months of the application filing date. This may be provided electronically by providing a uniform resource locator (URL) or a link to a website portal. Please see Att 7

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

1. Completed Appendix B;
2. Documentation that includes all of the information required in Appendix B in a concise format;
- ③ A detailed budget or capital improvement plan, which indicates sources and uses of funds required, including improvements to the system being transferred; or Please see Att 8
4. A recent budget and capital improvements plan that includes information needed for analysis of the operations test (16 Tex. Admin. Code § 24.11(e)(3)) for the system being transferred and any operations combined with the system. This may be provided electronically by providing a uniform resource locator (URL) or a link to a website portal.

Part D: Proposed Transaction Details

11. A. Proposed Purchase Price: \$ _____ Please see Attachments 1 and 2

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

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

No Yes N/A

Please see Attachment 13

Total Original Cost of Plant in Service: \$ _____

Accumulated Depreciation: \$ _____

Net Book Value: \$ _____

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

No Yes

Total Customer CIAC: \$ _____

Accumulated Amortization: \$ _____

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

No Yes

Total developer CIAC: \$ _____

Accumulated Amortization: \$ _____

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

No Yes

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

n/a

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

n/a

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

Utility Plant in Service:	\$ _____	Please see Attachment 1
Accumulated Depreciation of Plant:	\$ _____	
Cash:	\$ _____	
Notes Payable:	\$ _____	
Mortgage Payable:	\$ _____	
(Proposed) Acquisition Adjustment*:	\$ _____	

* Acquisition Adjustments will be subject to review under 16 TAC § 24.41(d) and (e)

Other (NARUC account name & No.): _____

Other (NARUC account name & No.): _____

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

Consistent with TWC 13.3011, Texas Water Utilities proposes to charge customers transferred from Woodland Oaks Utility the rates in Texas Water Utilities' approved tariff. Please see Attachment 1.

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

Texas Water Utilities does not intend to file an application to change rates as a result of the transaction within the next twelve months.

Part E: CCN Obtain or Amend Criteria Considerations

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

There are no anticipated negative impacts or changes in the quality of service in the requested area as a result of the proposed transaction; Texas Water Utilities will provide operations and customer service that meet or exceed the established standards set by the Commission and the TCEQ.

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

Texas Water Utilities, a Class A water and wastewater utility, has the necessary financial, managerial, and technical resources to continue providing quality services to the systems and customers to be transferred. Texas Water Utilities, through its predecessors and affiliates, has been successfully operating in Texas for over 50 years and is well known to the Commission. In addition to licensed operators, Texas Water Utilities' management and operations staff include engineers, environmental health and safety managers, financial managers, and experienced customer service agents.

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

No Yes Please see Att 10

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

There is no anticipated adverse impact or disruption to the environmental integrity of the land as a result of the proposed transaction.

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

Service to customers will be maintained or improved as a result of having an owner with substantial experience successfully owning and operating water and wastewater utilities in Texas. Texas Water Utilities owns and operates systems nearby and intends to operate the systems to be transferred out of its regional service center. Customer service will be provided by Texas Water Utilities' centralized Texas business center. Generally, Texas Water Utilities will provide high-quality operations and customer service that meet or exceed Commission and TCEQ standards.

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

Aqua Texas Inc (CCNs 13203 and 21065), City of Conroe (CCNs 10339 and 20135), Lake South WSC (CCNs 12700 and 20772), C & R Water Supply Inc (CCN 13098), Crystal Springs Water Company Inc (CCN 11373), Cypresswood Estates (CCN 12498), Everett Square Inc (CCN 12831), H-M-W SUD (CCN 10342), Lake Forest Falls Inc (CCN 11443), Montgomery Place Water System (CCN 12639), MSEC Enterprises Inc (CCN 12887), Quadvest LP (CCN 11612), SP Utility Company Inc (CCN 12978), T & W Water Service Company (CCN 12892), Undine Texas LLC (CCN 13260), Westwood North WSC (CCN 11599),

Montgomery County MUDs 42, 46, 47, 86, 113, 114, 121, 123, 132, 141, 142, 147, 149, 153, & 183

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

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

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

TCEQ PWS Identification Number: 1700648 (7 digit ID)

Name of PWS: Woodland Oaks Subdivision

Date of last TCEQ compliance inspection: Nov 18, 2021 (attach TCEQ letter) **Please see Att 11**

Subdivisions served: Woodland Oaks, Durango Creek, Forest Crossing, Forest West, Ridgewood

B. For Sewer service:

TCEQ Water Quality (WQ) Discharge Permit Number: WQ 0014 - 166001 (8 digit ID)

Name of Wastewater Facility: Woodland Oaks

Name of Permittee: Woodland Oaks Utility LP

Date of last TCEQ compliance inspection: July 7, 2021 (desk audit) (attach TCEQ letter) **Please see Att 11**
Feb 20, 2015 (inspection)

Subdivisions served: Woodland Oaks, Durango Creek, Forest Crossing, Forest West, Ridgewood, Cimarron Creek

Date of application to transfer permit *submitted* to TCEQ: January 3, 2023 Please see Att. 15

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

Water			Sewer		
	Non-metered	3	2"	1,211	Residential
1,228	5/8" or 3/4"	1	3"		Commercial
15	1"		4"		Industrial
4	1 1/2"		Other	80	Other
Total Water Connections:			1,251	Total Sewer Connections:	1,291

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

No Yes

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

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

C. Is there a moratorium on new connections?

No Yes:

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

No Yes: _____ (name of municipality)

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

Water: _____ Sewer: _____

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

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

Capacity is purchased from: _____

Water: _____

Sewer: _____

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

No Yes

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

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

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

No Yes: **X** N/A

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

No Yes:

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

Name (as it appears on license)	Class	License No.	Water or Sewer
Ellery Studivant	C & A	WG0006068 & WW0045225	Groundwater & Wastewater
Leonard O. Smith	C & C	WG0002624 & WW0025936	Groundwater & Wastewater
Ryan Tolar	C & C	WG0018884 & WW0061017	Groundwater & Wastewater
Darrell Yates	CSI, C & C	C10004896, WG0004398 & WW0028028	Customer Service Inspector, Groundwater & Wastewater

Part G: Mapping & Affidavits

**ALL applications require mapping information to be filed in conjunction with the STM application.
Read question 29 A and B to determine what information is required for your application.**

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

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

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

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

B. For applications that are requesting to include area not currently within a CCN, or for applications that require a CCN amendment (any change in a CCN boundary), such as the transfer of only a portion of a certificated service area, provide the following mapping information with each of the seven (7) copies of the application: Please see Att 12

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

Part H: Notice Information

The following information will be used to generate the proposed notice for the application.
DO NOT provide notice of the application until it is found sufficient and the Applicants are ordered to provide notice.

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

The total acreage of the requested area is approximately: 884.0 (CCN 12947) & 737.58 (CCN 20880)

Number of customer connections in the requested area: 1,251 (CCN 12947) & 1,291 (CCN 20880)

Affected subdivision : Woodland Oaks, Durango Creek, Forest Crossing, Forest West, Ridgewood, Cimarron Creek

The closest city or town: Conroe

Approximate mileage to closest city or town center: 8.5

Direction to closest city or town: Northeast

The requested area is generally bounded on the North by: Lake Creek stream/river & Honea Egypt Rd (CCN 12947) & Brown Bark Dr & FM 1488 Rd (CCN 20880)

on the East by: Honea Egypt Rd & Windcrest Estates Blvd (CCN 12947) & Westwood Dr N & Honea Egypt Rd & Oak Crest Cir (CCN 20880)

on the South by: FM 1488 Rd & Windcrest Estates Blvd (CCN 12947) & Stoney Creek Ln & Clubhouse Cir & FM 1488 Rd (CCN 20880)

on the West by: Cimarron Way & Pipestone Rd (CCN 12947) & Cimarron Way & a point .75 East of Crestlake Blvd (CCN 20880)

31. A copy of the proposed map will be available at: 1620 Grand Ave Pkwy, Ste 140, Pflugerville, TX 78660

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

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

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

higher monthly bill lower monthly bill

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

higher monthly bill lower monthly bill

Oath for Transferor (Transferring Entity)

STATE OF Texas

COUNTY OF Montgomery

I, Scott Stevens being duly sworn, file this application for sale, transfer, Vice President merger, consolidation, acquisition, lease, or rental, as

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

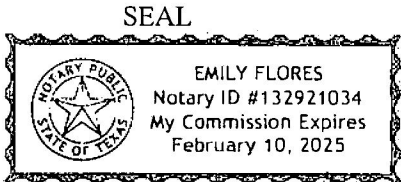
I attest that, in such capacity, I am qualified and authorized to file and verify such application, am personally familiar with the documents filed with this application, and have complied with all the requirements contained in the application; and, that all such statements made and matters set forth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

I further state that I have been provided with a copy of the 16 TAC § 24.239 Commission rules. I am also authorized to agree and do agree to be bound by and comply with any outstanding enforcement orders of the Texas Commission on Environmental Quality, the Public Utility Commission of Texas or the Attorney General which have been issued to the system or facilities being acquired and recognize that I will be subject to administrative penalties or other enforcement actions if I do not comply.

[Signature]
AFFIANT
(Utility's Authorized Representative)

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

SUBSCRIBED AND SWORN BEFORE ME, a Notary Public in and for the State of Texas this day the 20th of December, 2022



[Signature]
NOTARY PUBLIC IN AND FOR THE STATE OF TEXAS
Emily Flores
PRINT OR TYPE NAME OF NOTARY

My commission expires: 2/10/2025

Oath for Transferee (Acquiring Entity)

STATE OF Texas

COUNTY OF FORT BEND

I, Jeffrey L. McIntyre being duly sworn, file this application for sale, transfer, merger, consolidation, acquisition, lease, or rental, as President
(owner, member of partnership, title as officer of corporation, or authorized representative)

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

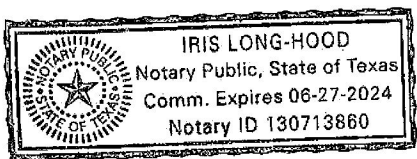
I further state that I have been provided with a copy of the 16 TAC § 24.239 Commission rules. I am also authorized to agree and do agree to be bound by and comply with any outstanding enforcement orders of the Texas Commission on Environmental Quality, the Public Utility Commission of Texas or the Attorney General which have been issued to the system or facilities being acquired and recognize that I will be subject to administrative penalties or other enforcement actions if I do not comply.

