

UTILITY NAME: R Texas Utility Operating Company  
SCHEDULES - CLASS B RATE/TARIFF CHANGE

SCHEDULE III-8 CONTRIBUTIONS IN AID OF CONSTRUCTION AND ADVANCES INSTRUCTIONS

**III-8(a) ADVANCES FOR CONSTRUCTION**

If any of the items included in utility plant and equipment were 100% financed with customer contributions, assessments, surcharges, extension fees, etc., the utility may not include depreciation or return on those items in the revenue requirement, and the utility should not include them in **Table III-8(a) or (b)**. However, if those customer contributions did **not** cover the entire cost of the asset, the utility may include the excess amount that the utility paid for. Please list below all items that were funded either all or in part by customer contributions and indicate the amount that the customers contributed for each item.

**Column [A]** - List all of the items of plant and equipment that were funded all or in part by Customer Contributions (e.g., meters paid for by tap fee, line extension paid for by customer).

**Column [B]** - List the date each specific item was placed in service.

**Column [C]** - Enter the total cost of each item (regardless of how much was paid for by customers contributions or the utility).

**Column [D]** - Enter the amount of each item that was paid for with customer contributions. In most cases, this will be the same as the number in Column [C]. However, it is possible that the item may cost more or less than the customer contribution amount.

**Column [E]** - Subtract the amount in Column [D] from the amount in Column [C] and enter the result here. If the amount in this column is greater than zero for any specific item, enter those items into the appropriate category in **Table III-2**.

**III-8(b) DEVELOPER CONTRIBUTIONS IN AID OF CONSTRUCTION**

List any items of plant or equipment that you listed in **Schedule III-3** that were paid for all or in part by developer contributions. If only paid for in part by developer contributions, enter only the part that was funded by developer contributions. Enter the total Net Book Value from this table in **Schedule III-2**. If you have none, be sure to enter "N/A" on any line in the table.

Customer CIAC is entered directly into **Schedule III-3**.

SCHEDULES III-8 ADVANCES CIAC

UTILITY NAME: CSWR Texas Utility Operating Company, LLC

SCHEDULES - CLASS B RATE/TARIFF CHANGE

III-8 ADVANCES FOR CONSTRUCTION AND CONTRIBUTIONS IN AID OF CONSTRUCTION

FOR THE TEST YEAR ENDED: 12/31/2022

III-8(a) ADVANCES FOR CONSTRUCTION

	A	B	C	D	E	F	G
Line No.	Item	Date of Installation	Total Cost	Amount of Advance	Repayments made to developer	(F)=(D)-(E) Rate base Value (to Sch III-2, Line 9)	Amount to be refunded in the future*
1.	None					0	
2.						0	
3.						0	
4.						0	
5.						0	
6.	Total		0	0	0	0	0

\*If any advances or CIAC from developers or customers are refundable, please provide the potential date of refunding, if known.

III-8(b) DEVELOPER CONTRIBUTIONS IN AID OF CONSTRUCTION\*

	A	B	C	D	E	F	G
Line No.	Item	Date of Installation or Contribution	Total Cost	Amount of Developer Contribution	Annual amortization	Accumulated Amortization	(G)=(D) - (F) Rate Base Value ( to Sch III-2, Line 10)
1.	None						0
2.							0
3.							0
4.							0
5.							0
6.	Total	0	0	0	0	0	0

\*Customer CIAC is entered directly on III-3



SCHEDULES III-9 ADFIT

UTILITY NAME:	CSWR Texas Utility Operating Company, LLC
<b>SCHEDULES - CLASS B RATE/TARIFF CHANGE</b>	
<b>III-9 ACCUMULATED DEFERRED FEDERAL INCOME TAXES (ADFIT)</b>	
FOR THE TEST YEAR ENDED:	12/31/2022

Provide the calculations used to determine the ADFIT and Excess ADFIT amounts. **If this is the first time the utility is claiming ADFIT provide additional worksheets to show how it was calculated.**

**III-9(a) - ADFIT:**

Line No.	Description	A
		Amount
1.	Beginning Balance	0.00
2.	Test Year Adjustment	0.00
3.	Ending Balance	0.00

To Schedule III-2, Line 12

**III-9(b) - UNPROTECTED EXCESS ADFIT:**

Line No.	Description	A
		Amount
1.	Beginning Balance	0.00
2.	Total Change	0.00
3.	Ending Balance	0.00

To Schedule III-2, Line 13

**III-9(c) - PROTECTED EXCESS ADFIT:**

Line No.	Description	A
		Amount
1.	Beginning Balance	0.00
2.	Total Change	0.00
3.	Ending Balance	0.00

To Schedule III-2, Line 14

**III-9(d) - ACCUMULATED DEFERRED INVESTMENT TAX CREDITS:**

Line No.	Description	A
		Amount
1.	Beginning Balance	0.00
2.	Test Year Adjustment	0.00
3.	Ending Balance	0.00

To Schedule III-2, Line 15

UTILITY NAME: SWR Texas Utility Operating Company, LLC

SCHEDULES - CLASS B RATE/TARIFF CHANGE

Section IV is used to report taxes other than income for proposed revenues.

**Instructions for Section IV**

Follow the instructions included with individual schedules under the heading reference.

**SECTION IV: TAXES OTHER THAN INCOME****Schedule IV-1**

Complete for property and payroll taxes. The schedule allows for calculations if the utility proposes known and measurable changes to payroll taxes and property taxes. Use your test year property tax bills for the known and measurable calculation. Use wages expense for the adjusted total payroll in the test year to complete this schedule. If wages were capitalized, payroll taxes should be allocated between expense and capital costs in the same ratio as payroll was allocated. Attach a schedule showing the allocation calculations. Provide the same for any affiliate taxes.

**Schedule IV-2**

Revenue related taxes and expenses are those that change as the gross revenue of the utility changes. Examples are Texas franchise tax and bad debt expense. This schedule allows the "gross up" of these expenses. Obtain copies of the utility's franchise tax report to complete this schedule. Provide the same for any affiliate taxes.

SCHEDULE IV-1 OTHER TAXES

TY NAME: CSWR Texas Utility Operating Company, LLC

SCHEDULES - CLASS B RATE/TARIFF CHANGE

IV-1 ESTIMATE OF TAXES OTHER THAN INCOME

FOR THE TEST YEAR ENDED: 12/31/2022

IV-1(a) PROPERTY TAXES

A	B	C	D	E
Line No.	Description	Plant Additions	Property Taxes	Reference
1	Utility plant added in test year	-		Schedule III-3(a), Column D, Line 11
2	Utility plant retirements in test year	-		Schedule III-3(a), Column D, Line 20
3	Net additions	-		Line 1 minus line 2
4	Property taxes paid in in test year		44,847	per property tax bills
5	Beginning Gross Plant balance		-	Schedule III-3(a), Column D, Line 1
6	Net Property tax rate		#DIV/0!	Line 4 divided by Line 5 times 100
7	Test year property tax on additions (Known and measurable change)		#DIV/0!	Line 3 times Line 6
8	Adjusted Test year property tax expense		44,847	Line 4 plus Line 7

IV-1(b) PAYROLL TAXES (BASED ON ADJUSTED TEST YEAR NUMBERS)

A	B	C	D	E	F	G
Line No.	Tax Type	Wage Level	Tax Rate	Taxable Wages	Reference	Tax
					SCHEDULE II-7(b) Line 58	(D x E)
9	FICA	CSWR does not maintain any direct employees in Texas. All O&M is provided through our contracted O&M providers. Please refer to the testimony and workpapers of Brent Thies for information relative to employee expense that is captured as corporate overhead.				
10	Medicare					
11	Added Medicare (Affordable Care Act)					
12	Federal unemployment	wages to _____	%	0.00%	Column D Line 58	
13	State unemployment	wages to _____	%	0.00%	Column D+E Line 58	
14	Total (add Lines 11 through 14)			0.00%		
15	Less: Capitalized	Use % on Sch II-7(b), line 59	%	#DIV/0!		#DIV/0!
16	Test year Payroll Tax Expense	Line 13 less 14				-
17	Known and measurable change		(Line 13 minus Line 14)			-

IV-1(c) OTHER TAXES:

A	B	C	D	E
Line No.	Description	Test year	K & M change	Adjusted Test Year
18	None			-
19				-
20				-
21	Total Other Taxes (Line 18 + Line 19 + Line 20)	-	-	-
22	Total this page - taxes other than income (Sch IV-1(a) Line 8, Column D) + (Sch IV-1(b) Line 16, Column G) + (Sch IV-1(c) Line 21, Column E)			44,847
23	Total known and measurable change (Sch IV-1(a) Line 7, Column D) + (Sch IV-1(b) Line 17, Column G) + (Sch IV-1(c) Line 21, Column D)			#DIV/0!

#DIV/0!

SCHEDULE IV-2 REVENUE RELATED TAXES AND EXPENSES

UTILITY NAME: <u>CSWR Texas Utility Operating Company, LLC</u>	
SCHEDULES - CLASS B RATE/TARIFF CHANGE	
IV-2 REVENUE RELATED TAXES AND EXPENSES	
FOR THE TEST YEAR ENDED: <u>12/31/2022</u>	

	A	B	C	D	E	F
Line No.		Texas Margins Tax	City Franchise Taxes	Bad Debt Expense	Other Revenue Related	Totals (F=B+C+D+E)
1	Test year expense					-
2	Test year effective rate (test year tax expense/historic test year expense)	See Exhibits CDE-6 and CDE-10				-
3	Gross up factor (1.0 divided by (1 - test year effective rate) (example below)					-
4	Change in revenue requirement (Line 3 x Line 2)					
5	Adjusted revenue requirement (Line 3 x Line 4)					0
6	Adjusted expense (Line 3 times Line 4)					-
7	Add Schedule IV-1(c) , Line 21, Column E					-
8	Total taxes other than FIT (to Sch I-1, Col F, Line 23)					

Example: Test Year Franchise tax	\$	100
Test Year revenues:	\$	2,000
Percentage (100/2000):		0.050
Gross up factor (1/(1-0.05))		1.052631579

SCHEDULE V-1 FEDERAL INCOME TAX

UTILITY NAME: <u>CSWR Texas Utility Operating Company, LLC</u> SCHEDULES - CLASS B RATE/TARIFF CHANGE <b>V-1 FEDERAL INCOME TAX</b> FOR THE TEST YEAR ENDED: <span style="float: right;">12/31/2022</span>
---

Section V calculated federal income tax at present rates.

PUCT allows utilities to include normalized federal income tax in the cost of service. The federal income tax calculation is based on the utility's return dollars. The schedule includes a "gross up of taxes to allow for the cost of service to include changes in taxes due to the changes in proposed revenues.

A	B	C	D
Line		Amount	Reference
1	Requested Return	1,753,038	Schedule III-1, Line 3
2	Less: Synchronized Interest	534,658	Schedule III-1, Column F, Line 4 x Schedule III-2, Column B, Line 18
3	Requested taxable return	1,218,379	Line 1 minus Line 2
4	Corp. Tax Rate	21%	Current C corporation federal income tax rate at the time of filing, if the applicant is not a C corporation, then the appropriate alternative federal income tax rate is required to be used.
5	Tax Factor	0.265822785	1.0 divided by (1.0 minus Corp. Tax Rate)*Corp. Tax Rate = (1/(1-Corp. Tax Rate)*Corp.Tax Rate)
6	Grossed up federal income tax	323,873	Line 3 times line 5

To Sch I-1, Line 24

UTILITY NAME: <u>SWR Texas Utility Operating Company, LLC</u> SCHEDULES - CLASS B RATE/TARIFF CHANGE
---

**Instructions for Section VI**

Complete schedules per instructions found in the column headers and reference column.