[Signature]
AFFIANT
(Utility's Authorized Representative)

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

SUBSCRIBED AND SWORN BEFORE ME, a Notary Public in and for the State of Texas
this day the 22ND of DECEMBER, 20 22

SEAL



[Signature]
NOTARY PUBLIC IN AND FOR THE
STATE OF TEXAS
IRIS LONG-HOOD
PRINT OR TYPE NAME OF NOTARY

My commission expires: 06-27-2024

ATTACHMENTS LIST

- **Attachment 1 - Transaction Summary (Q1 & Q14) (CONFIDENTIAL)**
- **Attachment 2 - Asset Purchase Agreement (Q1) (CONFIDENTIAL)**
- **Attachment 3 - Current Tariffs of Transferor (Q4)**
- **Attachment 4 - Current Tariffs of Transferee (Q4)**
- **Attachment 5 - Transferee Partnership Agreement (Q7)**
- **Attachment 6 - Transferee Certificate of Account Status (Q7)**
- **Attachment 7 - Transferee Financial Statements (Q10) (CONFIDENTIAL)**
- **Attachment 8 - Transferee Capital Improvement Plan (Q10) (CONFIDENTIAL)**
- **Attachment 9 - Disclosure of Transferee Affiliated Interests (Q10) (CONFIDENTIAL)**
- **Attachment 10 - Summary of Transferee Enforcement Action Status (Q18)**
- **Attachment 11 - Transferor TCEQ Compliance Inspection (Q22A)**
- **Attachment 12 - Large and Small Scale Maps (Q29)**
- **Attachment 13 - Fair Market Value Reports (Q11) (CONFIDENTIAL)**
- **Attachment 14 - Fair Market Value Invoices (Q11) (CONFIDENTIAL)**
- **Attachment 15 - TCEQ Permit Transfer Application (Q22)**

Attachment 1 – Transaction Summary (REDACTED) (Q1 & Q14)

***unredacted attachment to be provided separately under
confidential seal***

Woodland Oaks Utility LP (“WOU”) is a retail public utility providing water and wastewater utility services to customers in Montgomery County under Certificate of Convenience and Necessity (“CCN”) Nos. 12947 and 20880. Texas Water Utilities, L.P. (“TWU”) is an investor-owned, Class-A utility providing utility service to customers in multiple counties under water CCN No. 12983 and wastewater CCN No. 20899. TWU, through its predecessors and affiliates, has successfully operated in the State of Texas for over 50 years and is well known to the Public Utility Commission of Texas (“Commission”).

With this application, TWU is requesting approval from the Commission to consummate the transaction proposed by the Asset Purchase Agreement (“APA”) included with the Application as Confidential Attachment 2. The proposed transaction will result in the transfer of a portion of the certificated service area, utility assets, and customers from WOU to TWU, and WOU’s CCN Nos. 12947 and 20880 will be retained by WOU.

Per TWC 13.305(g), TWU is requesting that rate base of the assets to be acquired from WOU be determined using the fair market valuation process, which specifies that rate base may be set at the lower of the purchase price and fair market value (“FMV”). TWU filed on July 15, 2022, in Docket No. 49859, its Notice of Intent to Determine Fair Market Value for the WOU assets. The Commission selected Zak Wright of NewGen Strategies & Solutions, Gregory E. Scheig of Vantage Point Advisors, Inc., and J. Fernando Sosa of Cushman & Wakefield, Inc. Each expert conducted valuation analyses using the cost approach, income approach, and market approach; their valuation reports are provided as Confidential Attachment 13 and summarized in the table below.

FMV Expert	FMV
Zak Wright	██████████
Gregory E. Scheig	██████████
J. Fernando Sosa	██████████
AVERAGE	██████████

Per the APA, the purchase price is the FMV determined pursuant to 16 Tex. Admin. Code § 24.238, so this is the amount at which TWU requests rate base be set, with the addition of FMV expert fees. Per 16 TAC § 24.238(k), fees paid to utility valuation experts may be included in transaction and closing costs and are subject to review during a subsequent general rate case for recovery. The amount of fees TWU incurred are summarized in the table below, the invoices for which are provided as Confidential Attachment 14.

Amount*	Date	Vendor
██████████	12/16/2022	Cushman & Wakefield
██████████	12/16/2022	NewGen
██████████	12/20/2022	Vantage Point Advisors (Stout)
██████████	TOTAL	

*Includes amounts totaling the ██████████ engineering fee

Per 16 TAC § 24.238(k)(2)(A), the amount of utility valuation expert fees allowable for inclusion in rate base is limited to five percent of the FMV. Five percent of ██████████ is ██████████, which is more than the actual amount of FMV expert fees of ██████████; therefore, TWU requests the actual amount of FMV expert fees of ██████████ be added to the purchase price to determine rate base of the acquired assets, as summarized below.

a		Average FMV
b		FMV fees allowed
c=a+b		Total Requested Rate Base

The proposed accounting entries to record this transaction would be as follows:

Utility Plant		
Goodwill		
Cash		

In addition to the use of FMV to determine rate base of the acquired assets, per TWC 13.3011, TWU also proposes to charge customers transferred from WOU the rates that are in TWU's approved tariffs on the date the application is filed. TWU's most recently approved water and wastewater tariffs as of the application-filing date were approved in Commission Docket No. 52257 and TCEQ Docket No. 37006-R, respectively, and are provided in Attachment 4 of the Application. Below is a comparison of WOU's current residential base rates to TWU's.

WATER		
Rate Type	WOU rate	TWU rate
5/8" base	\$36.28	\$48.37
Usage (0-2 kgal)	\$2.58	\$6.48
Usage (2-5 kgal)	\$2.58	\$7.98
Usage (5-10 kgal)	\$2.58	\$7.98
Usage (10-20 kgal)	\$3.33	\$9.05
Usage (>20 kgal)	\$3.33	\$9.64

WASTEWATER		
Rate Type	WOU rate	TWU rate
5/8" base	\$35.53	\$68.52
Usage (all kgal)	\$3.00	\$2.39

Further details of the transaction are provided in the Application and its attachments.

Attachment 2 – Asset Purchase Agreement (Q1)

to be provided separately under confidential seal

Attachment 3 – Current Tariffs of Transferor (Q4)



Filing Receipt

Received - 2021-09-17 03:59:30 PM

STAMPED APPROVED
COPY

ENTERED BY CENTRAL
RECORDS



WATER UTILITY TARIFF
Tariff Control Number: 52257

Woodland Oaks Utility Company, Inc.
(Utility Name)

P.O. Box 247
(Business Address)

Conroe, Texas 77305
(City, State, Zip Code)

(936)539-1232
(Area Code/Telephone)

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

12947

This tariff is effective in the following county:

Montgomery

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

None

This tariff is effective in the following subdivisions and water quality permit numbers:

Woodland Oaks and Forest West (PWS #1700648)

TABLE OF CONTENTS

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

SECTION 1.0 -- RATE SCHEDULE	2
SECTION 2.0 -- SERVICE RULES AND POLICIES	4
SECTION 3.0 -- EXTENSION POLICY	11

APPENDIX A -- DROUGHT CONTINGENCY PLAN

APPENDIX B -- SAMPLE SERVICE AGREEMENT

APPENDIX C -- APPLICATION FOR SERVICE

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SECTION 1.0 - RATE SCHEDULE

Monthly Minimum Charges

(Includes 0 gallons)

Residential	Effective 5/26/2011	Effective 5/26/2012
Meter Size		
5/8" x 3/4"	\$30.64	\$36.28
3/4"	\$39.71	\$54.42
1"	\$82.85	\$90.70
1 1/2"	\$165.70	\$181.40
2"	\$242.12	\$290.24
3"	\$422.10	\$544.20
4"	\$769.20	\$1,088.40

Commercial customers are required to have a minimum 1" meter connection.

Gallage Charge

\$2.58	per 1,000 gallons from 0 to 10,000 gallons
\$3.33	per 1,000 gallons from 10,001 gallons thereafter

Pass-Through Fees:

In addition to the gallage charge, the Lone Star Groundwater Conservation District (LSGCD) Pumpage fee of \$0.12 per 1,000 gallons used will be charged to all ratepayers within the boundaries of LSGCD.

Tariff Control No. 47774

In addition to the gallage charge, the San Jacinto River Authority (SJRA) Groundwater Reduction Plan fee of \$3.39 per 1,000 gallons used will be charged to all ratepayers affected by the SJRA Groundwater Reduction Plan.

Tariff Control No. 52257

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

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

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

TAP FEE..... \$500.00 (Residential)
 \$1,000.00 (Commercial)

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.

Tariff Control Number: 52257

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SECTION 1.0 - RATE SCHEDULE (Continued)

Section 1.02 - Miscellaneous Fees

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 COST TO RELOCATE METER NOT TO EXCEED TAP FEE
THIS FEE MAY BE CHARGED IF A CUSTOMER REQUESTS THAT AN EXISTING METER BE RELOCATED.

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

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

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

TRANSFER FEE \$40.00
THE TRANSFER FEE WILL BE CHARGED FOR CHANGING AN ACCOUNT NAME AT THE SAME SERVICE LOCATION WHEN THE SERVICE IS NOT DISCONNECTED.

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

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

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

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

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

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

SECTION 1.0 - RATE SCHEDULE (Continued)

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

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

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

Where:

- AG = adjusted gallonage charge, rounded to the nearest one cent
- G = current purchased water/district approved gallonage charge (per 1,000 gallons)
- L = system average line loss for the preceding 12 months not to exceed 0.15

To implement or modify the pass-through provision, the utility must comply with all notice and other requirements of 16 TAC § 24.25(h).

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SECTION 2.0 -- SERVICE RULES AND POLICIES

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

Section 2.01 - Application for Water Service

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

Section 2.02 - Refusal of Service

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

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

(A) Customer Deposits

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

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

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

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

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 PUC or such other regulatory authority having jurisdiction over the utility's rates in that portion of the utility's service area in which the applicant's or existing customer's property(ies) is located.

Fees in addition to the regular tap fee may be charged if listed specifically in Section 1 to cover unique costs not normally incurred as permitted by 16 TAC § 24.163(a)(1)(C). For example, a road bore for customers outside a subdivision or residential area could be considered a unique cost.

(C) Easement Requirement

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

Section 2.04 - Utility Response to Applications for Service

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

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

Section 2.05 - Customer Responsibility

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

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SECTION 2.0 – SERVICE RULES AND POLICIES (Continued)

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

Section 2.06 - Customer Service Inspections

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

Section 2.07 - 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.

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.

SECTION 2.0 – SERVICE RULES AND POLICIES (Continued)

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

(D) Prorated Bills

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

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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 PUC Rules.

(B) Without Notice

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

Section 2.13 - Reconnection of Service

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

Service will be reconnected within 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.

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

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

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

Section 2.17 - Customer Liability

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

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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 PUC rules and policies, and upon extension of the Utility's certified service area boundaries by the PUC.

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

Exceptions may be granted by the PUC if:

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

Tariff Control Number: 52257

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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 TCEQ minimum design criteria for facilities used in the production, transmission, pumping, or treatment of water or TCEQ minimum requirements. For purposes of this subsection, a developer is one who subdivides or requests more than two meters on a piece of property. Commercial, industrial, and wholesale customers will be treated as developers.

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

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SECTION 3.0 -- EXTENSION POLICY (Continued)

Any service extension to a subdivision (recorded or unrecorded) may be subject to the provisions and restrictions of 16 TAC § 24.163. When a developer wishes to extend the system to prepare to service multiple new connections, the charge shall be the cost of such extension, plus a pro-rata charge for facilities which must be committed to such extension compliant with the TCEQ minimum design criteria. As provided by 16 TAC § 24.163(d)(4), 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 utilities approved tariff after a rate change application has been filed. The fees cannot be billed to the developer or collected until the standby fees have been approved by the commission or executive director.
- for purposes of this section, a manufactured housing rental community can only be charged standby fees under a contract or if the utility installs the facilities necessary to provide individually metered service to each of the rental lots or spaces in the community.

Section 3.04 - Appealing Connection Costs

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

Section 3.06 - Qualified Service Applicant

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

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

Section 3.07 - Developer Requirements

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

APPENDIX A – DROUGHT CONTINGENCY PLAN
(Utility must attach a copy of TCEQ approved Drought Contingency Plan)

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APPENDIX B - SAMPLE SERVICE AGREEMENT
(Utility must attach Blank Copy)

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APPENDIX C - APPLICATION FOR SERVICE
(Utility must attach Blank Copy)

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**SEWER UTILITY TARIFF
FOR**

Woodland Oaks Utility Company, Inc. -
(Utility Name)

P.O. Box 247
(Business Address)

Conroe, Texas 77305
(City, State, Zip Code)

(936)539-1232
(Area Code/Telephone)

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

20880

This tariff is effective in the following county:

Montgomery

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

None

This tariff is effective in the following subdivisions and water quality permit numbers:

Woodland Oaks and Forest West (WQ#14166-001)
Timber Oaks Crossing Subdivision (WQ#14312-001)

TABLE OF CONTENTS

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

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SECTION 1.0 - RATE SCHEDULE

Monthly Minimum Charges

(includes 0 gallons)

Residential	Effective	Effective	<u>Gallonge Charge</u>
<u>Meter Size</u>	<u>5/26/2011</u>	<u>5/26/2012</u>	<u>\$3.00</u> per 1000 gallons
5/8" x 3/4"	\$31.27	\$35.53	
3/4"	\$40.15	\$53.30	
1"	\$81.92	\$88.83	
1 1/2"	\$163.83	\$177.65	
2"	\$242.12	\$284.24	
3"	\$416.48	\$532.95	
4"	\$757.95	\$1,065.90	

Monthly Minimum Charges

(includes 0 gallons)

Commercial Domestic	Effective	Effective	<u>Gallonge Charge</u>
<u>Meter Size</u>	<u>5/26/2011</u>	<u>5/26/2012</u>	<u>\$3.75</u> per 1000 gallons
1"	\$81.92	\$88.83	
1 1/2"	\$163.83	\$177.65	
2"	\$242.12	\$284.24	
3"	\$416.48	\$532.95	
4"	\$757.95	\$1,065.90	

Monthly Minimum Charges

(includes 0 gallons)

Commercial Non-Domestic	Effective	Effective	<u>Gallonge Charge</u>
<u>Meter Size</u>	<u>5/26/2011</u>	<u>5/26/2012</u>	<u>\$4.50</u> per 1000 gallons
1"	\$131.92	\$138.83	
1 1/2"	\$213.83	\$227.65	
2"	\$292.12	\$324.24	
3"	\$466.48	\$582.95	
4"	\$807.95	\$1,115.90	

Small-Use Commercial Domestic - Commercial domestic customers with no more than one sink and one toilet.

\$35.00 per month per connection including 0 gallons and
\$3.75 per 1,000 gallons

Volume charges are determined based on average consumption for winter period which includes the following months: December, January, February (residential customers only).

RATES LISTED ARE EFFECTIVE ONLY
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TEXAS COMM. ON ENVIRONMENTAL QUALITY
 37006-R, CCN 20880, MAY 26, 2011
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SECTION 1.0 - RATE SCHEDULE (CONTINUED)

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

Cash____, Check_X, Money Order_X, Credit Card____, Other (specify)_____

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

REGULATORY ASSESSMENT 1.0%

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

MONTHLY STAND-BY FEE \$25.00

A STAND-BY FEE WILL BE CHARGED TO WOODLAND OAKS SUBDIVISION PROPERTY OWNERS UNTIL SUCH TIME THAT SERVICE IS REQUESTED AND TAP FEES ARE PAID.

Commercial customers are required to have a minimum 1" meter connection.

Section 1.02 - Miscellaneous Fees

TAP FEE (Residential)..... \$800.00

TAP FEE COVERS THE UTILITY'S COSTS FOR MATERIALS AND LABOR TO INSTALL A STANDARD RESIDENTIAL CONNECTION. AN ADDITIONAL FEE TO COVER UNIQUE COSTS IS PERMITTED IF LISTED ON THIS TARIFF.

TAP FEE (Commercial) \$1,500.00

TAP FEE COVERS THE UTILITY'S COSTS FOR MATERIALS AND LABOR TO INSTALL A STANDARD RESIDENTIAL CONNECTION. AN ADDITIONAL FEE TO COVER UNIQUE COSTS IS PERMITTED IF LISTED ON THIS TARIFF.

TAP FEE (Large Connection Tap) Actual Cost

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

RECONNECTION FEE

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

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

TRANSFER FEE..... \$40.00

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

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SECTION 1.0 - RATE SCHEDULE (CONTINUED)

LATE CHARGE (EITHER \$5.00 OR 10% OF THE BILL) 10%
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 \$30.00
RETURNED CHECK CHARGES MUST BE BASED ON THE UTILITY'S DOCUMENTABLE COST.

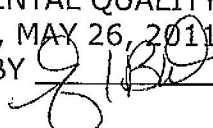
CUSTOMER DEPOSIT RESIDENTIAL (Maximum \$50) \$50.00

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

GOVERNMENTAL TESTING, INSPECTION AND COSTS SURCHARGE
WHEN AUTHORIZED IN WRITING BY TCEQ AND AFTER NOTICE TO CUSTOMERS, THE UTILITY MAY INCREASE RATES TO RECOVER INCREASED COSTS FOR INSPECTION FEES AND WATER TESTING. [30 TAC 291.21(K)(2)]

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

RATES LISTED ARE EFFECTIVE ONLY
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SECTION 2.0 -- SERVICE RULES AND POLICIES

The utility will have the most current Texas Commission of Environmental Quality (TCEQ) 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 deposit at any time prior to termination of utility service but must refund the deposit plus interest for any customer who has paid 18 consecutive billings without being delinquent.

TEXAS COMM. ON ENVIRONMENTAL QUALITY

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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.

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SECTION 2.0 -- SERVICE RULES AND POLICIES

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.

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SECTION 2.0 -- SERVICE RULES AND POLICIES

(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.

TEXAS COMM. ON ENVIRONMENTAL QUALITY

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SECTION 2.0 -- SERVICE RULES AND POLICIES

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.

TEXAS COMM. ON ENVIRONMENTAL QUALITY

34145R CCN 20880 APR 1 '03

APPROVED TARIFF BY S. J. M. H.

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.

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

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.

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APPROVED TARIFF BY Sm/ML

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 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 tariff, a developer is one who owns two or more lots, subdivides, or requests two or more connections. 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

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SECTION 3.0 -- EXTENSION POLICY (Continued)

to maintain compliance with the Texas Commission on Environmental Quality minimum design criteria for water production, treatment, pumping, storage and transmission.

Any service extension to a subdivision (recorded or unrecorded) may be subject to the provisions and restrictions of 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.

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SECTION 3.0 -- EXTENSION POLICY (Continued)

Service application forms will be available at the Utility's business office during normal weekday business hours. Service applications will be sent by prepaid first class United States mail to the address provided by the applicant upon request. Completed applications should be returned by hand delivery in case there are questions which might delay fulfilling the service request. Completed service applications may be submitted by mail if hand delivery is not possible.

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

TEXAS COMM. ON ENVIRONMENTAL QUALITY

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SECTION 3.0 -- EXTENSION POLICY (Continued)

Section 3.08 - Review and Approval of Certain Wastes; Preliminary Treatment Submission of Plans, Specifications, etc.

Commercial Customer's sewage shall be similar in nature to normal domestic sewage as defined by the Texas Commission on Environmental Quality and shall not exceed the following limitations for raw liquid waste:

	<u>Average</u>	<u>Grab Maximum</u>	<u>Grab Minimum</u>
CBOD (mg/l)	300	400	n/a
TSS (mg/l)	300	400	n/a
NH3-N (mg/l) 45	60	n/a	
Oil & Grease	50	200	n/a
pH	n/a	9	6
Temperature, deg F	n/a	100	n/a

No industrial wastewater containing elevated concentrations of metals, chemicals or other substances that would be inhibitory to the biological wastewater treatment process are allowed to be discharged into the wastewater collection system.

Plans, specifications, and any other pertinent information relating to proposed preliminary treatment facilities as required by this section shall be submitted for the approval of the Utility and no construction of such facilities shall be commenced until said approvals are obtained in writing. Approval of the Utility shall not imply approval by regulatory authorities having jurisdiction.

Section 3.09 - Maintenance of Preliminary Treatment Facilities

Where preliminary treatment facilities are provided for any waters or wastes, they shall be maintained continuously, in satisfactory and effective operation, by the owner at his expense.

TEXAS COMM. ON ENVIRONMENTAL QUALITY

34145R CCN 20880 APR 1 '03

APPROVED TARIFF BY Sx/MA

APPENDIX A -- SAMPLE SERVICE AGREEMENT

From 30 TAC Chapter 290.47(b), Appendix B

SERVICE AGREEMENT

- I. **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.

APPENDIX A -- SAMPLE SERVICE AGREEMENT (Continued)

- 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: _____

Attachment 4 – Current Tariffs of Transferee (Q4)



WATER UTILITY TARIFF
Docket No. 53636

Texas Water Utilities, L.P.
(Utility Name)

12535 Reed Road
(Business Address)

Sugar Land, Texas 77478-2837
(City, State, Zip Code)

(866) 654-7992
(Area Code/Telephone)

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

12983

This tariff is effective in the following counties:

Bandera, Bexar, Brazoria, Chambers, Comal, Cooke, Denton, Gillespie, Grayson, Guadalupe, Harris, Hays, Henderson, Hood, Johnson, Kendall, Kerr, Liberty, Marion, Matagorda, Medina, Montgomery, Parker, Polk, San Jacinto, Smith, Tarrant, Travis, Trinity, Tyler, Van Zandt, Wise, and Wood

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

This tariff is only effective in the portions of the subdivisions and public water systems in the environs, except for the cities of Aurora and Coffee City that have surrendered rate jurisdiction.

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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APPENDIX A – DROUGHT CONTINGENCY PLAN

APPENDIX B – APPLICATION FOR SERVICE

APPENDIX C – AGREEMENT FOR TEMPORARY WATER SERVICE

County	TCEQ Water Systems	PWS ID Number	Subdivisions
Bandera	Enchanted River Estates	0100039	Enchanted River Estates
	Lake Medina Shores	0100037	Lakeshore Beach, Wharton Dock, Lake Point, Holiday Villages of Medina, Lake Medina Shores (Medina County)
	River Bend Estates	0100042	River Bend Estates
Bexar	Bavarian Hills	0150235	Bavarian Hills
	Coolcrest Water System	0150046	Coolcrest
	Stagecoach Hills	0150096	Stagecoach Hills
	Oaks North Mobile Home Estates	0150135	Oak North Mobile Home Estates
	Country Springs Water Company	0150421	Country Bend
Brazoria	Holiday Shores	0200029	Holiday Shores
Chambers	Tower Terrace	0360069	Houston Raceway Park, West Chambers County Estates, Tower Terrace
	Greenbriar Estates	0360111	Greenbriar Estates
Comal	Oak Village North***	0460037	Oak Village North
	Rim Rock Ranch	0460211	Rim Rock Ranch
	Windmill Ranch Subdivision***	0460221	Kestrel Air Park, Windmill Ranch Subdivision
Cooke	Pleasant Ridge Addition	0490041	Pleasant Ridge Addition
	Timber Creek Addition	0490030	Timber Creek Addition
Denton	Denton Creek Estates	0610015	Denton Creek Estates, Aero Valley Airport
	Ponderosa Addition Utilities	0610175	Ponderosa Addition, Wild West Addition,
	Stonecrest Estates	0610059	Stonecrest Estates, Sunrise Circle Addition
	Wynnwood Haven Estates	0610037	Wynnwood Haven Estates, Snug Harbor
Gillespie	Oakview Water System	0860107	Oakview
Grayson	Ridgecrest	0910035	Ridgecrest, Glen Eden, Hiland Shores, Lakeview, Little Mineral MHP, Millers Estates, Oak Estates, Preston Cove, Preston Forest, Preston Oaks, Preston Point Bend, Ridgecrest, Van Antwerp, VFW Post
	Rocky Point Estates	0910038	Hanna Cove Estates, Rocky Point Estates "A", Rocky Point Estates "B", Hanna Ranchettes, Mainer Cay Estates, Tiny Home Vacation Resorts
	Sherwood Shores	0910040	Cedar Mills Estates, Hillcrest Shores, Wright Acres, Sherwood Shores