For a flat rate calculation, use VI-2 Flat Rate Calc

For a fixed rate and a variable rate, use VI-1 Fixed & Variable Alloc and

For a single tier variable rate, use VI-3 1 Tier Gallonage Rate Calc

For a multi-tier variable rate, use VI-4 Multi-Tier Rate Calc

For surcharges, use VI-5 Surcharge Calc

UTILITY NAME: __ CSWR Texas Utility Operating Company, LLC __ SCHEDULES - CLASS B RATE/TARIFF CHANGE <b>VI-1 FIXED &amp; VARIABLE ALLOCATION FOR RATE DESIGN</b> FOR THE TEST YEAR ENDED: 12/31/2022
---

				A	B	C	D	E
Line No.	Acct. No.		Account Name	Adjusted Test Year Expenses (From Schedule I-1)	Fixed % of Col. A (Adjust each row or adjust line 28 for overall percentage for Fixed Expenses)	Fixed Expenses	Variable Expenses	Reference
	Water	Sewer				C = A x B	D = A - C	
1.	610	710	Purchased water/sewer treatment	0	0%	0	0	Schedule I-1, Column F, Line 1
2.		711	Sludge Removal Expense	0	0%	0	0	Schedule I-1, Column F, Line 2
3.	615.1	715.1	Purchased Power-wells, booster pumps	303,146	0%	0	303,146	Schedule I-1, Column F, Line 3
4.	618	718	Chemicals and other volume related expenses	130,459	0%	0	130,459	Schedule I-1, Column F, Line 4
5.	601.1	701.1	Employee labor	0	67%	0	0	Schedule I-1, Column F, Line 5
6.	620	720	Materials and Supplies	3,682	67%	2,467	1,215	Schedule I-1, Column F, Line 6
7.	631-636	731-736	Contract work	2,253,894	67%	1,510,109	743,785	Schedule I-1, Column F, Line 7
8.	650	750	Transportation expenses	0	67%	0	0	Schedule I-1, Column F, Line 8
9.	664	764	Other plant maintenance	360	67%	241	119	Schedule I-1, Column F, Line 9
10.	601.2	702.2	Office salaries	0	67%	0	0	Schedule I-1, Column F, Line 10
11.	603	703	Management salaries	0	67%	0	0	Schedule I-1, Column F, Line 11
12.	604	704	Employee pensions & benefits	0	67%	0	0	Schedule I-1, Column F, Line 12
13.	615.8	715.8	Purchased power - G&A	0	67%	0	0	Schedule I-1, Column F, Line 13
14.	670	770	Bad debt expense	73,336	67%	49,135	24,201	Schedule I-1, Column F, Line 14
15.	676	776	Office services & rentals	0	67%	0	0	Schedule I-1, Column F, Line 15
16.	677	777	Office supplies & expenses	339	67%	227	112	Schedule I-1, Column F, Line 16
17.	656-659	756-759	Insurance	423,698	67%	283,877	139,820	Schedule I-1, Column F, Line 17
18.	667	767	Regulatory expense (other)	185,605	67%	124,356	61,250	Schedule I-1, Column F, Line 18
19.	675	775	Miscellaneous expenses	1,236,526	67%	828,472	408,053	Schedule I-1, Column F, Line 19
20.				0		0	0	Schedule I-1, Column F, Line 20
21.	403		Depreciation	674,115	67%	451,657	222,458	Schedule I-1, Column F, Line 22
22.	408		Taxes Other Than Income	81,330	67%	54,491	26,839	Schedule I-1, Column F, Line 23
23.	409/410		Income Tax Expense	323,873	67%	216,995	106,878	Schedule I-1, Column F, Line 24
24.			TOTAL EXPENSES	5,690,363	67%	3,522,028	2,168,335	Add Lines 1-23
25.			REQUESTED RETURN	1,753,038	67%	1,174,535	578,502	Schedule I-1, Column F, Line 28
26.			TOTAL REVENUE REQUIREMENT	7,443,400	67%	4,696,563	2,746,837	Line 24 plus Line 25
27.			LESS: OTHER REVENUES	-78,219	67%	(52,407)	(25,812)	Schedule I-1, Column F, Line 30
28.			REVENUE for RATE DESIGN	7,365,181		4,644,156	2,721,025	Line 26 less Line 27 (if line 27 is negative, add the two lines)

UTILITY NAME: \_\_CSWR Texas Utility Operating Company, LLC\_\_  
 SCHEDULES - CLASS B RATE/TARIFF CHANGE  
**VI-2 Flat Rate Calculation**  
 FOR THE TEST YEAR ENDED: 12/31/2022

	A	B	C
Line No.	Description	Reference	Amount
1.	CSWR is not using Flat Rates in the water rate filing.		0
2.			.00
3.			12
4.			



UTILITY NAME: \_CSWR Texas Utility Operating Company, LLC\_  
**SCHEDULES - CLASS B RATE/TARIFF CHANGE**  
**VI-3 Rate Calculation for Single Tier Gallonage Charge for All Usage**  
FOR THE TEST YEAR ENDED: 12/31/2022

	A	B	C
Line No.	Description	Reference	Amount
1.	Fixed Expenses	Water Fixed Revenue Requirement	\$4,644,156
2.	Test Year End Meter Equivalencies	Schedule I-3(a), Column H, Line 9	7,163.22
3.	Billing Cycles per Year (Monthly Billing Cycle)		12
4.	Minimum Monthly Charge (Line 1/Line 2/Line 3)		54.03
Line No.	Description	Reference	Amount
5.	Variable Expenses	Remaining Water Revenue Requirement	\$2,695,706
6.	Total Test Year Gallons Billed	Schedule II-1(a), Column C, Line 4	486,987,684
7.	Volumetric Rate (Charge per 1,000 gallons) (Line 5/(Line 6/1000))		5.54

UTILITY NAME: \_\_\_\_CSWR Texas Utility Operating Company, LLC\_\_\_\_  
SCHEDULES - CLASS B RATE/TARIFF CHANGE  
**VI-4 Multi-Tiered Rate Calculation**  
FOR THE TEST YEAR ENDED: 12/31/2022

	A	B	C
Line No.	Description	Reference	Amount
1.	CSWR is not using Multi-Tier Rates in this rate filing.		
2.			
3.		Billing Cycles per Year (Monthly Billing Cycle)	12
4.	Minimum Monthly Charge (Line 1/Line 2/Line 3)		#DIV/0!

	A	B	C	D
Multi-Tiered Rates				
Line No.	Gallage Tier (Gallons)	Revenue (\$)	Gallons Billed (Gallons)	Rate per 1,000 Gallons
5.	Variable Expenses	VI-1, Col. D, Line 28	Must be provided by Utility	
	<i>Example: 0-3,000</i>			
	<i>3,001-5,000 +</i>			
6.				
7.				
8.	CSWR is not using Multi-Tier Rates in this rate filing.			
9.				
10.				
11.				
12.				
13.				
14.	Volumetric Rate (Charge per 1,000 gallons)			

UTILITY NAME: \_\_\_\_CSWR Texas Utility Operating Company, LLC\_\_\_\_  
SCHEDULES - CLASS B RATE/TARIFF CHANGE  
**VI-5 Surcharge Calculation**  
FOR THE TEST YEAR ENDED: 12/31/2022

**VI-5(a): FLAT RATE SURCHARGE CALCULATION**

	A	B	C
Line No.	Description	Reference	Amount
1.	Rate Case Expense or Other Surcharged Expense	Schedule II-11, Column D, Line 19	\$19,591
2.	Connection Count	Schedule I-3(a), Column E, Line 9 + Schedule I-3(b), Column E, Line 5	7,106.00
3.	Enter the number of months for surcharge to be collected (example: 1 year = 12 months, 2 years = 24 months, etc.)		24
4.	Surcharge Calculation (Line 1/Line 2/Line 3)		0.11

**VI-5(b): METER EQUIVALENTS SURCHARGE CALCULATION**

	A	B	C
Line No.	Description	Reference	Amount
1.	Rate Case Expense or Other Surcharged Expense	Schedule II-11, Column D, Line 19	\$19,591
2.	Connection Count	Schedule I-3(a), Column H, Line 9	7,163.22
3.	Enter the number of months for surcharge to be collected (example: 1 year = 12 months, 2 years = 24 months, etc.)		24
4.	Surcharge Calculation (Line 1/Line 2/Line 3)		0.11

UTILITY NAME: SWR Texas Utility Operating Company, LLC  
SCHEDULES - CLASS B RATE/TARIFF CHANGE

### Instructions for Section VII

Complete schedules per instructions found in the reference column.

Use schedules in this section to calculate the proposed rates and total revenue to include in notice to customers. Only use the needed schedule depending on which schedule rates were calculated with.

For **VI-2 Flat Rate Calc** use **VII-1 Revenue Flat Rate**.

For **VI-3 1 Tier Gallonage Rate Calc** use **VII-2 Revenue Generated 1 Tier**.

For **VI-4 Multi-Tier Rate Calc** use **VII-3 Revenue Gen Multi-Tier**.

For **VI-5(a) Flat Rate Surcharge Calc** use **VII-4(a) Revenue Generated for Flat Rate Surcharge**.

For **VI-5(b) Meter Equivalents Surcharge Calc** use **VII-4(b) Revenue Generated for Meter Equivalents Surcharge**.

UTILITY NAME: \_CSWR Texas Utility Operating Company, LLC\_  
SCHEDULES - CLASS B RATE/TARIFF CHANGE  
VII-1 Revenue Generated for Flat Rate  
FOR THE TEST YEAR ENDED: 12/31/2022

	A	B	C	D	E
Line No.		Existing Rates	Proposed Rates	Reference (unless otherwise noted reference is for both Column C & D)	Items to Notice
1.	Rate for a Flat Rate Unit		#DIV/0!	Column C, Line 1 = Schedule VI-2, Column C, Line 4	Column B & C
2.	No. of Meters	CSWR is not using Flat Rates in the water rate filing.			
3.	Total Revenue Generated				
4.	Revenue Requirement in Application				
5.	Over / (Under) Recovery	\$0	#DIV/0!	Line 3 minus Line 4	Column B
6.	Percentage of (Under) Recovery	#DIV/0!	#DIV/0!	Line 5 divided by Line 4 multiplied by 100 for percentage. If entering in excel do not multiply by 100, enter number as a decimal.	Column B

UTILITY NAME: __CSWR Texas Utility Operating Company, LLC__					
SCHEDULES - CLASS B RATE/TARIFF CHANGE					
VII-2 Revenue Generated for Single Tier Gallonage Charge for All Usage					
FOR THE TEST YEAR ENDED: 12/31/2022					

	A	B	C	D	E	F
Line No.		Meter Ratios	Existing Rates	Proposed Rates	Reference (unless otherwise noted reference is for both Column C & D)	Items to Notice
	<b>RATES</b>					
	<b>Minimum Monthly Charge</b>					
1.	5/8"	1.00		\$54.03	Column D, Line 1 = Schedule VI-3, Column C, Line 4	Column C & D
2.	3/4"	1.00		\$54.03	Column D, Line 2 = Column D, Line 1 multiplied by Column B, Line 2	Column C & D
3.	1"	1.67		\$90.23	Column D, Line 3 = Column D, Line 1 multiplied by Column B, Line 3	Column C & D
4.	1 1/2"	3.33		\$179.92	Column D, Line 4 = Column D, Line 1 multiplied by Column B, Line 4	Column C & D
5.	2"	5.33		\$287.98	Column D, Line 5 = Column D, Line 1 multiplied by Column B, Line 5	Column C & D
6.				\$0.00	Column D, Line 6 = Column D, Line 1 multiplied by Column B, Line 6	Column C & D
7.	Unmetered			\$87.27	Must be provided by Utility, if applicable	Column C & D
	<b>Volumetric Charge per tier</b>					
8.	All Usage			\$5.54	Column D, Line 8 = Schedule VI-3, Column C, Line 7	Column C & D
	<b>No. of Meters</b>					
9.	5/8"		5,087	5,087	Schedule I-3(a), Column E, Line 1	
10.	3/4"		1,884	1,884	Schedule I-3(a), Column E, Line 2	
11.	1"		69	69	Schedule I-3(a), Column E, Line 3	
12.	1 1/2"		1	1	Schedule I-3(a), Column E, Line 4	
13.	2"		2	2	Schedule I-3(a), Column E, Line 5	
14.			0	0	Schedule I-3(a), Column E, Line 6	
15.	Unmetered		63	63	Schedule I-3(a), Column E, Line 7	
16.	<b>Total</b>		7,106	7,106	Add Lines 9-15	
	<b>Gallons Billed</b>					
17.	All Usage		486,987,684	486,987,684	Schedule II-1(a), Column C, Line 4	
	<b>REVENUE</b>					
	<b>Minimum Monthly Charge</b>					
18.	5/8"		\$0	\$3,298,207	Line 1 multiplied by Line 9 multiplied by 12	
19.	3/4"		\$0	\$1,221,510	Line 2 multiplied by Line 10 multiplied by 12	
20.	1"		\$0	\$74,710	Line 3 multiplied by Line 11 multiplied by 12	
21.	1 1/2"		\$0	\$2,159	Line 4 multiplied by Line 12 multiplied by 12	
22.	2"		\$0	\$6,912	Line 5 multiplied by Line 13 multiplied by 12	
23.			\$0	\$0	Line 6 multiplied by Line 14 multiplied by 12	
24.	Unmetered		\$0	\$65,976	Line 7 multiplied by Line 15 multiplied by 12	
25.	<b>Total revenue generated by minimum monthly charges</b>		\$0	\$4,669,475	Add Lines 18-24	
	<b>Volumetric Revenue</b>					
26.	<b>Total revenue generated by Volumetric Usage</b>		\$0	\$2,697,912	Line 8 multiplied by (Line 17/1000)	
27.	<b>Total Revenue Generated</b>		\$3,809,062	\$7,367,386	Line 25 plus Line 26	
28.	Revenue Requirement in Application		\$7,365,181	\$7,365,181	Schedule I-1, Column F, Line 31	
29.	Over / (Under) Recovery		-\$3,556,119	\$2,205	Line 27 minus Line 28	Column C
30.	Percentage of (Under) Recovery		-48%	0%	Line 29 divided by Line 28 multiplied by 100 for percentage. If entering in excel do not multiply by 100, enter number as a decimal.	Column C