County	TCEQ Water Systems	PWS ID Number	Subdivisions
	Tanglewood-on-Texoma	0910052	Angler's Estates, Cedar Oak Hills, Eagle Chase, Fairway Hollow, Greenway Bend, Lakecrest Village, Mill Creek Homesites, Oak Meadow Estates, Paradise Cove, Russwood-on-the-Lake, Simmons Shores, Sunrise Circle, Tanglewood Hills, Tanglewood Resort, Cambridge Shores, Highport, Mill Creek Meadows, Whispering Meadows, Pecan Valley Addition, The Woods of Fossil Ridge, Fossil Ridge on Lake Texoma, Tanglewood Crossing, Barnes Enterprises, Lakecrest Addition
Guadalupe	Garden Oaks	0940030	Garden Oaks
Harris	Aldine Village Subdivision	1010931	Aldine Village
	Azalea Estates	1011253	Azalea Estates
	Cedar Bayou Estates	1012174	Cedar Bayou Estates
	Cedar Bayou Park	1010112	Cedar Bayou Park West
	Cedar Oaks	1011556	Cedar Oaks
	Cottonwood Park	1010283	Airline Link Addition
	Cypress Hill	1011792	Cypress Hill
	Fairview Acres MHP	1010706	Fairacres Section 1
	Glenwood Mobile Home Subdivision	1011492	Fairacres Section 2
	Homestead Oaks	1011734	Homestead Oaks
	Los Pinos Water System	1013733	Los Pinos Subdivision
	McGee Place	1012995	McGee Place
	Orchard Crossing	1012450	Orchard Crossing
	Rollan Heights	1010640	Rollan Heights
	Spring Cypress Center	1013172	Spring Cypress Shopping Center
	Target Center Water Plant	1013316	Spring Cypress Shopping Center
Villas of Willowbrook	1013599	Villas of Willowbrook	
Western Trails Subdivision	1010230	Western Trails	
Hays	Huntington Estates	1050124	Huntington Estates
	Plum Creek***	1050028	Amberwood, Bootstring Farms, Branch View Addition, Buda Business Park, Casey-Kyle, Double R, Dove Hill Estates, Goforth Estates, Green Pastures, Interstate Business, Kyle Crossing-Home Depot, Park South, Pinafore Park, Rolling Hills Estates, South Buda Business Park, Two Way, Village at Buda, Indian Paintbrush

County	TCEQ Water Systems	PWS ID Number	Subdivisions
	River Oaks Ranch	1050099	River Oaks Ranch
Henderson	Beachwood Estates & North Trinidad	1070069	Brentwood Estates, Deep Water Estates, Forest Shores, Greenwood Cove, Hidden Harbor, Indian Oaks, Beachwood Estates, Oak Forest Estates, Pebble Beach, Seis Hombres, Spillview Acres, Three-Way View, Treasure Isle, Waterboard
	Briarwood Harbor	1070220	Briarwood Harbor, Camp Big Cedar
	Carolynn Estates	1070106	Bluffview, Brushy Creek, Bushwacker Estates, Carolynn Estates, Enclave, Esquire Estates II, Green Acres, Hidden Hills Harbor, Hillside Acres, Lynn Creek Cove, Payne Springs Estates, Forest Glen, The Highlands at Cedar Creek Lake, Michael's Cove, Pinnacle Club
	Cherokee Shores Water Supply	1070206	Allen Ranch, Carson Addition, Coleman Tract, La Martinique, Landmarck Passage, Manning Ranch, Robinson Tract (Country Estates), Taylor Tract, Waterfront Shores, Cherokee Shores
	Dal-High Water System	1070159	Dal-High Addition
	Highsaw	1070124	Brierwood Bay, Coffee City*, Diamond Head Bay, Coffee Landing Addition, Fincastle Farms, Highsaw, Hillside Estates, Hill-McCauley Tract
	Lollipop Water Works	1070039	Lollipop Landing
	Westwood Beach	1070085	Cooper Estates, Lakeway, Oak Trail Shores, Shiloh, Waterwood, Wildewood, Westwood Beach
Hood	Acton Water Royal Oaks	1110055	Acton Royal Oaks
	Comanche Cove & Heritage Heights	1110060	Heritage Heights, Scenic View, Comanche Cove
	Comanche Harbor & Port O'Call	1110022	Comanche Point, Island Village, Ports O'Call, Comanche Harbor
	Granbury Acres Water System	1110109	377 Sunset Strip, Granbury Acres
	Hideaway Bay Estates	1110002	Hideaway Bay
	Montego Bay Estates	1110044	Montego Bay

County	TCEQ Water Systems	PWS ID Number	Subdivisions
	Oak Trail Shores	1110004	Lake Granbury Estates, Oak Trail Plaza, Oak Trail Shores, Arrowhead Shores, Lake Granbury Harbor
	Rancho Brazos Subdivision	1110036	Rancho Brazos
	Western Hills Harbor	1110005	Western Hills Harbor, Whisperview Village, Kings Plaza
Johnson	Crowley 1 Acre Sky Corp Water	1260011	Blue Grass Estates, Crowley One Acre, Highcrest Estates, Skyline Ranch, Lakeside Estates, Lakeview Ranchettes
	Falcon Crest Addition	1260076	Falcon Crest Addition
	Metroplex Homesteads Water Supply	1260074	Metroplex Homesteads, The Homesteads
	Nolan River Estates	1260099	Nolan River Estates
	Ridge Crest Addition & Misty Hollow	1260035	Misty Hollow, Ridgecrest Addition Estates
	Shaded Lane Estates	1260103	Shaded Lane Estates
	Southern Acres Water System	1260094	Southern Acres
	Sundance Addition	1260025	Space Acres North, Space Acres, X-Cell Ranch Estates, Sundance
	Tex-Rides Subdivision	1260037	Tex-Rides Fifth
	Triple H Estates	1260116	Triple H Estates
	Twin Creek Subdivision	1260038	Rolling Acres, North Hills Estates, Twin Creeks Addition
	West Meadow Subdivision	1260063	West Meadows
	West Park Village	1260077	West Park Village
Kendall	Cascade Mobile Home Park	1300005	Cascade Mobile Home Park
	Platten Creek Water System	1300035	Platten Creek
	Cedar Springs MHP	1330019	Cedar Springs MHP
	Center Point	1330007	Center Point
	Heritage Park Water System	1330080	Heritage Park
Kerr	Hills & Dales	1330030	Hills & Dales
	Oak Ridge Estates Water System	1330134	Oak Ridge Estates
	Southern Hills	1330128	Southern Hills, Montebello Estates, Silver Creek
	Verde Park Estates	1330027	Verde Park Estates

County	TCEQ Water Systems	PWS ID Number	Subdivisions
	Vista Hills	1330169	Vista Hills
	Westwood Water System	1330015	Westwood Park, Monarch Hills
	Windwood Oaks Water System	1330141	Windwood Oaks
	Woodhaven Mobile Home Park	1330024	Woodhaven MHP
Liberty	Los Pinos Water System	1013733	Los Pinos Subdivision
	Peterson Place	1460086	Stilson-Hill
	Raywood Water System	1460041	Raywood
	The Trails Subdivision	1460199	The Trails Subdivision
Marion	Indian Hills Harbor	1580063	Indian Hills Harbor
	Pine Harbor Subdivision	1580023	Pine Harbor
Matagorda	Camelot Forest Water System	1610058	Camelot Forest
Medina	Rocky Creek Subdivision Water System	1630038	Rocky Creek
Montgomery	Crystal Springs Subdivision	1700331	Crystal Springs
	Decker Hills	1700386	Champions Glen, Decker Hills, Hidden Lake Estates, Inverness Crossing, Park Place, Dry Creek Business Center, Harden Store Marketplace
	Hulon Lakes Subdivision	1700014	Hilltop Village, Woodcreek Valley, Hulon Lakes
	Oakwood Water System	1700454	Oak Woods, North Forest
	Serenity Woods Subdivision	1700483	Pine Loch, Serenity Woods
Parker	Green Acres Water System	1840120	Green Acres, Robertson Village, The Fields of Peaster
	Spanish Park Subdivision	1840026	Spanish Park Estates
	Western Lake Estates	1840014	Cedar Ridge (Formerly Ruby Ridge), Brazos Ridge Estates, Western Lake Estates
	Westview Enterprises	1840105	Westview
Polk	Beacon Bay Marina and RV Park	1870016	Beacon Bay Marina and RV Park
	Chesswood Water System	1870088	Chesswood
	Country Wood Water System	1870138	Country Wood
	Garden Acres Subdivision Water System	1870160	Garden Acres

County	TCEQ Water Systems	PWS ID Number	Subdivisions
	Longhorn Valley	1870152	Longhorn Valley
	Oak Terrace Estates Water System	1870055	Oak Terrace Estates, Livingston Air Park
	Phillips Acres	1870146	Phillips Acres
	Pinwah Pines Estates	1870130	Pinwah Pines
San Jacinto	Blue Water Cove	2040059	Blue Water Cove, Livingston Lakeside RV Park
	Cedar Valley Subdivision	2040045	Cedar Valley
	Coldspring Terrace Water System	2040031	Coldspring Terrace
	Governors Point	2040008	Governors Point
	Holiday Villages of Livingston	2040067	Hidden Coves, Holiday Village of Livingston, Palmetto Point
	Shepherd Hill Estates	2040061	Shepherd Hills Estates, Shepherd Ranch Estates
Smith	Lakeway Harbor Subdivision	2120064	Lakeway Harbor
	Pine Trail Shores	2120035	Pine Trail Shores
Tarrant	Benbrook Hills	2200313	Benbrook Hills
	Markum Ranch Estates	2200281	Markum Ranch Estates
	Silver Saddle Acres	2200299	Silver Saddle Acres, W. 20 Business Park
	Westside Rural WSC	2200079	Gun Club, Cabot Estates, Willow Creek Additions, Westside Addition
Travis	Inverness Point Water System	2270102	Crosswind, Hidden Hills, Inverness Point, Lakehurst, The Summit at Lake Travis
Trinity	Harbor Point	2280035	Harbor Point
Tyler	Ivanhoe Land of Lakes***	2290010	Ivanhoe Land of Lakes
Van Zandt	Callender Lake	2340007	Callender Lake, Hickory Hills
Wise	Aurora Vista	2490051	Aurora Vista**
	Chisholm Hills Estates	2490044	Chisholm Hills
	Coyote Ridge Addition	2490053	Coyote Ridge
	Hills of Oliver Creek	2490046	Hills of Oliver Creek
	Las Brisas	n/a	Las Brisas Estates
	Sage Brush Estates	2490058	Sage Brush Estates
	Sky View Ranch Estates	2490061	Sky View Ranch
	Windmill Trail	2490050	Windmill Trail

County	TCEQ Water Systems	PWS ID Number	Subdivisions
Wood	Holiday Villages of Fork	2500058	Holiday Villages of Fork

*This subdivision is within the corporate city limits of Coffee City, which has surrendered utility rate jurisdiction.