UTILITY NAME: \_\_CSWR Texas Utility Operating Company, LLC\_\_  
SCHEDULES - CLASS B RATE/TARIFF CHANGE  
VII-3 Revenue Generated for Multi-Tier Gallonage Charges  
FOR THE TEST YEAR ENDED: 12/31/2022

	A	B	C	D	E	F
Line No.		Meter Ratios	Existing Rates	Proposed Rates	Reference (unless otherwise noted reference is for both Column C & D)	Items to Notice
	<b>RATES</b>					
	<b>Minimum Monthly Charge</b>					
1.	5/8"	1.0		#DIV/0!	Column D, Line 1 = Schedule VI-4, Column C, Line 4	Column C & D
2.	3/4"	1.5	CSWR is not using Multi-Tier Rates in this rate filing.		Line 2 = Column D, Line 1 multiplied by Line 2	Column C & D
3.	1"	2.5			Line 3 = Column D, Line 1 multiplied by Line 3	Column C & D
4.	1 1/2"	5.0			Line 4 = Column D, Line 1 multiplied by Line 4	Column C & D
				#DIV/0!	Column B, Line 4	Column C & D
5.	2"	8.0		#DIV/0!	Column D, Line 5 = Column D, Line 1 multiplied by Column B, Line 5	Column C & D
6.	3"	15.0		#DIV/0!	Column D, Line 6 = Column D, Line 1 multiplied by Column B, Line 6	Column C & D
7.	Other				Must be provided by Utility, if applicable	Column C & D
	<b>Volumetric Charge per tier</b>					
	<i>Example: 0-3,000</i>					
	<i>3,001-5,000 +</i>					
8.				\$0.00	Column D, Line 8 = Schedule VI-4, Column C, Line 6	Column C & D
9.				\$0.00	Column D, Line 9 = Schedule VI-4, Column C, Line 7	Column C & D
10.				\$0.00	Column D, Line 10 = Schedule VI-4, Column C, Line 8	Column C & D
11.				\$0.00	Column D, Line 11 = Schedule VI-4, Column C, Line 9	Column C & D
12.				\$0.00	Column D, Line 12 = Schedule VI-4, Column C, Line 10	Column C & D
13.				\$0.00	Column D, Line 13 = Schedule VI-4, Column C, Line 11	Column C & D
14.				\$0.00	Column D, Line 14 = Schedule VI-4, Column C, Line 12	Column C & D
15.				\$0.00	Column D, Line 15 = Schedule VI-4, Column C, Line 13	Column C & D
	<b>No. of Meters</b>					
16.	5/8"				Schedule I-3(a), Column E, Line 1	
17.	3/4"				Schedule I-3(a), Column E, Line 2	

UTILITY NAME: __CSWR Texas Utility Operating Company, LLC_ SCHEDULES - CLASS B RATE/TARIFF CHANGE VII-3 Revenue Generated for Multi-Tier Gallonage Charges FOR THE TEST YEAR ENDED: 12/31/2022						
---	--	--	--	--	--	--

	A	B	C	D	E	F
Line No.		Meter Ratios	Existing Rates	Proposed Rates	Reference (unless otherwise noted reference is for both Column C & D)	Items to Notice
18.	1"				Schedule I-3(a), Column E, Line 3	
19.	1 1/2"				Schedule I-3(a), Column E, Line 4	
20.	2"				Schedule I-3(a), Column E, Line 5	
21.	3"				Schedule I-3(a), Column E, Line 6	
22.	Other				Schedule I-3(a), Column E, Line 7	
23.	Total		0	0	Add Lines 16-22	
	Gallons Billed					
24.	0			0	Column A, C & D - Must be provided by the Utility	
25.	0			0	Column A, C & D - Must be provided by the Utility	
26.	0			0	Column A, C & D - Must be provided by the Utility	
27.	0			0	Column A, C & D - Must be provided by the Utility	
28.	0			0	Column A, C & D - Must be provided by the Utility	
29.	0			0	Column A, C & D - Must be provided by the Utility	
30.	0			0	Column A, C & D - Must be provided by the Utility	
31.	0			0	Column A, C & D - Must be provided by the Utility	
	REVENUE					
	Minimum Monthly Charge					
32.	5/8"		\$0	#DIV/0!	Line 1 multiplied by Line 16 multiplied by 12	
33.	3/4"		\$0	#DIV/0!	Line 2 multiplied by Line 17 multiplied by 12	
34.	1"		\$0	#DIV/0!	Line 3 multiplied by Line 18 multiplied by 12	
35.	1 1/2"		\$0	#DIV/0!	Line 4 multiplied by Line 19 multiplied by 12	



UTILITY NAME: \_\_CSWR Texas Utility Operating Company, LLC\_  
SCHEDULES - CLASS B RATE/TARIFF CHANGE  
VII-3 Revenue Generated for Multi-Tier Gallonage Charges  
FOR THE TEST YEAR ENDED: 12/31/2022

	A	B	C	D	E	F
Line No.		Meter Ratios	Existing Rates	Proposed Rates	Reference (unless otherwise noted reference is for both Column C & D)	Items to Notice
36.	2"		\$0	#DIV/0!	Line 5 multiplied by Line 20 multiplied by 12	
37.	3"		\$0	#DIV/0!	Line 6 multiplied by Line 21 multiplied by 12	
38.	Other		\$0	\$0	Line 7 multiplied by Line 22 multiplied by 12	
39.	<b>Total revenue generated by minimum monthly charges</b>		\$0	#DIV/0!	Add Lines 30-38	
	<b>Volumetric Revenue</b>					
40.	0		\$0	\$0	Line 8 multiplied by (Line 24/1000)	
41.	0		\$0	\$0	Line 9 multiplied by (Line 25/1000)	
42.	0		\$0	\$0	Line 10 multiplied by (Line 26/1000)	
43.	0		\$0	\$0	Line 11 multiplied by (Line 27/1000)	
44.	0		\$0	\$0	Line 12 multiplied by (Line 28/1000)	
45.	0		\$0	\$0	Line 13 multiplied by (Line 29/1000)	
46.	0		\$0	\$0	Line 14 multiplied by (Line 30/1000)	
47.	0		\$0	\$0	Line 15 multiplied by (Line 31/1000)	
48.	<b>Total revenue generated by Volumetric Usage</b>		\$0	\$0	Add Lines 40-47	
49.	<b>Total Revenue Generated</b>		\$0	#DIV/0!	Line 39 plus Line 48	
50.	Revenue Requirement in Application		\$7,365,181	\$7,365,181	Schedule I-1, Column F, Line 31	
51.	Over / (Under) Recovery		-\$7,365,181	#DIV/0!	Line 49 less Line 50	Column C
52.	Percentage of (Under) Recovery		-1	#DIV/0!	Line 51 divided by Line 50 multiplied by 100 for percentage. If entering in excel do not multiply by 100, enter number as a decimal.	Column C

UTILITY NAME: \_\_CSWR Texas Utility Operating Company, LLC\_  
SCHEDULES - CLASS B RATE/TARIFF CHANGE  
VII-3 Revenue Generated for Multi-Tier Gallonage Charges  
FOR THE TEST YEAR ENDED: 12/31/2022

	A	B	C	D	E	F
Line No.		Meter Ratios	Existing Rates	Proposed Rates	Reference (unless otherwise noted reference is for both Column C & D)	Items to Notice

UTILITY NAME: __CSWR Texas Utility Operating Company, LLC__ SCHEDULES - CLASS B RATE/TARIFF CHANGE <b>VII-4 Surcharge Revenue Calculation</b> FOR THE TEST YEAR ENDED: 12/31/2022
--

**VII-4(a): REVENUE GENERATED FOR FLAT RATE SURCHARGE**

	A	B	C	D
Line No.		Proposed Surcharge Rate	Reference (unless otherwise noted reference is for both Column C & D)	Items to Notice
1.	Surcharge Rate	\$0.11	Column B, Line 1 = Schedule VI-5(a), Column C, Line 4	Column B
2.	No. of Meters	7,106	Schedule I-3(a), Column E, Line 9 + Schedule I-3(b), Column E, Line 5	
3.	<b>Total Surcharge Revenue Generated</b>	\$9,796	Line 1 multiplied by Line 2	
4.	Rate Case Expense or Other Surcharged Expense	\$ 19,591.34	Schedule II-11, Column D, Line 19	
5.	Over / (Under) Recovery	(9,796)	Line 3 minus Line 4	Column B
6.	Percentage of (Under) Recovery	-50%	Line 5 divided by Line 4 multiplied by 100 for percentage. If entering in excel do not multiply by 100, enter number as a decimal.	Column B

**VII-4(b): REVENUE GENERATED FOR METER EQUIVALENTS SURCHARGE**

	A	B	C	D	E
Line No.		Meter Ratios	Proposed Surcharge Rates	Reference (unless otherwise noted reference is for both Column C & D)	Items to Notice
	<b>Surcharge Rate</b>				
1.	5/8"	1.00	\$0.11	Column C, Line 1 = Schedule VI-5(b), Column C, Line 4	Column C
2.	3/4"	1.00	\$0.11	Column C, Line 2 = Column C, Line 1 multiplied by Column B, Line 2	Column C
3.	1"	1.67	\$0.19	Column C, Line 3 = Column C, Line 1 multiplied by Column B, Line 3	Column C
4.	1 1/2"	3.33	\$0.38	Column C, Line 4 = Column C, Line 1 multiplied by Column B, Line 4	Column C
5.	2"	5.33	\$0.61	Column C, Line 5 = Column C, Line 1 multiplied by Column B, Line 5	Column C
6.				Column C, Line 6 = Column C, Line 1 multiplied by Column B, Line 6	Column C
7.	Other		\$0.11	Must be provided by Utility, if applicable	Column C
	<b>No. of Meters</b>				
8.	5/8"		5087	Schedule I-3(a), Column E, Line 1	
9.	3/4"		1884	Schedule I-3(a), Column E, Line 2	
10.	1"		69	Schedule I-3(a), Column E, Line 3	
11.	1 1/2"		1	Schedule I-3(a), Column E, Line 4	

UTILITY NAME: __CSWR Texas Utility Operating Company, LLC__ SCHEDULES - CLASS B RATE/TARIFF CHANGE <b>VII-4 Surcharge Revenue Calculation</b> FOR THE TEST YEAR ENDED: 12/31/2022
--

**VII-4(b): REVENUE GENERATED FOR METER EQUIVALENTS SURCHARGE**

	A	B	C	D	E
Line No.		Meter Ratios	Proposed Surcharge Rates	Reference (unless otherwise noted reference is for both Column C & D)	Items to Notice
	<b>No. of Meters</b>				
12.	2"		2	Schedule I-3(a), Column E, Line 5	
13.	3"		0	Schedule I-3(a), Column E, Line 6	
14.	Other		63	Schedule I-3(a), Column E, Line 7	
15.	<b>Total</b>		7106	Add Lines 8-14	
	<b>SURCHARGE RATE REVENUE</b>				
16.	5/8"		\$7,012	Line 1 multiplied by Line 8 multiplied by 12	
17.	3/4"		\$2,597	Line 2 multiplied by Line 9 multiplied by 12	
18.	1"		\$159	Line 3 multiplied by Line 10 multiplied by 12	
19.	1 1/2"		\$5	Line 4 multiplied by Line 11 multiplied by 12	
20.	2"		\$0	Line 5 multiplied by Line 12 multiplied by 12	
21.	3"		\$0	Line 6 multiplied by Line 13 multiplied by 12	
22.	Other		\$87	Line 7 multiplied by Line 14 multiplied by 12	
23.	<b>Total revenue generated by surcharge rate</b>		\$9,860	Add Lines 16-22	
24.	Surcharge		\$19,591	Schedule II-11, Column D, Line 19	
25.	Over / (Under) Recovery		-\$9,731	Line 23 minus Line 24	Column C
26.	Percentage of (Under) Recovery		-50%	Line 25 divided by Line 24 multiplied by 100 for percentage. If entering in excel do not multiply by 100, enter number as a decimal.	Column C

## CLASS B RATE/TARIFF CHANGE

UTILITY NAME: CSWR-Texas Utility Operating Company  
CCN No.: 13290121120  
DOCKET NUMBER: 54565

## VERIFICATION OF ACCURACY

### OATH

(To be made by the officer having control of the accounting of the respondent.)

STATE OF ~~TEXAS~~ Missouri

COUNTY OF St. Louis

Brent Thies

(Name of Affiant)

makes an oath and says that he/she is

Vice President & Controller

(Official Title of Affiant)

of CSWR, LLC, parent of CSWR-Texas Utility Operating Company, LLC  
(Exact Legal Title or Name of the Respondent)

The signed officer has reviewed the application.

Based on the officer's knowledge, the rate application does not contain any untrue statements of a material fact or omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which such statements were made, not misleading.

Based on such officer's knowledge, the financial statements, operations and other financial information included in the rate application fairly present in all material respects the financial condition and results of operations of the preparers as of, and for, the periods presented in the rate application.

He/she swears that all other statements contained in the said rate application are true, and that the said rate application is a correct and complete statement of the business and the above-named respondent during the test year time frame of

January 1, 2022

to

December 31, 2022

and including any additional time frames aside from the aforementioned test year resulting from rate case requests for information.

Subscribed and sworn to and before me, a Notary in and for the State and County  
above-named, this 31st day of January, 2023, to certify which  
my hand and seal of office.

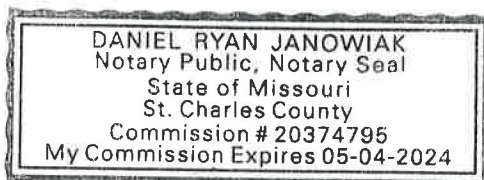
[Signature]  
(Signature of Affiant)

My commission expires

5/4/24

(Notary Public In And For The State Of Texas)

Daniel Ryan Janowiak  
Print or Type Name of Notary





**CLASS B RATE/TARIFF CHANGE APPLICATION**

UTILITY NAME: CSWR Texas Utility Operating Company, LLC

CCN No. 13290, 21120

ADDRESS OF UTILITY: 1630 Des Peres Road, Suite 140  
P.O. Box, Street and suite number, if applicable  
Des Peres, MO 63131  
City and Zip Code

PHONE NUMBER: ( )  
area code

NAME OF PERSON TO CONTACT REGARDING THIS FILING:

NAME: Brent Thies  
PHONE: 314-736-4672  
EMAIL ADDRESS: bthies@cswrgroup.com

PUCT CLASS SIZE: **B**  
Connection Count: **2,300-9,999**

FOR TEST YEAR ENDING: December 31, 2022 (Enter Month/Day/Year)

AMOUNT OF REVENUE INCREASE (DECREASE) \$1,186,392.84  
in dollars (From Schedule VII-1, Column B, Line 5 or  
Schedule VII-2, Column C, Line 29 or  
Schedule VII-3, Column C, Line 51)

PERCENT INCREASE (DECREASE): 110.17%  
percent above (below) current revenue requirement (From Schedule VII-1, Column B, Line 6 or  
Schedule VII-2, Column C, Line 30 or  
Schedule VII-3, Column C, Line 52)

DESCRIBE OWNERSHIP OF COMPANY:  
LLC

PUBLIC UTILITY COMMISSION OF TEXAS (PUCT) DOCKET NUMBER OF LAST MAJOR RATE FILING: N/A  
(If the last major rate filing was at the Texas Commission on Environmental Quality (TCEQ), provide a copy of the final order.)

RATE CASE OR DOCKET NUMBER OF LAST MINOR TARIFF RATE CHANGE\*\*: 52699, 52722

IF ANY UTILITY ASSETS WERE TRANSFERRED IN A SALE, TRANSFER, MERGER APPLICATION: See listing of STM Dockets

\*(e.g. Class B or C Rate Change application or TCEQ Rate/Tariff change application).  
\*\* (e.g. pass-through rate change or temporary water rate provision).

## **CLASS B RATE/TARIFF CHANGE INSTRUCTIONS FOR APPLICATION**

**This application can only be used by Class B utilities. Class B utilities have connections counts from 2,300 to 9,999.** The application contains schedules for the calculation of rates for one type of utility service (water or sewer). While the instructions that follow relate to only one set of schedules, they apply to each type of utility service that you are providing. If applicable, costs should be directly assigned to water and sewer functions. In the event that direct assignment is not possible, allocate expenses between water and sewer as accurately as possible, using cost-causation principles. Complete a set of rate/tariff change application schedules for each type of utility service provided. For instance, if the utility provides water and sewer service, but is only requesting a change for water service, the utility will also need to complete a set of rate/tariff change application schedules for sewer service.

**These schedules are organized in a manner whereby the user can work through each section in the following order:**

- 1st    Record historical test year data on Schedule I-1, Column D.  
Enter your test year end on the table of contents.**
- 2nd    Provide historical revenue information on Schedule 1-2.**
- 3rd    Record historical operating expenses and make known and measurable adjustments.  
(Section II)**
- 4th    Calculate return for rate making purposes (Section III).**
- 5th    Calculate adjusted taxes other than income (Section IV).**
- 6th    Calculate federal income taxes (Section V).**
- 8th    Determine revenue requirements (Schedule I).**
- 9th    Design proposed rates (Section VI).**
- 10th   Calculate the increase (decrease) in revenue for the notice.**

These schedules are intended to assist the utility in calculation of its new rates. The process consists of a number of relatively complex steps. Utilities are required to provide all the information necessary to support amounts included in the schedules and to cross-reference all information. Specifically, the utility must provide the general ledger, invoices and receipts from third party vendors supporting the test year expenses. If the applicant does not use a schedule, it should be marked "N/A", and an explanation provided.

## CLASS B RATE/TARIFF CHANGE APPLICATION ATTACHMENTS REQUIRED FOR SUFFICIENCY

The utility must submit the following with the rate application as each applies to the specific utility and affiliates:

1. Organizational Chart.
2. Cost Allocation information/Cost Allocation Manual.
3. Rating Agency Reports/Prospectus.
4. Payroll allocation – detail on how the split (between water and sewer, or between affiliates) was calculated and supporting documentation.
5. Customer Complaint policy and records.
6. Federal forms 1096 and 1099 supporting any contract labor requested in the cost of service or capitalized.
7. Federal forms W-2 and W-3 supporting any wages claimed in the cost of service or capitalized to plant in service.
8. Income statement and balance sheet (per books) for the test year for Texas utility operations. If the utility provides both water and sewer service, then the information provided should include information for both water and sewer service, separately stated and totaled, regardless if the application is for only a water rate change or only a sewer rate change or for both.
9. If you have any developer agreements please provide as such.
10. All required schedules and supporting workpapers for a rate change. Mark any schedules that are not applicable to the utility with "N/A"
11. If the utility's tariff includes a pass-through clause or a surcharge, please provide a reconciliation of revenues collected for the pass-through clause or surcharge, and expenses paid related to the pass-through clause or surcharge for the test year.
12. If the utility's cost of service includes any affiliated transactions (affiliates as defined in TWC § 13.002 (2)), the utility must list them separately and provide evidence that meets the affiliate transaction requirements in TWC § 13.185(e) and (f). Provide a schedule that includes direct assignment costs, allocated costs and any other changes between affiliates with a summary by
13. Native files for any schedules where only summaries were provided or areas where the applicant used their own created files.
14. Proposed notice forms located at [puc.texas.gov](http://puc.texas.gov).
15. An affidavit attesting to the correctness of the application included in the application form.

*The federal forms above should be filed confidentially to protect sensitive information.*

**Affiliates and Affiliated transactions:** In order to be considered for inclusion in the cost of service as a reasonable and necessary cost in accordance with Texas Water Code § 13.185(e), payment to affiliated interests for costs of any services, or any property, right or thing, or for interest expense must be supported by documentation showing that the price to the utility is no higher than prices charged by the supplying affiliate to its other affiliates or divisions for the same item or items, or to unaffiliated persons or corporations.

If the applicant is affiliated with another entity, provide the most recent annual income statement, statement of cash flow, and balance sheet for the affiliated entity(ies).



UTILITY NAME: CSWR Texas Utility Operating Company, LLC  
GENERAL RATE/TARIFF CHANGE APPLICATION SCHEDULES  
TABLE OF CONTENTS (Page 1 of 2)

**Complete all of the following schedules for your Class B utility (if the schedule does not apply, mark it "N/A")**

FOR TEST YEAR ENDED: 12/31/2022

		Attachment Schedule	Items Checked
SECTION I	<u>REVENUES AND REVENUE REQUIREMENT</u>		
	Revenue Requirement Summary	<u>I-1</u>	<input checked="" type="checkbox"/>
	Historical Revenue Summary	<u>I-2</u>	<input checked="" type="checkbox"/>
	Utility Revenue Summary - Income Statement	<u>I-2(a)</u>	<input checked="" type="checkbox"/>
	Application Reconciled to Income Statement	<u>I-2(b)</u>	<input checked="" type="checkbox"/>
	<u>Include the appropriate schedules:</u>		
	Connection Count	<u>I-3</u>	<input checked="" type="checkbox"/>
	Metered Active Connections by Meter Size	<u>I-3(a)</u>	<input checked="" type="checkbox"/>
	Unmetered Active (Flat Rate) Customers	<u>I-3(b)</u>	<input checked="" type="checkbox"/>
SECTION II	<u>OPERATIONS AND EXPENSES</u>		
	Production	<u>II-1</u>	<input type="checkbox"/>
	Water & Sewer Production (metered rates)	<u>II-1(a)</u>	<input type="checkbox"/>
	Water Production (with unmetered rates)	<u>II-1(b)</u>	<input type="checkbox"/>
	Other Revenues & Expenses passed through	<u>II-2</u>	<input checked="" type="checkbox"/>
	Operating Expenses	<u>II-3</u>	<input checked="" type="checkbox"/>
	Large Items	<u>II-4</u>	<input checked="" type="checkbox"/>
	Known & Measurable Changes	<u>II-5</u>	<input checked="" type="checkbox"/>
	Affiliate Transactions	<u>II-6</u>	<input checked="" type="checkbox"/>
	Allocation of Payroll Expenses	<u>II-7(a)</u>	<input type="checkbox"/>
	Calculation of Payroll Taxes	<u>II-7(b)</u>	<input type="checkbox"/>
	Employee Pensions/Benefits	<u>II-8</u>	<input type="checkbox"/>
	Other Expenses	<u>II-9</u>	<input checked="" type="checkbox"/>
	Advertising	<u>II-9(a)</u>	<input type="checkbox"/>
	Contributions	<u>II-9(b)</u>	<input type="checkbox"/>
	Dues and Membership	<u>II-9(c)</u>	<input type="checkbox"/>
	Regulatory Expenses	<u>II-9(d)</u>	<input checked="" type="checkbox"/>
	Unaffiliated Rents & Leases	<u>II-10(a)</u>	<input type="checkbox"/>
	Affiliated/Allocated Rents & Leases	<u>II-10(b)</u>	<input checked="" type="checkbox"/>
	Rate Case Expense	<u>II-11</u>	<input checked="" type="checkbox"/>
SECTION III	<u>RETURN AND RATE BASE/PLANT &amp; EQUIPMENT INFORMATION</u>		
	Requested Return	<u>III-1</u>	<input checked="" type="checkbox"/>
	Rate Base Summary	<u>III-2</u>	<input checked="" type="checkbox"/>
	Utility Plant - Original Cost & Depreciation	<u>III-3</u>	<input checked="" type="checkbox"/>
	Utility Plant reconciled to previous filing	<u>III-3(a)</u>	<input checked="" type="checkbox"/>
	Accumulated Depreciation	<u>III-3(b)</u>	<input checked="" type="checkbox"/>
	Construction Work in Progress	<u>III-4</u>	<input checked="" type="checkbox"/>
	Developer Construction work in progress	<u>III-4(a)</u>	<input checked="" type="checkbox"/>
	Materials and Supplies Inventory	<u>III-4(b)</u>	<input checked="" type="checkbox"/>
	Working Cash Allowance Calculations	<u>III-5</u>	<input checked="" type="checkbox"/>

UTILITY NAME: WR Texas Utility Operating Company, L  
GENERAL RATE/TARIFF CHANGE APPLICATION SCHEDULES  
TABLE OF CONTENTS (Page 2 of 2)