**This subdivision is within the corporate limits of the City of Aurora, which has surrendered utility rate jurisdiction.

***Customers who are within city boundaries should refer to Texas Water Utilities' tariffs approved by respective city.

SECTION 1.0 - RATE SCHEDULE

Section 1.01 – Rates

Texas Water Utilities - RATES effective 06-01-2021

METER SIZE	MONTHLY MINIMUM CHARGE (includes 0 gallons)	GALLONAGE TIER	CHARGE PER 1,000 GALLONS
5/8"	\$48.37	0 to 2,000	\$6.48
5/8"x3/4"	\$48.37		
3/4"	\$72.56	2,001 to 10,000	\$7.98
1"	\$120.93		
1½"	\$241.85	10,001 to 20,000	\$9.05
2"	\$386.96		
3"	\$725.55	over 20,000	\$9.64
4"	\$1,209.25		
6"	\$2,418.50	Purchased Water Passthrough – all usage	\$2.34
8"	\$3,869.60		
10"	\$5,562.55		
12"	\$10,399.55		

Income Qualified Elderly Customers 65 years of age or older
Effective Date: 06-01-2021

Meter Size	Monthly Minimum Charge (Includes 0 gallons)	Gallonage Charge
5/8"	\$28.37	\$6.48 per 1,000 gallons from 0 to 2,000 gallons \$7.98 per 1,000 gallons from 2,001 to 10,000 gallons \$9.05 per 1,000 gallons from 10,001 to 20,000 gallons \$9.64 per 1,000 from 20,001 and thereafter

SECTION 1.0 RATE SCHEDULE (Continued)

Texas Water Utilities (Villas of Willowbrook) - RATES effective 06-01-2021
(Phase 1 of 7)

METER SIZE	MONTHLY BASE RATE (includes 0 gallons)	GALLONAGE TIER	CHARGE PER 1,000 GALLONS
5/8"	\$13.97	0 to 2,000	\$0.93
5/8"x3/4"	\$13.97		
3/4"	\$20.96	2,001 to 10,000	\$4.67
1"	\$34.93		
1½"	\$69.86	10,001 to 20,000	\$4.82
2"	\$111.78		
3"	\$209.59	over 20,000	\$4.91
4"	\$349.32		
6"	\$698.64	Purchased Water Passthrough – all usage	\$2.34
8"	\$1,117.83		
10"	\$1,606.88		
12"	\$3,004.16		

Texas Water Utilities (Villas of Willowbrook) - RATES effective 06-01-2022
(Phase 2 of 7)

METER SIZE	MONTHLY BASE RATE (includes 0 gallons)	GALLONAGE TIER	CHARGE PER 1,000 GALLONS
5/8"	\$19.71	0 to 2,000	\$1.85
5/8"x3/4"	\$19.71		
3/4"	\$29.56	2,001 to 10,000	\$5.22
1"	\$49.26		
1½"	\$98.53	10,001 to 20,000	\$5.53
2"	\$157.65		
3"	\$295.59	over 20,000	\$5.70
4"	\$492.64		
6"	\$985.29	Purchased Water Passthrough – all usage	\$2.34
8"	\$1,576.46		
10"	\$2,266.16		
12"	\$4,236.73		

SECTION 1.0 RATE SCHEDULE (Continued)

Texas Water Utilities (Villas of Willowbrook) - RATES effective 06-01-2023
(Phase 3 of 7)

METER SIZE	MONTHLY BASE RATE (includes 0 gallons)	GALLONAGE TIER	CHARGE PER 1,000 GALLONS
5/8"	\$25.44	0 to 2,000	\$2.78
5/8"x3/4"	\$25.44		
3/4"	\$38.16	2,001 to 10,000	\$5.77
1"	\$63.60		
1½"	\$127.19	10,001 to 20,000	\$6.23
2"	\$203.51		
3"	\$381.58	over 20,000	\$6.49
4"	\$635.96		
6"	\$1,271.93	Purchased Water Passthrough – all usage	\$2.34
8"	\$2,035.09		
10"	\$2,925.44		
12"	\$5,469.29		

Texas Water Utilities (Villas of Willowbrook) - RATES effective 06-01-2024
(Phase 4 of 7)

METER SIZE	MONTHLY BASE RATE (includes 0 gallons)	GALLONAGE TIER	CHARGE PER 1,000 GALLONS
5/8"	\$31.17	0 to 2,000	\$3.70
5/8"x3/4"	\$31.17		
3/4"	\$46.76	2,001 to 10,000	\$6.33
1"	\$77.93		
1½"	\$155.86	10,001 to 20,000	\$6.94
2"	\$249.37		
3"	\$467.57	over 20,000	\$7.27
4"	\$779.29		
6"	\$1,558.57	Purchased Water Passthrough – all usage	\$2.34
8"	\$2,493.71		
10"	\$3,584.71		
12"	\$6,701.86		

SECTION 1.0 RATE SCHEDULE (Continued)

Texas Water Utilities (Villas of Willowbrook) - RATES effective 06-01-2025
(Phase 5 of 7)

METER SIZE	MONTHLY BASE RATE (includes 0 gallons)	GALLONAGE TIER	CHARGE PER 1,000 GALLONS
5/8"	\$36.90	0 to 2,000	\$4.63
5/8"x3/4"	\$36.90		
3/4"	\$55.36	2,001 to 10,000	\$6.88
1"	\$92.26		
1½"	\$184.52	10,001 to 20,000	\$7.64
2"	\$295.23		
3"	\$553.56	over 20,000	\$8.06
4"	\$922.61		
6"	\$1,845.21	Purchased Water Passthrough – all usage	\$2.34
8"	\$2,952.34		
10"	\$4,243.99		
12"	\$7,934.42		

Texas Water Utilities (Villas of Willowbrook) - RATES effective 06-01-2026
(Phase 6 of 7)

METER SIZE	MONTHLY BASE RATE (includes 0 gallons)	GALLONAGE TIER	CHARGE PER 1,000 GALLONS
5/8"	\$42.64	0 to 2,000	\$5.55
5/8"x3/4"	\$42.64		
3/4"	\$63.96	2,001 to 10,000	\$7.43
1"	\$106.59		
1½"	\$213.19	10,001 to 20,000	\$8.35
2"	\$341.10		
3"	\$639.56	over 20,000	\$8.85
4"	\$1,065.93		
6"	\$2,131.86	Purchased Water Passthrough – all usage	\$2.34
8"	\$3,410.97		
10"	\$4,903.27		
12"	\$9,166.99		

SECTION 1.0 RATE SCHEDULE (Continued)

Texas Water Utilities (Villas of Willowbrook) - RATES effective 06-01-2027 (Phase 7 of 7)

METER SIZE	MONTHLY BASE RATE (includes 0 gallons)	GALLONAGE TIER	CHARGE PER 1,000 GALLONS
5/8"	\$48.37	0 to 2,000	\$6.48
5/8"x3/4"	\$48.37		
3/4"	\$72.56	2,001 to 10,000	\$7.98
1"	\$120.93		
1½"	\$241.85	10,001 to 20,000	\$9.05
2"	\$386.96		
3"	\$725.55	over 20,000	\$9.64
4"	\$1,209.25		
6"	\$2,418.50		
8"	\$3,869.60	Purchased Water Passthrough – all usage	\$2.34
10"	\$5,562.55		
12"	\$10,399.55		

SECTION 1.0 RATE SCHEDULE (Continued)

Texas Water Utilities (Inverness Point Water System) - RATES effective 06-01-2021

METER SIZE	MONTHLY BASE RATE (includes 0 gallons)	GALLONAGE TIER	CHARGE PER 1,000 GALLONS
5/8"	\$48.37	0 to 2,000	\$6.48
5/8"x3/4"	\$48.37		
3/4"	\$72.56	2,001 to 10,000	\$7.98
1"	\$120.93		
1½"	\$241.85	10,001 to 20,000	\$9.05
2"	\$386.96		
3"	\$725.55	over 20,000	\$9.64
4"	\$1,209.25		
6"	\$2,418.50		
8"	\$3,869.60		
10"	\$5,562.55		
12"	\$10,399.55		

SECTION 1.0 RATE SCHEDULE (Continued)

Texas Water Utilities (Bavarian Hills, Cascade Mobile Home Park, Coolcrest Water System, Country Springs Water Company, Garden Oaks, Oaks North Mobile Home Estates, Oak Village North, Stagecoach Hills) - RATES Effective 06-01-2021

METER SIZE	MONTHLY BASE RATE (includes 0 gallons)	GALLONAGE TIER	CHARGE PER 1,000 GALLONS
5/8"	\$48.37	0 to 2,000	\$6.48
5/8"x3/4"	\$48.37		
3/4"	\$72.56	2,001 to 10,000	\$7.98
1"	\$120.93		
1½"	\$241.85	10,001 to 20,000	\$9.05
2"	\$386.96		
3"	\$725.55	over 20,000	\$9.64
4"	\$1,209.25		
6"	\$2,418.50	Purchased Water Passthrough	See below
8"	\$3,869.60		
10"	\$5,562.55		
12"	\$10,399.55		

Passthrough for Bavarian Hills, Cascade Mobile Home Park, Coolcrest Water System, Country Springs Water Company, Garden Oaks, Oaks North Mobile Home Estates, Oak Village North, Stagecoach Hills: Green Valley Special Utility District (SUD).....\$0.3278 per 1000 gallons

$$G = (Y/GP)/(1 - L)$$

Where:

G = pass-through gallonage charge

Y = cost of purchased water per Green Valley SUD for the most recent 12-month period

GP = total gallons purchased and produced (from well) for the most recent 12-month period

The pass-through gallonage charge must be trued up every twelve months, with a maximum line loss of 0.15.

San Antonio Water System (SAWS).....\$0.7025 per month

$$M = B/C$$

Where:

M = pass-through monthly base charge

B = base fee from San Antonio Water System

C = number of customers at the beginning of the billing period for which the pass-through rate takes effect

The pass-through charges must be trued up every twelve months, with a maximum line loss of 0.15.

SECTION 1.0 RATE SCHEDULE (Continued)

Passthrough for Cascade Mobile Home Park:

Cow Creek Groundwater Conservation District (GCD).....\$0.4125 per month

$$M = Y/C$$

Where:

M = pass-through monthly base charge

Y = cost of water production per Cow Creek GCD for the upcoming 12-month period/12

C = number of customers at the beginning of the pass-through period

The pass-through charges must be trued up every twelve months, with a maximum line loss of 0.15.

Passthrough for Coolcrest Water System:

Edwards Aquifer Authority.....\$2.5202 per month

$$M = F/C$$

Where:

M = pass-through monthly charge

F = management fees from Edwards Aquifer Authority for the year/12

C = number of customers at the beginning of the billing period for which the pass-through rate takes effect

The pass-through charges must be trued up every twelve months, with a maximum line loss of 0.15.

Passthrough for Bavarian Hills, Country Springs Water Company, Oaks North Mobile Home Estates, Stagecoach Hills:

Trinity Glen Rose GCD.....\$0.1082 per 1000 gallons

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

Where:

G = gallonage charge

B = per thousand gallon charge from Trinity Glen Rose GCD

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

The pass-through charges must be trued up every twelve months, with a maximum line loss of 0.15.

Passthrough for Oak Village North:

Comal Trinity GCD.....\$0.0722 per 1000 gallons

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

Where:

G = gallonage charge

B = per thousand gallon charge from Comal Trinity GCD

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

The pass-through charges must be trued up every 12 months, with a maximum line loss of 0.15.

SECTION 1.0 RATE SCHEDULE (Continued)

Texas Water Utilities (Enchanted River Estates, Oakview Water System, Rim Rock Ranch, River Bend Estates, Windmill Ranch Subdivision) - RATES Effective 06-01-2021

METER SIZE	MONTHLY BASE RATE (includes 0 gallons)	GALLONAGE TIER	CHARGE PER 1,000 GALLONS
5/8"	\$48.37	0 to 2,000	\$6.48
5/8"x3/4"	\$48.37		
3/4"	\$72.56	2,001 to 10,000	\$7.98
1"	\$120.93		
1½"	\$241.85	10,001 to 20,000	\$9.05
2"	\$386.96		
3"	\$725.55	over 20,000	\$9.64
4"	\$1,209.25		
6"	\$2,418.50	Purchased Water Passthrough	See below
8"	\$3,869.60		
10"	\$5,562.55		
12"	\$10,399.55		

Passthrough for Enchanted River Estates, Oakview Water System, Rim Rock Ranch, River Bend, Windmill Ranch Subdivision:

Canyon Lake.....\$10.6670 per month

$$B = Y/C$$

Where:

B = monthly base charge

Y = cost of purchased water per Canyon Lake for the upcoming 12-month period

C = number of customers at the beginning of the billing period for which pass-through rate takes effect

$$B = \$9,696/909 = \$10.6670 \text{ per month}$$

The pass-through charges must be trued up every 12 months, with a maximum line loss of 0.15.

Passthrough for Rim Rock Ranch, Windmill Ranch Subdivision:

Comal Trinity GCD.....\$0.0722 per 1000 gallons

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

Where:

G = gallonage charge

B = per thousand gallon charge from Comal Trinity GCD

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

The pass-through charges must be trued up every 12 months, with a maximum line loss of 0.15.

SECTION 1.0 RATE SCHEDULE (Continued)

Texas Water Utilities (Cedar Springs MHP, Center Point, Heritage Park Water System, Hills & Dales, Oak Ridge Estates Water System, Platten Creek Water System, Rocky Creek Subdivision Water System, Southern Hills, Verde Park Estates, Vista Hills, Windwood Oaks Water System, Woodhaven Mobile Home Park) - RATES effective 06-01-2021 (Phase 1 of 4)

METER SIZE	MONTHLY BASE RATE (includes 0 gallons)	GALLONAGE TIER	CHARGE PER 1,000 GALLONS
5/8"	\$35.62	0 to 2,000	\$3.98
5/8"x3/4"	\$35.62		
3/4"	\$53.43	2,001 to 10,000	\$4.85
1"	\$89.05		
1½"	\$178.10	10,001 to 20,000	\$5.46
2"	\$284.96		
3"	\$534.30	over 20,000	\$5.91
4"	\$890.50		
6"	\$1,781.00	Purchased Water Passthrough	See below
8"	\$2,849.60		
10"	\$4,096.30		
12"	\$7,658.30		

Texas Water Utilities (Cedar Springs MHP, Center Point, Heritage Park Water System, Hills & Dales, Oak Ridge Estates Water System, Platten Creek Water System, Rocky Creek Subdivision Water System, Southern Hills, Verde Park Estates, Vista Hills, Windwood Oaks Water System, Woodhaven Mobile Home Park) - RATES effective 06-01-2022 (Phase 2 of 4)

METER SIZE	MONTHLY BASE RATE (includes 0 gallons)	GALLONAGE TIER	CHARGE PER 1,000 GALLONS
5/8"	\$39.87	0 to 2,000	\$4.81
5/8"x3/4"	\$39.87		
3/4"	\$59.81	2,001 to 10,000	\$5.90
1"	\$99.68		
1½"	\$199.35	10,001 to 20,000	\$6.66
2"	\$318.96		
3"	\$598.05	over 20,000	\$7.15
4"	\$996.75		
6"	\$1,993.50	Purchased Water Passthrough	See below
8"	\$3,189.60		
10"	\$4,585.05		
12"	\$8,572.05		

SECTION 1.0 RATE SCHEDULE (Continued)

Texas Water Utilities (Cedar Springs MHP, Center Point, Heritage Park Water System, Hills & Dales, Oak Ridge Estates Water System, Platten Creek Water System, Rocky Creek Subdivision Water System, Southern Hills, Verde Park Estates, Vista Hills, Windwood Oaks Water System, Woodhaven Mobile Home Park) - RATES effective 06-01-2023 (Phase 3 of 4)

METER SIZE	MONTHLY BASE RATE (includes 0 gallons)	GALLONAGE TIER	CHARGE PER 1,000 GALLONS
5/8"	\$44.12	0 to 2,000	\$5.65
5/8"x3/4"	\$44.12		
3/4"	\$66.18	2,001 to 10,000	\$6.94
1"	\$110.30		
1½"	\$220.60	10,001 to 20,000	\$7.85
2"	\$352.96		
3"	\$661.80	over 20,000	\$8.40
4"	\$1,103.00		
6"	\$2,206.00	Purchased Water Passthrough	See below
8"	\$3,529.60		
10"	\$5,073.80		
12"	\$9,485.80		

Texas Water Utilities (Cedar Springs MHP, Center Point, Heritage Park Water System, Hills & Dales, Oak Ridge Estates Water System, Platten Creek Water System, Rocky Creek Subdivision Water System, Southern Hills, Verde Park Estates, Vista Hills, Windwood Oaks Water System, Woodhaven Mobile Home Park) - RATES effective 06-01-2024 (Phase 4 of 4)

METER SIZE	MONTHLY BASE RATE (includes 0 gallons)	GALLONAGE TIER	CHARGE PER 1,000 GALLONS
5/8"	\$48.37	0 to 2,000	\$6.48
5/8"x3/4"	\$48.37		
3/4"	\$72.56	2,001 to 10,000	\$7.98
1"	\$120.93		
1½"	\$241.85	10,001 to 20,000	\$9.05
2"	\$386.96		
3"	\$725.55	over 20,000	\$9.64
4"	\$1,209.25		
6"	\$2,418.50	Purchased Water Passthrough	See below
8"	\$3,869.60		
10"	\$5,562.55		
12"	\$10,399.55		

SECTION 1.0 RATE SCHEDULE (Continued)

Passthrough for Cedar Springs MHP, Center Point, Heritage Park Water System, Hills and Dales, Platten Creek Water System, Rocky Creek Subdivision Water System, Southern Hills, Verde Park Estates, Vista Hills, Woodhaven Mobile Home Park, Oak Ridge Estates Water System, Windwood Oaks Water System:

Raymond Jagge Lease.....\$0.1481 per month

$$M = [R/12]/C$$

Where:

M = monthly base charge

R = yearly water right lease fee by Raymond Jagge

C = customers at the beginning of the billing period for which the pass-through rate takes effect

The pass-through charges must be trued up every twelve months, with a maximum line loss of 0.15

Passthrough for Platten Creek Water System:

Cow Creek GCD.....\$0.3604 per month

$$M = Y/C$$

Where:

M = pass-through monthly base charge

Y = cost of water production per Cow Creek GCD for the upcoming 12-month period/12

C = number of customers at the beginning of the billing period for which the pass-through rate takes effect

The pass-through charges must be trued up every twelve months, with a maximum line loss of 0.15

Passthrough for Rocky Creek Subdivision Water System:

Edwards Aquifer Authority.....\$1.7949 per month

$$M = F/C$$

Where:

M = pass-through monthly charge

F = management fees from Edwards Aquifer Authority for the year/12

C = number of customers at the beginning of the billing period for which the pass-through rate takes effect

CALCULATION:

$$M = (\$840/12)/C$$

$$M = \$70/C$$

$$M = \$70.00/39 = \$1.7949$$

The pass-through charges must be trued up every twelve months, with a maximum line loss of 0.15.

SECTION 1.0 RATE SCHEDULE (Continued)

Texas Water Utilities (Westwood Water System) - RATES effective 06-01-2021 (Phase 1 of 5)

METER SIZE	MONTHLY BASE RATE (includes 0 gallons)	GALLONAGE TIER	CHARGE PER 1,000 GALLONS
5/8"	\$36.76	0 to 2,000	\$2.25
5/8"x3/4"	\$36.76		
3/4"	\$55.13	2,001 to 10,000	\$2.98
1"	\$91.89		
1½"	\$183.78	10,001 to 20,000	\$3.71
2"	\$294.05		
3"	\$551.34	over 20,000	\$4.96
4"	\$918.90		
6"	\$1,837.80	Purchased Water Passthrough	See below
8"	\$2,940.48		
10"	\$4,226.94		
12"	\$7,902.54		

Texas Water Utilities (Westwood Water System) - RATES effective 06-01-2022 (Phase 2 of 5)

METER SIZE	MONTHLY BASE RATE (includes 0 gallons)	GALLONAGE TIER	CHARGE PER 1,000 GALLONS
5/8"	\$39.80	0 to 2,000	\$3.31
5/8"x3/4"	\$39.80		
3/4"	\$59.70	2,001 to 10,000	\$4.23
1"	\$99.51		
1½"	\$199.01	10,001 to 20,000	\$5.04
2"	\$318.42		
3"	\$597.03	over 20,000	\$6.13
4"	\$995.05		
6"	\$1,990.10	Purchased Water Passthrough	See below
8"	\$3,184.16		
10"	\$4,577.23		
12"	\$8,557.43		

SECTION 1.0 RATE SCHEDULE (Continued)

Texas Water Utilities (Westwood Water System) - RATES effective 06-01-2023 (Phase 3 of 5)

METER SIZE	MONTHLY BASE RATE (includes 0 gallons)	GALLONAGE TIER	CHARGE PER 1,000 GALLONS
5/8"	\$42.73	0 to 2,000	\$4.36
5/8"x3/4"	\$42.73		
3/4"	\$64.10	2,001 to 10,000	\$5.48
1"	\$106.84		
1½"	\$213.67	10,001 to 20,000	\$6.38
2"	\$341.87		
3"	\$641.01	over 20,000	\$7.30
4"	\$1,068.35		
6"	\$2,136.70	Purchased Water Passthrough	See below
8"	\$3,418.72		
10"	\$4,914.41		
12"	\$9,187.81		

Texas Water Utilities (Westwood Water System) - RATES effective 06-01-2024 (Phase 4 of 5)

METER SIZE	MONTHLY BASE RATE (includes 0 gallons)	GALLONAGE TIER	CHARGE PER 1,000 GALLONS
5/8"	\$45.67	0 to 2,000	\$5.42
5/8"x3/4"	\$45.67		
3/4"	\$68.50	2,001 to 10,000	\$6.73
1"	\$114.17		
1½"	\$228.33	10,001 to 20,000	\$7.71
2"	\$365.33		
3"	\$684.99	over 20,000	\$8.47
4"	\$1,141.65		
6"	\$2,283.30	Purchased Water Passthrough	See below
8"	\$3,653.28		
10"	\$5,251.59		
12"	\$9,818.19		

SECTION 1.0 RATE SCHEDULE (Continued)

Texas Water Utilities (Westwood Water System) - RATES effective 06-01-2025 (Phase 5 of 5)

METER SIZE	MONTHLY BASE RATE (includes 0 gallons)	GALLONAGE TIER	CHARGE PER 1,000 GALLONS
5/8"	\$48.37	0 to 2,000	\$6.48
5/8"x3/4"	\$48.37		
3/4"	\$72.56	2,001 to 10,000	\$7.98
1"	\$120.93		
1½"	\$241.85	10,001 to 20,000	\$9.05
2"	\$386.96		
3"	\$725.55	over 20,000	\$9.64
4"	\$1,209.25		
6"	\$2,418.50	Purchased Water Passthrough	See below
8"	\$3,869.60		
10"	\$5,562.55		
12"	\$10,399.55		

Passthrough for Westwood Water System:

Raymond Jagge Lease.....\$0.1481 per month

$$M = (R/12)/C$$

Where:

M = monthly base charge

R = yearly water right lease fee by Raymond Jagge

C = customers at the beginning of the billing period for which the pass-through rate takes effect

The pass-through charges must be trued up every twelve months, with a maximum line loss of 0.15.