FOR TEST YEAR ENDED: 12/31/2022

		Attachment Schedule	Items Checked
SECTION III	<u>RETURN AND RATE BASE/PLANT &amp; EQUIPMENT INFORMATION (Continued)</u>		
	Long Term Debt/ Notes Payable – Water and Sewer	<u>III-6</u>	<input checked="" type="checkbox"/>
	Affiliate Receivables and Payables	<u>III-7</u>	<input type="checkbox"/> N/A
	Contributions in Aid of Construction and Advances	<u>III-8</u>	<input type="checkbox"/> N/A
	Advances for Construction	<u>III-8(a)</u>	<input type="checkbox"/> N/A
	Contributions in Aid of Construction	<u>III-8(b)</u>	<input type="checkbox"/> N/A
	Accumulated Deferred Federal Income Taxes (ADFIT)	<u>III-9</u>	<input checked="" type="checkbox"/>
	ADFIT	<u>III-9(a)</u>	<input checked="" type="checkbox"/>
	Unprotected Excess ADFIT	<u>III-9(b)</u>	<input checked="" type="checkbox"/>
	Protected Excess ADFIT	<u>III-9(c)</u>	<input checked="" type="checkbox"/>
	Accumulated Deferred Investment Tax Credits	<u>III-9(d)</u>	<input checked="" type="checkbox"/>
SECTION IV	<u>TAXES OTHER THAN INCOME</u>	<u>IV</u>	
	Property Taxes	<u>IV-1(a)</u>	<input checked="" type="checkbox"/>
	Payroll Taxes	<u>IV-1(b)</u>	<input type="checkbox"/> N/A
	Other Taxes	<u>IV-1(c)</u>	<input checked="" type="checkbox"/>
	Revenue Related Taxes	<u>VI-2</u>	<input checked="" type="checkbox"/>
SECTION V	<u>FEDERAL INCOME TAXES (FIT)</u>		
	Federal Income Taxes at Present Rates- effective rate	<u>V-1</u>	<input checked="" type="checkbox"/>
SECTION VI	<u>RATE DESIGN</u>		
	Fixed & Variable Revenue Requirement Allocation	<u>VI-1</u>	<input checked="" type="checkbox"/>
	Flat Rate	<u>VI-2</u>	<input checked="" type="checkbox"/>
	Rate Calculation for Single Tier Gallonage Charge for All Usage	<u>VI-3</u>	<input type="checkbox"/> N/A
	Multi-Tiered Rate Calculation	<u>VI-4</u>	<input type="checkbox"/> N/A
	Surcharge Calculation	<u>VI-5</u>	<input checked="" type="checkbox"/>
	Flat Rate Surcharge Calculation	<u>VI-5(a)</u>	<input checked="" type="checkbox"/>
	Meter Equivalent Surcharge Calculation	<u>VI-5(b)</u>	<input checked="" type="checkbox"/>
SECTION VII	<u>RATES &amp; REVENUE GENERATED FOR NOTICE</u>		
	Revenue Generated for Flat Rate	<u>VII-1</u>	<input checked="" type="checkbox"/>
	Revenue Generated for Single Tier Gallonage Charge for All Usage	<u>VII-2</u>	<input type="checkbox"/> N/A
	Revenue Generated for Multi-Tier Gallonage Charges	<u>VII-3</u>	<input type="checkbox"/> N/A
	Surcharge Revenue Calculation	<u>VII-4</u>	<input checked="" type="checkbox"/>
	Revenue Generated for Flat Rate Surcharge	<u>VII-4(a)</u>	<input checked="" type="checkbox"/>
	Revenue Generated for Meter Equivalent Surcharge	<u>VII-4(b)</u>	<input checked="" type="checkbox"/>
SECTION VIII	<u>OATH</u>	<u>VIII</u>	<input checked="" type="checkbox"/>

UTILITY NAME: CSWR Texas Utility Operating Company, LLC

SCHEDULES - CLASS B RATE/TARIFF CHANGE

SECTION I - REVENUE REQUIREMENTS AND REVENUES

The purpose of Section I is to summarize the revenue requirement and provide revenues and meter information for the test year.

Complete this section using the instructions on each schedule.

**Instructions for Section I - Revenue Requirement and Revenues**

This schedule will complete the utility's summarization of revenue requirement after all schedules except the rate design are completed.

1. Follow the instructions within the spreadsheet and complete the historical test year column (D) first using financial records. Historical data should be consistent with the applicant's annual reports and financial statements. Provide explanations
2. Complete Schedules II-2, 1-2, 1-3(a) and I-3(b).
3. Complete the remaining schedules in Sections II through V using the instructions provided in the instruction worksheets for the section or schedule and in the spreadsheets themselves.
4. Complete Schedule I-1.
5. Complete Section VI Rate Design.

Insert and reference additional workpapers as necessary. For example, you may wish to add schedules that apply to unique situations in your utility.

The schedules are based on the National Association of Regulatory Utility Commissioners (NARUC) chart of accounts and include sub-accounts as necessary for detail needed to determine reasonable and necessary expenditures.

UTILITY NAME: <u>CSWR Texas Utility Operating Company, LLC</u> SCHEDULES - CLASS B RATE/TARIFF CHANGE <b>I-1 REVENUE REQUIREMENT SUMMARY</b> PUCT Docket No. <u>54565</u> Test Year End: <u>12/31/2022</u>
---

A	B		C	D	E	F=D+E	G
	Acct. No.			Historical Test Year	K & M Changes	Adjusted Test Year	
Line	Water	Sewer	Account Name				Reference / Instructions
1.	610	710	Purchased water/sewer treatment	59,944	-	59,944	Schedule II-3, Columns C-E, Line 1
2.		711	Sludge Removal Expense	1,300	-	1,300	Schedule II-3, Columns C-E, Line 2
3.	615.1	715.1	Power Expense-wells, booster pumps	60,320	26,453	86,773	Schedule II-3, Columns C-E, Line 3
4.	618	718	Chemicals and other volume related expenses	30,138	7,724	37,861	Schedule II-3, Columns C-E, Line 4
5.	601.1	701.1	Employee labor	-	-	-	Schedule II-3, Columns C-E, Line 5
6.	620	720	Materials	998	-	998	Schedule II-3, Columns C-E, Line 6
7.	631-636	731-736	Contract work	293,282	229,033	522,315	Schedule II-3, Columns C-E, Line 7
8.	650	750	Transportation expenses	-	-	-	Schedule II-3, Columns C-E, Line 8
9.	664	764	Other plant maintenance	-	-	-	Schedule II-3, Columns C-E, Line 9
10.	601.2	702.2	Office salaries	-	-	-	Schedule II-3, Columns C-E, Line 10
11.	603	703	Management salaries	-	-	-	Schedule II-3, Columns C-E, Line 11
12.	604	704	Employee pensions & benefits	-	-	-	Schedule II-3, Columns C-E, Line 12
13.	615.8	715.8	Purchased power- G&A	-	-	-	Schedule II-3, Columns C-E, Line 13
14.	670	770	Bad debt expense	-	22,542	22,542	Schedule II-3, Columns C-E, Line 14
15.	676	776	Office services & rentals	-	-	-	Schedule II-3, Columns C-E, Line 15
16.	677	777	Office supplies & expenses	1,021	-	1,021	Schedule II-3, Columns C-E, Line 16
17.	656-659	756-759	Insurance	74,867	2,821	77,687	Schedule II-3, Columns C-E, Line 17
18.	667	767	Regulatory expense (other)	29,575	-	29,575	Schedule II-3, Columns C-E, Line 18
19.	675	775	Miscellaneous expenses	360,961	91,507	452,468	Schedule II-3, Columns C-E, Line 19
20.				-	-	-	Schedule II-3, Columns C-E, Line 20
21.			Total operating Expenses	912,405	380,080	1,292,485	Add Lines 1-20
22.	403		Depreciation	47,898	191,321	239,219	WP III-3, WP III-4
23.	408		Taxes Other than Income	9,026	8,843	17,869	Schedule IV-1, Column D, Line 4 Exhibit CDE-10
24.	409/10		Income Tax Expense			113,293	Schedule V-1, Column C, Line 6
25.			TOTAL EXPENSES	969,328	580,244	1,662,866	Add Lines 21-24
26.			TOTAL HISTORIC REVENUE	736,872			WP II-3
27.			HISTORICAL TEST YEAR RETURN	(232,456)			Line 26 less Line 25
28.			REQUESTED RETURN			613,227	Schedule III-1, Line 3
29.			TOTAL REVENUE REQUIREMENT			2,276,093	Line 25 plus Line 28
30.			LESS: OTHER REVENUES			12,800	Schedule II-2(b), Column D, Line 8
31.			Revenue for Rate Design		(to VI, line 1)	2,263,293	Line 29 less Line 30 (if line 30 is negative, add the two lines)

32.	666	766	Regulatory (rate case) expense			7,590	Schedule II-11, Column D, Line 19
-----	-----	-----	--------------------------------	--	--	-------	-----------------------------------

UTILITY NAME: <span style="float: right;">CSWR Texas Utility Operating Company, LLC</span> SCHEDULES - CLASS B RATE/TARIFF CHANGE <b>I-2 HISTORICAL REVENUE SUMMARY</b> FOR TEST YEAR ENDED: <span style="float: right;">12/31/2022</span>
---

**I-2(a) - UTILITY REVENUE SUMMARY - INCOME STATEMENT**

Line No.	NARUC Account Description	Historical Test Year	
1.	461 Metered connections minimum monthly charge revenue		From financial records
2.	461 Metered connection gallonage rate revenue		From financial records
3.	Included in combined filing only.		
4.			
5.			
6.			
6.	Total Historic Test Year Operating Revenues per income statement and Annual Report*	-	Line 4 + Line 5

(to I-1, Column D, line 26)

\*Provide all calculations and explanations for any differences between the applicant's annual report and this schedule.

\* If the utility provides other than residential retail service (wholesale, industrial, etc.), provide a work paper with the detail of this account by NARUC sub account number.

**I-2(b) - APPLICATION RECONCILED TO INCOME STATEMENT**

		A	B
Line No.	Expense Source & Descriptions of Reconciling Items	Total	Work Paper Reference/ Reconciliation Description
1.	Total Expenses Per Class B Rate Application		Schedule I-1, Column D, Line 25
<b>RECONCILING ITEMS:</b>			
2.	Non-utility Expenses		From Income Statement
3.	Regulatory Assessment Fee		From Income Statement
4.	Included in combined filing only.		se minus Rate Application Expense
5.			se minus Rate Application Expense
6.			se minus Rate Application Expense
7.			
8.	Loss on Sale of Fixed Assets		From Income Statement
9.	Operating Expenses from Excluded Systems		
10.	Subtotaled Rate Change Expenses:	-	Sum of Lines 1 through 9
11.	Income Statement Total Expenses:		From Income Statement (must equal Line 10)
12.	Total Revenues per Class B Rate Application:		Schedule I-2(a) Line 6
13.	Interest Income		From Income Statement
14.	Other non-utility revenue:		From Income Statement
15.	Rate Revenue from Excluded Systems		
16.	Other Revenue from Excluded Systems		
17.			
18.	Subtotaled Revenues:	-	Sum Lines 12 through 17.
19.	Total Income Statement Revenues:		From Income Statement (must equal Line 18)

UTILITY NAME: <u>CSWR Texas Utility Operating Company, LLC</u> SCHEDULES - CLASS B RATE/TARIFF CHANGE <b>I-3 CONNECTION COUNT</b>  FOR TEST YEAR ENDED: <span style="float: right;">12/31/2022</span>
---

**I-3(a): METERED ACTIVE CONNECTIONS BY METER SIZE  
(COMPANIES WITH METERED RATE CUSTOMERS)**

A	B	C	D	E	F	G	H
		Number of Connections					
Line No.	Meter Size	End of Prior Year	Test Year Additions	End of Test Year	Average	Meter Ratios	Meter Equivalencies End of TY
		PUCT report Sch. 9		(C+D)	(C + E) /2		(E x G)
1.	5/8"		0	0	0	1.00	0
2.	3/4"		0	0	0	1.00	0
3.	1"		0	0	0	1.67	0
4.	1 1/2"		0	0	0	3.33	0
5.	2"		0	0	0	5.33	0
6.				0	0		0
7.				0	0		0
8.				0	0		0
9.	Total	0	0	0	0		0
10	Average	#DIV/0!	0	0	0		0

**I-3(b) UNMETERED ACTIVE (FLAT RATE) CUSTOMERS  
(COMPANIES WITH UNMETERED (FLAT) RATE CUSTOMERS)**

A	B	C	D	E	F
		Number of Active Connections			
Line No.	Flat Rate Unit	End of Prior Year	Test Year Additions	End of Year	Average
		PUCT report Sch. 9		(C + D)	(C + E) /2
1.		2753	0	2753	2753
2.			0	0	0
3.				0	0
4.				0	0
5.	Total	2753	0	2753	2753

UTILITY NAME: CSWR Texas Utility Operating Company, LLC

SCHEDULES - CLASS B RATE/TARIFF CHANGE

SECTION II - OPERATIONS AND MAINTENANCE

Complete all schedules per instructions found in the column headers and reference column.

While working through Schedules II-4 and II-6 through II-8, transfer test year amounts to column F of Schedule I-1.

Insert and reference additional workpapers as necessary. For example, the applicant may use additional schedules that address unique aspects of the utility.

### **Schedule II-6 Known & Measurable Changes**

A utility is allowed to recover reasonable and necessary expenses incurred during the test year. Certain expenses may have increased or decreased during the year, so the 12 months of test year expenses would be different from the amount you would have paid for the new level of expenses for the whole 12-month period. Additionally, the utility may know that a certain expense will be changing in the near future. If you know the amount the expense will be changing, then you can adjust your test year expenses to include the change. Known and measurable changes in expenses should be recorded if they occur, but it is possible that none have occurred. If the applicant has no known and measurable changes, simply put N/A on the appropriate schedule.

Some examples of generally allowable changes with documentation/support are:

- Electric rates went up or down during the test year.
- You hired a new employee during the test year or gave your employees a raise.
- You received notice that your chemical expenses will be going up by a specified amount.
- You received a written notice from your landlord that your office rent will increase by a specified amount.
- Your property tax is decreasing because the legislature passed a law that limits property taxes.

Some examples of increases that would generally not be allowed are:

- You are thinking about hiring an extra employee.
- You have heard that your rent might be increased in a couple of months.
- Projected inflation.

UTILITY NAME: CSWR Texas Utility Operating Company, LLC

SCHEDULES - CLASS B RATE/TARIFF CHANGE

II-1 - PRODUCTION

FOR TEST YEAR ENDED: 12/31/2022

II-1(a): WATER & SEWER PRODUCTION:  
(COMPANIES WITH METERED RATE CUSTOMERS)

			A	B	C= A+B	D
Line No.	(1,000 Gallons)		Test Year	K & M Changes	Adjusted Test Year	Reference
	Water Production	Sewer Treatment				
1	Total water pumped	Total Number of Gallons Treated (Pumped) (Total Master Meter Reading for the year for the utility only.)			-	PUCT Annual Report
2	Total water pur	Included in combined and water filings only.			-	PUCT Annual Report
3	Total water pro				-	Line 1 + Line 2
4	Total water sold	Total Number of Gallons Billed			-	PUCT Annual Report
5	Total accounted for non-revenue water*		-	-	-	
6	Total unaccounted for water		-	-	-	Lines 3 less 4 less 5
7	Percentage		#DIV/0!	#DIV/0!	#DIV/0!	Line 6 divided by Line 3

\* Describe the tracking technique for calculating line 5 and provide the records reflecting the calculation.  
Provide all calculations and explanations for any differences between the applicant's annual report and the items requested on this schedule.

Known and measurable calculations and explanations:

II-1(b) WATER PRODUCTION  
(COMPANIES WITH UNMETERED (FLAT) RATE CUSTOMERS)

		A	B	C=A+B	D
Line No.	Description	Test	K & M	Adjusted	Reference
1	Water Purchased (1,000	Included in combined and water filings only.			report Sch. D-1
2	Water Pumped (1,000 ga				report Sch. D-1
3	Total production (1,000 g				+ Line 2
		-	-	-	

Known and measurable calculations and explanations:



SCHEDULE II-2 OTHER REV

UTILITY NAME: <u>CSWR Texas Utility Operating Company, LLC</u>	
SCHEDULES - CLASS B RATE/TARIFF CHANGE	
II-2 OTHER REVENUES & EXPENSES PASSED THROUGH	
FOR TEST YEAR ENDED:	12/31/2022

II-2(a) PURCHASED WATER OR OTHER PASS THROUGH EXPENSES\*

Line No.	A	B	C	D	E
	Purchased from:	See direct testimony and exhibits of Chris Ekrut.			Actual Cost paid per financial records
1.				0	
2.				0	
3.				0	
4.	Total**	0	0	0	0

\* Examples include Ground Water Conservation or subsidence district fees  
\*\* Totals of purchased water only must agree with Schedule II-1(a), Column A, Line 2, or provide a reconciliation.

II-2(b) OTHER REVENUES COLLECTED FROM CUSTOMERS

Line No.	A	B	C	D
	Item passed thru or type of other revenue	Test year historical revenues collected		Test year revenues netted against COS
1.	Tap Fees**			0*
2.	Late Fees	12,800		12,800
3.	Meter Test Fees			
4.	Reconnect Fees			
5.	Purchased Water Fees***			
6.	Groundwater Conservation District Fees***			
7.	Other (attach detail)***			
8.	Total Other Revenues	12,800		12,800

(to Sch. I-2(a), line 5) (to Sch. I-1, line 30)

\* Do not include expenses passed-through to customers, but record these in Schedule II-2(a). Include only revenues associated with expenses included in the cost of service.  
\*\* Tap fees should be reported on Sch. III-8(b) for Developer CIAC and Sch. III-3 for Customer CIAC.

UTILITY NAME: CSWR Texas Utility Operating Company, LLC

SCHEDULES - CLASS B RATE/TARIFF CHANGE

II-3 OPERATING EXPENSES

FOR TEST YEAR ENDED: 12/31/2022

**INSTRUCTIONS:** This page is required to support Schedule I-1 Revenue Requirement. Complete the columns A and B with historical financial data for the last two record periods and column C with the actual financial data for the test year. Indicate the kinds of expenses included in this account by identifying all large\* items in Schedule II-4 Large Items Identified. The known and measurable (K&M) change column represents the total change in expenses anticipated for the year after the test year. Identify all K&M expenses anticipated in Schedule II-5 Known & Measurable Revenues or Expenses Justifications. The K&M amount represents only the increase or decrease in line item expense from the test year. Identify all Affiliate Transactions in Schedule II-6 Affiliate Transactions.

If the actual for the Test Year is higher than previous years, explain the increase.

\* A large item is more than 10% of the test year account balance and more than \$1,000.

			A	B	C	D	E
NARUC Acct. No.			2 Years before Test Year	1 Year before Test Year	Test Year	K & M Change (K&M) Positive or (negative)	Adjusted Test Year (Column C plus Column D)
	Water	Sewer					
1.	610	710	Purchased Water / Sewer Treatment	0	0	59,944	59,944
2.		711	Sludge Removal Expense	0	0	1,300	1,300
3.	615.1	715.1	Purchased Power-wells, booster pumps	0	5,072	60,320	86,773
4.	618	718	Chemicals and other volume related expenses	0	4,320	30,138	37,861
5.	601.1	701.1	Employee Labor (non-administrative)	0	0	0	0
6.	620	720	Materials and Supplies	0	2,582	998	998
7.	631-636	731-736	Contract Work	0	48,547	293,282	522,315
8.	650	750	Transportation Expenses	0	0	0	0
9.	664	764	Other Plant Maintenance	0	0	0	0
10.	601.2	702.2	Office Salaries	0	0	0	0
11.	603	703	Management Salaries	0	0	0	0
12.	604	704	Employee Pensions & Benefits	0	0	0	0
13.	615.8	715.8	Purchased Power - G&A	0	0	0	0
14.	670	770	Bad Debt Expense	0	0	0	22,542
15.	676	776	Office Services & Rentals	0	0	0	0
16.	677	777	Office Supplies & Expenses	0	40	1,021	1,021
17.	656-659	756-759	Insurance	0	23,034	74,867	77,687
18.	667	767	Regulatory Expense (Other)	0	1,770	29,575	29,575
19.	675	775	Miscellaneous Expenses	0	44,605	360,961	452,468
20.				0			0
21.			TOTAL	0	129,969	912,405	1,292,485

UTILITY NAME: <u>CSWR Texas Utility Operating Company, LLC</u>
SCHEDULES - CLASS B RATE/TARIFF CHANGE
II-4 LARGE ITEMS
FOR TEST YEAR ENDED: 12/31/2022

**INSTRUCTIONS:** Describe all large items listed in Schedule II-4 Operating Expenses in the test year column, the amount of the large item, and the justification for the large item. For each large item, provide documentation from the vendor, contractor, etc. that supports the cost.

\* A large item is more than 10% of the test year account balance and more than \$1,000.

	NARUC Account Number	Description of Expense	Amount of Large Item	Justification	Schedule Reference	Supporting documentation attachment number
1.	731-736	Midwest Water Operations LLC	\$ 3,600.00	Contract work for operations	II-3	WP II-4
2.	731-736	Midwest Water Operations LLC	\$ 7,200.00	Contract work for operations	II-3	WP II-4
3.	731-736	Aggregate Water Services, Inc.	\$ 3,250.00	Contract work for operations	II-3	WP II-4
4.	731-736	Aggregate Water Services, Inc.	\$ 3,250.00	Contract work for operations	II-3	WP II-4
5.	731-736	Aggregate Water Services, Inc.	\$ 3,250.00	Contract work for operations	II-3	WP II-4
6.						
7.						
8.						
9.						
10.						
11.						
12.						
13.						
14.						
15.						
16.						
17.						
18.						
19.						
20.						

UTILITY NAME: CSWR Texas Utility Operating Company, LLC

SCHEDULES - CLASS B RATE/TARIFF CHANGE

II-5 KNOWN & MEASURABLE REVENUES OR EXPENSES JUSTIFICATION

FOR TEST YEAR ENDED: 12/31/2022

**INSTRUCTIONS:** Describe all known and measurable changes in revenues and expenses, the amount of the change, and the justification for the change. For each change, provide documentation from the vendor, contractor, etc. that supports the increase or decrease in costs. Adequate supporting documentation consists of a rate change notice, a new contract etc. which must be submitted with the application. Reference the source documentation to this schedule.

	NARUC Account Number	Description of Expense	Amount of Large Item	Justification	Schedule Reference	Supporting documentation attachment number
1.	615.1/715.1	Power Expense	\$ 26,453.15	Annualizing based on composite rate		Exhibit CDE-4
2.	618/718	Chemicals	\$ 7,723.54	Annualizing based on composite rate		Exhibit CDE-4
3.	631-636/731-736	Contract Work	\$ 229,033.00	Annualizing based on new contract or systems that did not have 12 months		Exhibit CDE-5
4.	656-659/756-759	Insurance	\$ 2,820.59	Annualized based on latest information		WP II-3
5.	675/775	Billing Expenses	\$ 67,248.18	Updating based on new contract costs		Exhibit CDE-7
6.	670/770	Bad Debt Expense	\$ 22,542.36	Calculated as 1% of Revenue		Exhibit CDE-6
7.	408	Texas Margin Tax	\$ 8,843.05	Calculated as 0.5% of Revenue		Exhibit CDE-10
8.	675/775	Overhead	\$ 24,259.12	Annualization Adjustments		Brent Thies Testimony and Exhibits
9.						
10.						
11.						
12.						
13.						
14.						
15.						
16.						
17.						
18.						
19.						
20.						

SCHEDULE II-6 AFFILIATE TRANSACTIONS

UTILITY NAME: CSWR Texas Utility Operating Company, LLC

SCHEDULES - CLASS B RATE/TARIFF CHANGE

II-6 AFFILIATE TRANSACTIONS

FOR TEST YEAR ENDED: 12/31/2022

Line No.	A	B	C	D	E	F	G	H	I
	NARUC Acct	Total Company per books, adjusted to include nonregulated activities	Non-regulated, non-utility, and prohibited activities	K&M Positive or (negative)	Adjusted Total Company subject to allocations (B - C + D)	Texas Allocation Factor	Texas Allocated	Allocation Factor	Utility/Rate Region Allocated
1.	675 & 775	231,205	-	24,259	255,464	1	255,464	See testimony of Brent Thies	
2.					0				
3.					0				
4.					0				
5.					0				
6.					0				
7.					0				
8.					0				
9.					0				
10.					0				
11.					0				
12.					0				
13.					0				
14.					0				
15.					0				
16.					0				
17.					0				
18.					0				
19.					0				
20.					0				
21.					0				
22.	Total	231204.8091	0	24259.12088	255463.93				

UTILITY NAME\_\_ CSWR Texas Utility Operating Company, LLC\_\_  
SCHEDULES - CLASS B RATE/TARIFF CHANGE  
II-7(a) ALLOCATION OF PAYROLL EXPENSES  
FOR TEST YEAR ENDED: 12/31/2022

**PAYROLL - DIRECT AND INDIRECT EXPENSES (INCLUDES MERIT, BONUS, OVERTIME & AFFILIATED PAYROLL)**

(Report the information requested below for each EMPLOYEE.)

		A	B	C	D	E	F	G	H
Line No.	Employee Name	Test Year Base Salary	Merit Pay	Overtime Pay	Total Test Year Payroll [Columns A+B+C]	Known & Measurable Amount Change	Adjusted Test Year Payroll	Allocated to Water	Allocated to Sewer
601.1 & 701.1 - EMPLOYEE LABOR									
1.					0.00		0.00		
2.					0.00		0.00		
3.					0.00		0.00		
4.		CSWR does not maintain any direct employees in Texas. All O&M is provided through our contracted O&M providers. Please refer to the testimony and workpapers of Brent Thies for information relative to employee expense that is captured as corporate overhead.						0.00	
5.								0.00	
6.								0.00	
7.								0.00	
8.					0.00		0.00		
9.					0.00		0.00		
10.					0.00		0.00		
11.					0.00		0.00		
12.					0.00		0.00		
13.					0.00		0.00		
14.					0.00		0.00		
15.	SUBTOTALLED EMPLOYEE LABOR	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

CSWR does not maintain any direct employees in Texas. All O&M is provided through our contracted O&M providers. Please refer to the testimony and workpapers of Brent Thies for information relative to employee expense that is captured as corporate overhead.