SECTION 1.0 RATE SCHEDULE (Continued)

Texas Water Utilities (Western Trails Subdivision) - RATES effective 06-01-2021 (Phase 1 of 5)

METER SIZE	MONTHLY BASE RATE (includes 0 gallons)	GALLONAGE TIER	CHARGE PER 1,000 GALLONS
5/8"	\$29.37	0 to 2,000	\$3.58
5/8"x3/4"	\$29.37		
3/4"	\$44.06	2,001 to 10,000	\$3.88
1"	\$73.43		
1½"	\$146.85	10,001 to 20,000	\$4.10
2"	\$234.96		
3"	\$440.55	over 20,000	\$4.22
4"	\$734.25		
6"	\$1,468.50	Purchased Water Pass-through	\$0.00
8"	\$2,349.60		
10"	\$3,377.55		
12"	\$6,314.55		

Texas Water Utilities (Western Trails Subdivision) - RATES effective 06-01-2022 (Phase 2 of 5)

METER SIZE	MONTHLY BASE RATE (includes 0 gallons)	GALLONAGE TIER	CHARGE PER 1,000 GALLONS
5/8"	\$34.12	0 to 2,000	\$4.31
5/8"x3/4"	\$34.12		
3/4"	\$51.18	2,001 to 10,000	\$4.91
1"	\$85.30		
1½"	\$170.60	10,001 to 20,000	\$5.34
2"	\$272.96		
3"	\$511.80	over 20,000	\$5.57
4"	\$853.00		
6"	\$1,706.00	Purchased Water Pass-through	\$0.00
8"	\$2,729.60		
10"	\$3,923.80		
12"	\$7,335.80		

SECTION 1.0 RATE SCHEDULE (Continued)

Texas Water Utilities (Western Trails Subdivision) - RATES effective 06-01-2023 (Phase 3 of 5)

METER SIZE	MONTHLY BASE RATE (includes 0 gallons)	GALLONAGE TIER	CHARGE PER 1,000 GALLONS
5/8"	\$38.87	0 to 2,000	\$5.03
5/8"x3/4"	\$38.87		
3/4"	\$58.31	2,001 to 10,000	\$5.93
1"	\$97.18		
1½"	\$194.35	10,001 to 20,000	\$6.57
2"	\$310.96		
3"	\$583.05	over 20,000	\$6.93
4"	\$971.75		
6"	\$1,943.50	Purchased Water Pass-through	\$0.00
8"	\$3,109.60		
10"	\$4,470.05		
12"	\$8,357.05		

Texas Water Utilities (Western Trails Subdivision) - RATES effective 06-01-2024 (Phase 4 of 5)

METER SIZE	MONTHLY BASE RATE (includes 0 gallons)	GALLONAGE TIER	CHARGE PER 1,000 GALLONS
5/8"	\$43.62	0 to 2,000	\$5.76
5/8"x3/4"	\$43.62		
3/4"	\$65.43	2,001 to 10,000	\$6.96
1"	\$109.05		
1½"	\$218.10	10,001 to 20,000	\$7.81
2"	\$348.96		
3"	\$654.30	over 20,000	\$8.28
4"	\$1,090.50		
6"	\$2,181.00	Purchased Water Pass-through	\$0.00
8"	\$3,489.60		
10"	\$5,016.30		
12"	\$9,378.30		

SECTION 1.0 RATE SCHEDULE (Continued)

Texas Water Utilities (Western Trails Subdivision) - RATES effective 06-01-2025 (Phase 5 of 5)

METER SIZE	MONTHLY BASE RATE (includes 0 gallons)	GALLONAGE TIER	CHARGE PER 1,000 GALLONS
5/8"	\$48.37	0 to 2,000	\$6.48
5/8"x3/4"	\$48.37		
3/4"	\$72.56	2,001 to 10,000	\$7.98
1"	\$120.93		
1½"	\$241.85	10,001 to 20,000	\$9.05
2"	\$386.96		
3"	\$725.55	over 20,000	\$9.64
4"	\$1,209.25		
6"	\$2,418.50	Purchased Water Pass-through	\$0.00
8"	\$3,869.60		
10"	\$5,562.55		
12"	\$10,399.55		

SECTION 1.0 RATE SCHEDULE (Continued)

Texas Water Utilities (Dal-High Water System) - RATES effective 06-01-2021 (Phase 1 of 7)

METER SIZE	MONTHLY BASE RATE (includes 0 gallons)	GALLONAGE TIER	CHARGE PER 1,000 GALLONS
5/8"	\$20.62	0 to 2,000	\$0.93
5/8"x3/4"	\$20.62		
3/4"	\$30.94	2,001 to 10,000	\$2.43
1"	\$51.56		
1½"	\$103.12	10,001 to 20,000	\$2.58
2"	\$164.99		
3"	\$309.36	over 20,000	\$2.66
4"	\$515.61		
6"	\$1,031.21		
8"	\$1,649.94		
10"	\$2,371.79		
12"	\$4,434.22		

Texas Water Utilities (Dal-High Water System) - RATES effective 06-01-2022 (Phase 2 of 7)

METER SIZE	MONTHLY BASE RATE (includes 0 gallons)	GALLONAGE TIER	CHARGE PER 1,000 GALLONS
5/8"	\$25.25	0 to 2,000	\$1.85
5/8"x3/4"	\$25.25		
3/4"	\$37.87	2,001 to 10,000	\$3.35
1"	\$63.12		
1½"	\$126.24	10,001 to 20,000	\$3.66
2"	\$201.99		
3"	\$378.73	over 20,000	\$3.83
4"	\$631.21		
6"	\$1,262.43		
8"	\$2,019.89		
10"	\$2,903.59		
12"	\$5,428.44		

SECTION 1.0 RATE SCHEDULE (Continued)

Texas Water Utilities (Dal-High Water System) - RATES effective 06-01-2023 (Phase 3 of 7)

METER SIZE	MONTHLY BASE RATE (includes 0 gallons)	GALLONAGE TIER	CHARGE PER 1,000 GALLONS
5/8"	\$29.87	0 to 2,000	\$2.78
5/8"x3/4"	\$29.87		
3/4"	\$44.81	2,001 to 10,000	\$4.28
1"	\$74.68		
1½"	\$149.36	10,001 to 20,000	\$4.74
2"	\$238.98		
3"	\$448.09	over 20,000	\$4.99
4"	\$746.82		
6"	\$1,493.64		
8"	\$2,389.83		
10"	\$3,435.38		
12"	\$6,422.66		

Texas Water Utilities (Dal-High Water System) - RATES effective 06-01-2024 (Phase 4 of 7)

METER SIZE	MONTHLY BASE RATE (includes 0 gallons)	GALLONAGE TIER	CHARGE PER 1,000 GALLONS
5/8"	\$34.50	0 to 2,000	\$3.70
5/8"x3/4"	\$34.50		
3/4"	\$51.75	2,001 to 10,000	\$5.20
1"	\$86.24		
1½"	\$172.49	10,001 to 20,000	\$5.81
2"	\$275.98		
3"	\$517.46	over 20,000	\$6.15
4"	\$862.43		
6"	\$1,724.86		
8"	\$2,759.77		
10"	\$3,967.17		
12"	\$7,416.89		

SECTION 1.0 RATE SCHEDULE (Continued)

Texas Water Utilities (Dal-High Water System) - RATES effective 06-01-2025 (Phase 5 of 7)

METER SIZE	MONTHLY BASE RATE (includes 0 gallons)	GALLONAGE TIER	CHARGE PER 1,000 GALLONS
5/8"	\$39.12	0 to 2,000	\$4.63
5/8"x3/4"	\$39.12		
3/4"	\$58.68	2,001 to 10,000	\$6.13
1"	\$97.80		
1½"	\$195.61	10,001 to 20,000	\$6.89
2"	\$312.97		
3"	\$586.82	over 20,000	\$7.31
4"	\$978.04		
6"	\$1,956.07		
8"	\$3,129.71		
10"	\$4,498.96		
12"	\$8,411.11		

Texas Water Utilities (Dal-High Water System) - RATES effective 06-01-2026 (Phase 6 of 7)

METER SIZE	MONTHLY BASE RATE (includes 0 gallons)	GALLONAGE TIER	CHARGE PER 1,000 GALLONS
5/8"	\$43.75	0 to 2,000	\$5.55
5/8"x3/4"	\$43.75		
3/4"	\$65.62	2,001 to 10,000	\$7.05
1"	\$109.36		
1½"	\$218.73	10,001 to 20,000	\$7.97
2"	\$349.97		
3"	\$656.19	over 20,000	\$8.48
4"	\$1,093.64		
6"	\$2,187.29		
8"	\$3,499.66		
10"	\$5,030.76		
12"	\$9,405.33		

SECTION 1.0 RATE SCHEDULE (Continued)

Texas Water Utilities (Dal-High Water System) - RATES effective 06-01-2027 (Phase 7 of 7)

METER SIZE	MONTHLY BASE RATE (includes 0 gallons)	GALLONAGE TIER	CHARGE PER 1,000 GALLONS
5/8"	\$48.37	0 to 2,000	\$6.48
5/8"x3/4"	\$48.37		
3/4"	\$72.56	2,001 to 10,000	\$7.98
1"	\$120.93		
1½"	\$241.85	10,001 to 20,000	\$9.05
2"	\$386.96		
3"	\$725.55	over 20,000	\$9.64
4"	\$1,209.25		
6"	\$2,418.50		
8"	\$3,869.60		
10"	\$5,562.55		
12"	\$10,399.55		

SECTION 1.0 RATE SCHEDULE (Continued)

Texas Water Utilities (Oak Terrace Estates Water System) - RATES effective 06-01-2021 (Phase 1 of 3)

METER SIZE	MONTHLY BASE RATE (includes 0 gallons)	GALLONAGE TIER	CHARGE PER 1,000 GALLONS
5/8"	\$45.12	0 to 2,000	\$4.16
5/8"x3/4"	\$45.12		
3/4"	\$67.69	2,001 to 10,000	\$4.66
1"	\$112.81		
1½"	\$225.62	10,001 to 20,000	\$5.02
2"	\$360.99		
3"	\$676.85	over 20,000	\$5.21
4"	\$1,128.08		
6"	\$2,256.17		
8"	\$3,609.87		
10"	\$5,189.18		
12"	\$9,701.52		

Texas Water Utilities (Oak Terrace Estates Water System) - RATES effective 06-01-2022 (Phase 2 of 3)

METER SIZE	MONTHLY BASE RATE (includes 0 gallons)	GALLONAGE TIER	CHARGE PER 1,000 GALLONS
5/8"	\$46.75	0 to 2,000	\$5.32
5/8"x3/4"	\$46.75		
3/4"	\$70.12	2,001 to 10,000	\$6.32
1"	\$116.87		
1½"	\$233.73	10,001 to 20,000	\$7.03
2"	\$373.97		
3"	\$701.20	over 20,000	\$7.43
4"	\$1,168.67		
6"	\$2,337.33		
8"	\$3,739.73		
10"	\$5,375.87		
12"	\$10,050.53		

SECTION 1.0 RATE SCHEDULE (Continued)

Texas Water Utilities (Oak Terrace Estates Water System) - RATES effective 06-01-2023 (Phase 3 of 3)

METER SIZE	MONTHLY BASE RATE (includes 0 gallons)	GALLONAGE TIER	CHARGE PER 1,000 GALLONS
5/8"	\$48.37	0 to 2,000	\$6.48
5/8"x3/4"	\$48.37		
3/4"	\$72.56	2,001 to 10,000	\$7.98
1"	\$120.93		
1½"	\$241.85	10,001 to 20,000	\$9.05
2"	\$386.96		
3"	\$725.55	over 20,000	\$9.64
4"	\$1,209.25		
6"	\$2,418.50		
8"	\$3,869.60		
10"	\$5,562.55		
12"	\$10,399.55		

SECTION 1.0 RATE SCHEDULE (Continued)

Texas Water Utilities (Huntington Estates) - RATES effective 06-01-2021 (Phase 1 of 3)

METER SIZE	MONTHLY BASE RATE (includes 0 gallons)	GALLONAGE TIER	CHARGE PER 1,000 GALLONS
5/8"	\$45.76	0 to 2,000	\$4.26
5/8"x3/4"	\$45.76		
3/4"	\$68.64	2,001 to 10,000	\$5.73
1"	\$114.39		
1½"	\$228.78	10,001 to 20,000	\$7.22
2"	\$366.05		
3"	\$686.35	over 20,000	\$9.93
4"	\$1,143.92		
6"	\$2,287.83	Purchased Water Passthrough	See below
8"	\$3,660.53		
10"	\$5,262.02		
12"	\$9,837.68		

Texas Water Utilities (Huntington Estates) - RATES effective 06-01-2022 (Phase 2 of 3)

METER SIZE	MONTHLY BASE RATE (includes 0 gallons)	GALLONAGE TIER	CHARGE PER 1,000 GALLONS
5/8"	\$47.06	0 to 2,000	\$5.37
5/8"x3/4"	\$47.06		
3/4"	\$70.60	2,001 to 10,000	\$6.85
1"	\$117.66		
1½"	\$235.32	10,001 to 20,000	\$8.13
2"	\$376.51		
3"	\$705.95	over 20,000	\$9.78
4"	\$1,176.58		
6"	\$2,353.17	Purchased Water Passthrough	See below
8"	\$3,765.07		
10"	\$5,412.28		
12"	\$10,118.62		

SECTION 1.0 RATE SCHEDULE (Continued)

Texas Water Utilities (Huntington Estates) - RATES effective 06-01-2023 (Phase 3 of 3)

METER SIZE	MONTHLY BASE RATE (includes 0 gallons)	GALLONAGE TIER	CHARGE PER 1,000 GALLONS
5/8"	\$48.37	0 to 2,000	\$6.48
5/8"x3/4"	\$48.37		
3/4"	\$72.56	2,001 to 10,000	\$7.98
1"	\$120.93		
1½"	\$241.85	10,001 to 20,000	\$9.05
2"	\$386.96		
3"	\$725.55	over 20,000	\$9.64
4"	\$1,209.25		
6"	\$2,418.50	Purchased Water Passthrough	See below
8"	\$3,869.60		
10"	\$5,562.55		
12"	\$10,399.55		

Passthrough for Huntington Estates:

Barton Springs Edwards Aquifer.....\$2.0569 per month

$$G = T/C$$

$$T = ((R \times P) + F)/12$$

Where:

G = pass-through charge, rounded to the nearest one cent

T = monthly charge to utility

C = number of customers at the beginning of the billing period for which the pass-through rate takes effect

R = gallonage charge (per 1,000 gallons)

P = permitted gallonage (in thousands of gallons)

F = annual permit fee

The pass-through charges must be tried up every twelve months, with a maximum line loss of 0.15.

SECTION 1.0 RATE SCHEDULE (Continued)

Texas Water Utilities (Shaded Lane Estates, Chisholm Hills Estates, Coyote Ridge Addition, Hills of Oliver Creek, Sage Brush Estates, Sky View Ranch Estates, Windmill Trail) - RATES effective 06-01-2021

METER SIZE	MONTHLY BASE RATE (includes 0 gallons)	GALLONAGE TIER	CHARGE PER 1,000 GALLONS
5/8"	\$48.37	0 to 2,000	\$6.48
5/8"x3/4"	\$48.37		
3/4"	\$72.56	2,001 to 10,000	\$7.98
1"	\$120.93		
1½"	\$241.85	10,001 to 20,000	\$9.05
2"	\$386.96		
3"	\$725.55	over 20,000	\$9.64
4"	\$1,209.25		
6"	\$2,418.50	Purchased Water Pass-through	\$0.00
8"	\$3,869.60		
10"	\$5,562.55		
12"	\$10,399.55		

Income Qualified Elderly Customers 65 years of age or older
Effective Date: 06-01-2021

Meter Size	Monthly Minimum Charge (includes 0 gallons)	Gallonage Charge
5/8"	\$28.37	\$6.48 per 1,000 gallons from 0 to 2,000 gallons \$7.98 per 1,000 gallons from 2,001 to 10,000 gallons \$9.05 per 1,000 gallons from 10,001 to 20,000 gallons \$9.64 per 1,000 from 20,001 and thereafter

SECTION 1.0 RATE SCHEDULE (Continued)

Texas Water Utilities (Beacon Bay Marina and RV Park)

<u>Meter Size</u>	<u>Monthly Minimum Charge</u> (Residential meters include <u>1,000</u> gallons)	<u>Gallonage Charge</u>
Residential 5/8" Meters	<u>\$36.50</u>	<u>\$3.30</u> per 1,000 gallons all usage
Beacon Bay RV Park	<u>\$85.00</u>	flat rate each meter

SECTION 1.0 RATE SCHEDULE (Continued)

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

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

Cash X, Check X, Money Order X, MasterCard X, Visa X, Electronic Fund Transfer X
THE UTILITY MAY REQUIRE EXACT CHANGE FOR PAYMENTS AND MAY REFUSE TO ACCEPT PAYMENT MADE USING MORE THAN \$1.00 IN SMALL COINS. A WRITTEN RECEIPT WILL BE GIVEN FOR CASH PAYMENTS. AT THE CUSTOMER'S OPTION, ANY BILLING TRANSACTION OR COMMUNICATION MAY BE PERFORMED ON THE INTERNET. THIS INCLUDES THE UTILITY SENDING PAPERLESS BILLS BY EMAIL.

Section 1.02 - Miscellaneous Fees

TAP FEE Actual Cost
TAP FEE IS THE UTILITY'S ACTUAL COST IN ACCORDANCE WITH COMMISSION RULES.

RECONNECTION FEE

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

- a) Non-payment of bill \$25.00
- b) Customer's request \$50.00

Or other reasons listed under section 2.0 of this tariff

TRANSFER FEE \$45.00

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

LATE CHARGE 10% of the delinquent bill

A ONE-TIME PENALTY MAY BE MADE ON DELINQUENT BILLS BUT MAY NOT BE APPLIED TO ANY BALANCE TO WHICH THE PENALTY WAS APPLIED IN A PREVIOUS BILLING.

RETURNED CHECK CHARGE \$25.00

CUSTOMER DEPOSIT – RESIDENTIAL \$50.00

CUSTOMER DEPOSIT – NON-RESIDENTIAL 1/6TH EST. ANNUAL BILL

METER TEST FEE (actual cost of testing the meter up to) \$25.00

THIS FEE MAY BE CHARGED IF A CUSTOMER REQUESTS A SECOND METER TEST WITHIN A TWO-YEAR PERIOD AND THE TEST INDICATES THAT THE METER IS RECORDING ACCURATELY.

SEASONAL RECONNECTION FEE

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

SECTION 1.0 RATE SCHEDULE (Continued)

METER RELOCATION FEE Actual cost to relocate meter
THIS FEE MAY BE CHARGED IF A CUSTOMER REQUESTS RELOCATION OF AN EXISTING METER.

METER CONVERSION FEE Actual cost to convert meter
THIS FEE MAY BE CHARGED IF A CUSTOMER REQUESTS CHANGE OF SIZE OF AN EXISTING METER OR CHANGE IS REQUIRED BY MATERIAL CHANGE IN CUSTOMER'S SERVICE DEMAND.

LINE EXTENSION AND CONSTRUCTION CHARGES:
REFER TO SECTION 2.12 SPECIFIC UTILITY SERVICE RULES AND SECTION 3.02 UTILITY SPECIFIC EXTENSION POLICY FOR TERMS, CONDITIONS, AND CHARGES.

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

SUPPLEMENTAL EMERGENCY SERVICE FEE
APPLICABLE TO NONRESIDENTIAL WATER SERVICE CUSTOMERS THAT REQUIRE SUPPLEMENTAL SERVICE OVER AND ABOVE THEIR EXISTING WATER SERVICE FROM TIME TO TIME. USAGE TO BE DETERMINED BY CUSTOMER. THE MINIMUM DIAMETER FOR SUPPLEMENTAL SERVICE METER SHALL BE 2 INCHES.

MONTHLY SUPPLEMENTAL SERVICE RATE \$14.64
PER INCH DIAMETER OF SERVICE CONNECTION PIPE AND USAGE IS BILLED AT HIGHEST TIER.

DAMAGE OR SERVICE DIVERSION FEE Actual Cost
ONE-TIME CHARGE, PER OCCURRENCE, FOR ALL LABOR, MATERIAL, EQUIPMENT, AND ALL OTHER ACTUAL COSTS NECESSARY TO REPAIR OR REPLACE ALL EQUIPMENT DAMAGED DUE TO NEGLIGENCE, METER TAMPERING OR BYPASSING, OR SERVICE DIVERSION.

WATER PASS-THROUGH GALLONAGE CHARGE ADJUSTMENT:
CHANGES IN FEES IMPOSED BY ANY NON-AFFILIATED THIRD PARTY WATER SUPPLIER OR UNDERGROUND WATER DISTRICTS HAVING JURISDICTION OVER THE UTILITY SHALL BE CHARGED THROUGH THE WATER PASS-THROUGH GALLONAGE CHARGE ADJUSTED ANNUALLY ACCORDING TO THE FOLLOWING TRUE-UP FORMULA INTENDED TO BALANCE REVENUE FROM THE CHARGE AGAINST ACTUAL PAYMENTS AND COLLECTIONS FROM THE PRIOR YEAR:

$$WPC = ((TAC - BAC) + TUC) / TWS$$

Where:

- TAC = Total Annual Costs for 12-month period
- BAC = Baseline Annual Purchased Water Costs from last Rate Application
- TUC = True-up Costs either Over Collections or Under Collections
- TWS = Total Water Sales for 12 months

The WPC must be trued up and adjusted every twelve months.

To implement, all notice requirements must be met. The utility may begin to charge the new filed WPC on the proposed effective date in the notice. Implementation of this WPC adjustment provision shall be governed by 16 TAC § 24.25(h).