TRUE

Should equal Schedule II-3,  
Column C, Line 5.

		A	B	C	D	E	F	G	H
Line No.	Employee Name	Test Year Base Salary	Merit Pay	Overtime Pay	Total Test Year Payroll [Columns A+B+C]	Known & Measurable Amount Change	Adjusted Test Year Payroll	Allocated to Water	Allocated to Sewer
601.2 & 701.2 - OFFICE SALARIES									
16.					0.00		0.00		
17.					0.00		0.00		

UTILITY NAME\_\_ CSWR Texas Utility Operating Company, LLC\_\_  
SCHEDULES - CLASS B RATE/TARIFF CHANGE  
II-7(a) ALLOCATION OF PAYROLL EXPENSES  
FOR TEST YEAR ENDED: 12/31/2022

18.					0.00		0.00		
19.					0.00		0.00		
20.					0.00		0.00		
21.									
22.									
23.									
24.									
25.									
26.					0.00		0.00		
27.					0.00		0.00		
28.					0.00		0.00		
29.					0.00		0.00		
30.					0.00		0.00		
31.					0.00		0.00		
32.					0.00		0.00		
33.	SUBTOTALLED OFFICE SALARIES	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

CSWR does not maintain any direct employees in Texas. All O&M is provided through our contracted O&M providers. Please refer to the testimony and workpapers of Brent Thies for information relative to employee expense that is captured as corporate overhead.

TRUE

Should equal Schedule II-3,  
Column C, Line 10.

Line No.	Employee Name	A Test Year Base Salary	B Merit Pay	C Overtime Pay	D Total Test Year Payroll [Columns A+B+C]	E Known & Measurable Amount Change	F Adjusted Test Year Payroll	G Allocated to Water	H Allocated to Sewer
<b>603 &amp; 703 - MANAGEMENT SALARIES</b>									
34.					0.00		0.00		
35.					0.00		0.00		
36.					0.00		0.00		
37.					0.00		0.00		
38.					0.00		0.00		
39.					0.00		0.00		
40.									

CSWR does not maintain any direct employees in Texas. All O&M is

UTILITY NAME\_\_ CSWR Texas Utility Operating Company, LLC\_\_  
SCHEDULES - CLASS B RATE/TARIFF CHANGE  
II-7(a) ALLOCATION OF PAYROLL EXPENSES  
FOR TEST YEAR ENDED: 12/31/2022

41.			CSWR does not maintain any direct employees in Texas. All O&M is provided through our contracted O&M providers. Please refer to the testimony and workpapers of Brent Thies for information relative to employee expense that is captured as corporate overhead.						
42.									
43.									
44.									
45.					0.00		0.00		
46.					0.00		0.00		
47.					0.00		0.00		
48.					0.00		0.00		
49.					0.00		0.00		
50.	SUBTOTALLED MANAGEMENT SALARIES	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

TRUE

Should equal Schedule II-3,  
Column C, Line 11.

		A	B	C	D	E	F	G	H
Line No.	Employee Name	Test Year Base Salary	Merit Pay	Overtime Pay	Total Test Year Payroll [Columns A+B+C]	Known & Measurable Amount Change	Adjusted Test Year Payroll	Allocated to Water	Allocated to Sewer
634 & 734 - MANAGEMENT FEES									
51.					0.00		0.00		
52.					0.00		0.00		
53.		CSWR does not maintain any direct employees in Texas. All O&M is provided through our contracted O&M providers. Please refer to the testimony and workpapers of Brent Thies for information relative to employee expense that is captured as corporate overhead.							
54.									
55.					0.00		0.00		



UTILITY NAME__CSWR Texas Utility Operating Company, LLC__									
SCHEDULES - CLASS B RATE/TARIFF CHANGE									
II-7(a) ALLOCATION OF PAYROLL EXPENSES									
FOR TEST YEAR ENDED:					12/31/2022				

56.					0.00		0.00		
57.	SUBTOTALLED MANAGEMENT FEES	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

UTILITY NAME \_\_\_\_\_ CSWR Texas Utility Operating Company, LLC \_\_\_\_\_

SCHEDULES - CLASS B RATE/TARIFF CHANGE

**II-7(b) CALCULATION OF PAYROLL TAXES**

FOR TEST YEAR ENDED:

12/31/2022

**SOME SALARIES MUST BE CAPITALIZED IN THIS REPORT IF EMPLOYEES INSTALL PLANT IN SERVICE**

(Report the information requested below for each EMPLOYEE.)

		A	B	C	D	E	F	G	H
Line No.	Employee Name	Test Year Payroll	Capitalized Payroll	Expensed Payroll	1st 7,000 or new limit (FUTA max)	7,001 to 9,000 or new limit (SUTA max)	9,001 to 118,500 or new limit (or FICA max)	over 118,500 or new limit	Total Payroll
601.1 & 701.1 - EMPLOYEE LABOR									
1.									
2.									
3.									
4.				CSWR does not maintain any direct employees in Texas. All O&M is provided through our contracted O&M providers. Please refer to the testimony and workpapers of Brent Thies for information relative to employee expense that is captured as corporate overhead.					
5.									
6.									
7.									
8.									
9.									
10.									
11.									
12.									
13.									
14.									
15.	SUBTOTALED EMPLOYEE LABOR	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

UTILITY NAME \_\_\_\_\_ CSWR Texas Utility Operating Company, LLC \_\_\_\_\_

SCHEDULES - CLASS B RATE/TARIFF CHANGE

**II-7(b) CALCULATION OF PAYROLL TAXES**

FOR TEST YEAR ENDED:

12/31/2022

		A	B	C	D	E	F	G	H
Line No.	Employee Name	Test Year Payroll	Capitalized Payroll	Expensed Payroll	1st 7,000 or new limit (FUTA max)	7,001 to 9,000 or new limit (SUTA max)	9,001 to 118,500 or new limit (or FICA max)	over 118,500 or new limit	Total Payroll
601.2 & 701.2 - OFFICE SALARIES									
16.									
17.									
18.			CSWR does not maintain any direct employees in Texas. All O&M is provided through our contracted O&M providers. Please refer to the testimony and workpapers of Brent Thies for information relative to employee expense that is captured as corporate overhead.						
19.									
20.									
21.									
22.									
23.									
24.									
25.									
26.									
27.									
28.									
29.									
30.									
31.									
32.									

UTILITY NAME \_\_\_\_\_ CSWR Texas Utility Operating Company, LLC \_\_\_\_\_

SCHEDULES - CLASS B RATE/TARIFF CHANGE

**II-7(b) CALCULATION OF PAYROLL TAXES**

FOR TEST YEAR ENDED:

12/31/2022

33.	SUBTOTALLED OFFICE SALARIES	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
-----	-----------------------------	------	------	------	------	------	------	------	------

		A	B	C	D	E	F	G	H
Line No.	Employee Name	Test Year Payroll	Capitalized Payroll	Expensed Payroll	1st 7,000 or new limit (FUTA max)	7,001 to 9,000 or new limit (SUTA max)	9,001 to 118,500 or new limit (or FICA max)	over 118,500 or new limit	Total Payroll
603 & 703 - MANAGEMENT SALARIES									
34.									
35.									
36.			CSWR does not maintain any direct employees in Texas. All O&M is provided through our contracted O&M providers. Please refer to the testimony and workpapers of Brent Thies for information relative to employee expense that is captured as corporate overhead.						
37.									
38.									
39.									
40.									
41.									
42.									
43.									
44.									
45.									
46.									
47.									
48.									
49.									

UTILITY NAME \_\_\_\_\_ CSWR Texas Utility Operating Company, LLC \_\_\_\_\_

SCHEDULES - CLASS B RATE/TARIFF CHANGE

**II-7(b) CALCULATION OF PAYROLL TAXES**

FOR TEST YEAR ENDED:

12/31/2022

50.	SUBTOTALLED MANAGEMENT SALARIES	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
-----	---------------------------------------	------	------	------	------	------	------	------	------

		A	B	C	D	E	F	G	H
Line No.	Employee Name	Test Year Payroll	Capitalized Payroll	Expensed Payroll	1st 7,000 or new limit (FUTA max)	7,001 to 9,000 or new limit (SUTA max)	9,001 to 118,500 or new limit (or FICA max)	over 118,500 or new limit	Total Payroll
634 & 734 - MANAGEMENT FEES									
51.									
52.			CSWR does not maintain any direct employees in Texas. All O&M is provided through our contracted O&M providers. Please refer to the testimony and workpapers of Brent Thies for information relative to employee expense that is captured as corporate overhead.						
53.									
54.									
55.									
56.									

UTILITY NAME_____CSWR Texas Utility Operating Company, LLC_____	
SCHEDULES - CLASS B RATE/TARIFF CHANGE	
II-7(b) CALCULATION OF PAYROLL TAXES	
FOR TEST YEAR ENDED:	12/31/2022

57.	SUBTOTALED MANAGEMENT FEES	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
-----	-------------------------------	------	------	------	------	------	------	------	------

	A	B	C	D	E	F	G	H
Line No.	Test Year Payroll	CSWR does not maintain any direct employees in Texas. All O&M is provided through our contracted O&M providers. Please refer to the testimony and workpapers of Brent Thies for information relative to employee expense that is captured as corporate overhead.						Total Payroll
58.	Totals (Line 15 + Line 33 + Line 50 + Line 57)	0.00	0	0	0.00%	0	0	0

To Schedule IV-1(b)

59.	CSWR does not maintain any direct employees in Texas. All O&M is provided through our contracted O&M providers. Please refer to the testimony and workpapers of Brent Thies for information relative to employee expense that is captured as corporate overhead.
-----	--

100 for percentage. If entering in excel do not multiply by 100,

UTILITY NAME:\_\_\_CSWR Texas Utility Operating Company, LLC\_\_\_  
SCHEDULES - CLASS B RATE/TARIFF CHANGE  
II-8 EMPLOYEE PENSIONS AND BENEFITS  
FOR THE TEST YEAR ENDED:12/31/2022

This page is supplemental information. It is required to complete Schedule I-1.  
References below refer to Schedule I-1.

Line No.	Account No.	Account Name
13.	604	Employee pensions and benefits

Employee pensions and benefits

List the amount spent on Employee's pensions and benefits for the last two record periods and estimate for the Test Year. Indicate the kinds of expenses included in this account by identifying all items by category. For example, Pensions includes such items as ESOPs and IRAs. The "Other" column includes such items as dental, vision, life insurance, etc. Also include the number of employees covered and charged to account 674 and indicate the cost per employee. As applicable, provide information on any qualified pensions offered to employees and documentation, such as actuarial studies, discussing net pension costs as well as current funding status of the utility's projected benefit obligation. If the Test Year amount is higher than previous years, indicate the reason for the anticipated change:

List types of Pensions & Benefits:

	\$	\$	\$	\$	\$	
Year						Amount Capitalized*
Cost per Employee	CSWR does not maintain any direct employees in Texas. All O&M is provided through our contracted O&M providers. Please refer to the testimony and workpapers of Brent Thies for information relative to employee expense that is captured as corporate overhead.					
					\$	
Year	Total Amount	Pensions	Health	Other		Amount Capitalized*

Number of Employees covered: \_\_\_\_\_

Cost per Employee: \_\_\_\_\_

List types of Pensions & Benefits:

	\$	\$	\$	\$	\$	
Year	Total Amount	Pensions	Health	Other		Amount Capitalized*
Number of Employees covered:	_____					
Cost per Employee:	_____					

\*(use % on Schedule II-7(b), line 59)

SCHEDULE II-9 OTHER EXPENSES

UTILITY NAME CSWR Texas Utility Operating Company, LLC

SCHEDULES - CLASS B RATE/TARIFF CHANGE

II-9 OTHER EXPENSES

FOR TEST YEAR ENDED: 12/31/2022

II-9(a) ADVERTISING

Line No.	Acct. No.		Type of Advertising	2 Years before Test Year	1 Year before Test Year	Test Year Expense
	Water	Sewer				
1.			Public Heath and Safety			None
2.			Conservation of Water			
3.			Explanation of Billing Practices, rates, rules and regulations			
4.			Other advertising programs			
5.	Total Advertising Expense			0	0	0

II-9(b) CONTRIBUTIONS

Line No.	Acct. No.		Type of Contribution/Donation	Amount	Payee	Type of Organization
	Water	Sewer				
1.						None
2.						
3.						
4.						
5.	Total			0		

II-9(c) DUES AND MEMBERSHIP

Line No.	Acct. No.		Level of payment by Account	Description of Payee Organization	Total Amount	Amount Attributable to Lobbying
	Water	Sewer				
1.						None
2.						
3.						
4.						
5.	Total					

II-9(d) REGULATORY EXPENSES

Line No.	Docket No.	CCN No.	Description	Test year amount by System	Company Adjustment by System	Company Request by System
1.			See WP II-3			
2.						
3.						
4.						
5.	Total			0	0	0



UTILITY NAME: <u>CSWR Texas Utility Operating Company, LLC</u>	
SCHEDULES - CLASS B RATE/TARIFF CHANGE	
II-10 RENTS AND LEASES	
FOR THE TEST YEAR ENDED:	12/31/2022

II-10(a) UNAFFILIATED

	A	B	C	D	E
	Item leased/rented	Amount	Purpose related to providing water/sewer service	Terms/Conditions	Method of calculating payment
1.	None				
2.					
3.					
4.					
5.					
6.					
7.					
8.					
9.					
10.					
11.					
12.					
16.					
17.					
18.					
19.					

SCHEDULE II-10 RENTS AND LEASES

UTILITY NAME:	CSWR Texas Utility Operating Company, LLC
	SCHEDULES - CLASS B RATE/TARIFF CHANGE
	II-10 RENTS AND LEASES
FOR THE TEST YEAR ENDED:	12/31/2022

II-10(b) AFFILIATED/ALLOCATED

	A	B	C	D	E	F	G
	Item leased/rented	Amount	Purpose related to providing water/sewer service	Terms/Conditions	Method of calculating payment	Method of Allocation	Amount allocated to each affiliate
1.	Corporate Office	272,291	Administrative & Executive Offices for CSWR-TX and affiliates	5 year term, monthly rent payment	Per lease schedule	Per corporate CAM	6,445
2.							
3.							
4.							
5.							
6.							
7.							
8.							
9.							
10.							
11.							
12.							
16.							
17.							
18.							
19.							

UTILITY NAME: CSWR Texas Utility Operating Company, LLC  
SCHEDULES - CLASS B RATE/TARIFF CHANGE  
II-11 RATE CASE EXPENSE  
FOR THE TEST YEAR ENDED: 12/31/2022

**INSTRUCTIONS:** List the amount spent on rate case expense. Provide the items comprising the rate case expense claim (include the actual billings or invoices in support of each kind of rate case expense) and the items comprising the actual expenses of the rate case. Invoices should include number of hours billed, hourly rate, and services performed for each block of time billed, and the name of the person providing the service. Include a detailed list of travel, entertainment, meals expense included in rate case expense specifically by item with an attached invoice, and summarized by type of expense. Record Commission filing fees or fees to consultants, attorneys, etc. in formal and informal rate cases, complaints, or other dealings with the Commission, which are not reported under Professional Services. Typically, the commission allows recovery of rate case expense through a surcharge. If the applicant does not file every year, the expense must be amortized over the time between filings and only one year's worth should be charged to customers. Add additional pages if necessary.

	A	B	C	D	E
	Vendor	Posting Date	Invoice Date	Amount	Supporting documentation attachment number
1.	Coffin Renner, LLP	5/11/2022		\$ 373.45	Rate case expense support and invoices are included with the Schedule Workpapers that are attached as an exhibit to the Statement of Intent Application. This is sewer portion based on connection count.
2.	Alliance Consulting Group	6/1/2022		\$ 197.91	
3.	Coffin Renner, LLP	8/15/2022		\$ 107.23	
4.	Coffin Renner, LLP	8/31/2022		\$ 93.82	
5.	Coffin Renner, LLP	9/13/2022		\$ 553.43	
6.	Coffin Renner, LLP	10/7/2022		\$ 666.56	
7.	Alliance Consulting Group	10/31/2022		\$ 136.13	
8.	NewGen Strategies and Solutions, LLC	11/16/2022		\$ 464.23	
9.	Alliance Consulting Group	11/30/2022		\$ 286.22	
10.	Coffin Renner, LLP	12/2/2022		\$ 529.43	
11.	Coffin Renner, LLP	12/2/2022		\$ 138.02	
12.	NewGen Strategies and Solutions, LLC	12/16/2022		\$ 1,225.15	
16.	Alliance Consulting Group	12/31/2022		\$ 669.47	
17.	Coffin Renner, LLP	12/31/2022		\$ 2,149.01	
18.					
19.	Total (Sum Lines 1 - 18)			\$ 7,590.06	

INSTRUCTIONS SECTION III RATE BASE

UTILITY NAME: Texas Utility Operating Compan  
SCHEDULES - CLASS B RATE/TARIFF CHANGE  
SECTION III RATE BASE INSTRUCTIONS

**Section III provides working tables to allow the calculation of rate base and return on rate base.**

Round all cents to the nearest whole dollar. Round all percentages to two decimal places.

**Fill out the schedules as listed below.**

- 1** Complete Schedules III-3 through III-7 as they apply to your company. These tables will be used to fill out Schedule III-2.
- 2** Transfer resulting year end balances (See "References" column) to Schedule III-2.
- 3** Complete Schedule III-1

## INSTRUCTIONS SCHEDULE III-1 RETURN

UTILITY NAME: R Texas Utility Operating Company

SCHEDULES - CLASS B RATE/TARIFF CHANGE

### SCHEDULE III-1 RATE OF RETURN INSTRUCTIONS

Round all cents to the nearest whole dollar. Round all percentages to two decimal places.

Fill in the schedule using your financial information.

#### **Determining an appropriate ROE percentage**

As part of the cost that the utility passes on to its customers, a utility's ROE must be authorized by the PUCT. Other factors may be considered in establishing a ROE including, but not limited to company-specific business and financial risk factors. Return percentages should be calculated at a combined level and then applied to the rate-base amounts for water and sewer to produce the return dollars that the utility is requesting to include in the water and sewer costs of service.

Please see link below for examples of recent requests, testimonies, and Commission decisions.

[http://www.puc.texas.gov/industry/water/reports/rates/ROR\\_Report.pdf](http://www.puc.texas.gov/industry/water/reports/rates/ROR_Report.pdf)

Note: If the utility is requesting a *hypothetical* capital structure for the determination of overall rate of return, enter the requested capital-structure percentages for equity and debt in lines 4 and 5 of Column C.

UTILITY NAME: CSWR Texas Utility Operating Company, LLC  
SCHEDULES - CLASS B RATE/TARIFF CHANGE  
III-1 REQUESTED RETURN  
FOR THE TEST YEAR ENDED: 12/31/2022

RETURN ON RATE BASE:

Line No.		
1	Test year end rate base (from Schedule III-2, Line 18)	6,374,501
2	Requested ROR ( Column F, Line 7 below)	9.62%
3	Return on rate base (Line 1 x Line 2)	613,227

To Sch. I-1, Col. F, Line 28

Rate of Return:

For col. A line 5, actual equity should equal the amount the owner has contributed to the business to finance invested capital. However, if your actual debt percentage or equity percentage is greater than 60%, then use a 50/50% claimed capital structure.

Line No.	Description	A Actual Amount	B Actual Percentage	C Claimed Percentage	D Rate	E Reference	F Weighted Average Rate
			Amount from previous column divided by Line 6, Column C	Proposed Capital Structure Percentage			F = C x D
4.	Long Term Debt and Advances from associated companies from Sch. III-6, Col. F, Line 13.			45.00%	6.52%	From Sch. III-6, Col. F, Line 16	2.93400%
5.	Equity (Balance sheet plus adjustments)			55.00%	12.15%	Applicant testimony/ROE*	6.68%
6.	Total Capitalization Col. A line 4 plus Col. A line 5						
7.	Overall Rate of Return					Line 4 + Line 5	9.62%

Total Col. F, Line 7 to Line 2 above

\* Please explain the applicant's requested return on Equity on Column D line 5. Include all calculations.

COMMENTS: See testimony of Dylan D'Ascendis

SCHEDULE III-2 RATE BASE SUMM

UTILITY NAME: <u>CSWR Texas Utility Operating Company, LLC</u> SCHEDULES - CLASS B RATE/TARIFF CHANGE <b>III-2 RATE BASE SUMMARY</b>  FOR THE TEST YEAR ENDED: <span style="float: right;">12/31/2022</span>
--

If more than one PWS or Wastewater System enter total of all the systems together here.

	A	B	C
Line No.	Description	Amount	Reference (From)
	<b>Additions:</b>		
1.	Utility plant (Original Cost)	5,809,190	WP III-3
2.	Construction work in progress/Post Test Year Adjustment	-	Schedule III-4(a), Column C, Line 5
3.	Materials and supplies	-	Schedule III-4(b), Column B, Line 3
4.	Prepayments	8,349	Schedule III-4(b), Column C, Line 3
5.	Working cash (capital)	99,358	Schedule III-5, Line 2, Corresponding Column for Water or Sewer
6.	Other Additions: Acquisition Adjustments	545,739	WP III-2
7.	TOTAL ADDITIONS (Add Lines 1 through 6)	6,462,636	
	<b>Deductions:</b>		
8.	Reserve for depreciation (Accumulated)	88,134	WP III-3
9.	Advances for construction	-	Schedule III-8(a), Column F, Line 6
10.	Developer Contributions in aid of construction	-	Schedule III-8(b), Column G, Line 6
11.	Customer Deposits		
12.	Accumulated Deferred Income Taxes (ADFIT)	-	Schedule III-9(a), Column A, Line 3
13.	Unprotected Excess ADFIT	-	Schedule III-9(b), Column A, Line 3
14.	Protected Excess ADFIT	-	Schedule III-9(c), Column A, Line 3
15.	Accumulated Deferred Investment Tax Credits	-	Schedule III-9(d), Column A, Line 3
16.	Other Deductions		Add schedule
17.	TOTAL DEDUCTIONS (Add lines 8 through 16)	88,134	
18.	RATE BASE (Line 7 less Line 17)	6,374,501	

UTILITY NAME: R Texas Utility Operating Company

SCHEDULES - CLASS B RATE/TARIFF CHANGE

**SCHEDULE III-3 PLANT IN SERVICE INSTRUCTIONS**

Round all cents to the nearest whole dollar. Round all percentages to two decimal places.

A list of all used and useful assets must be submitted for each rate/tariff change.

Provide a Schedule III-3 for each public water system or wastewater system and a summary Schedule III-3 for the applicant including all utility plant in service. If more room is needed, you may add lines or make a separate table. The PUCT will accept your own schedules as long as it has the same information as Schedule III-3.

Schedule III-3(a) (required) reconciles the utility's current plant balances to the previous case filed. The instructions are for listing only one item, and you should repeat the instructions for each item added to the table. The instructions can be used to set up your own table as long as it contains the same columns.

The information developed in this table will be used in other tables throughout the application. The instructions that follow this table will tell you where to enter the information. The utility can include plant and equipment paid for by developer contributions in the depreciation schedule, but the utility cannot include plant and equipment paid for by customer contributions. Furthermore, when calculating the return on net invested capital, developer and customer contributions must be removed. This schedule may be used to capitalize regulatory assets. A group asset depreciation study may be submitted instead of Schedule III-3, for any utility that had group asset depreciation approved in its preceding rate case. Utilities electing group asset depreciation for the first time, must provide both the group asset depreciation study and Schedule III-3 in their rate filing package.

**Column [A] – NARUC Account No./Item Description**

Each asset should be listed individually in order to claim straight line depreciation. The description of each individual asset listed under its NARUC account in Column A must include the following in the description and identify its location by the public water system or subdivision for water assets and the wastewater system or subdivision for sewer, as applicable:

**Water NARUC Accounts**

- 303 Land
- 304 Structures: material type, function of each structure.
- 305 Storage Tanks: material type, capacity in gallons.
- 306 Intake Structures: quantity of pumps, horsepower per pump, capacity per pump in gallons per minute (gpm), wet well capacity in gallons.
- 307 Wells: design or rated capacity in gallons per minute (gpm).
- 310 Power Generation: size of generator in kW.
- 311 Well/Booster Pump: horsepower and capacity in gpm.
- 320 Water Treatment Equipment: type of treatment, design capacity in gallons per day (GPD).
- 331 Transmission/Distribution: material type, size of main in inches and length in feet.
- 333 Services: material type, size in inches and length in feet.
- 334 Meters and Meter Installations
- 335 Hydrants
- 340 Office Equipment
- 341 Vehicles
- 343 Shop Tools
- 344 Lab Equipment
- 345 Power Operated Equipment
- 348 Fencing & Other Tangible Plant
- 407 Amortization Expense - Regulatory Assets



UTILITY NAME: R Texas Utility Operating Company

SCHEDULES - CLASS B RATE/TARIFF CHANGE

**SCHEDULE III-3 PLANT IN SERVICE INSTRUCTIONS****Column [A] – NARUC Account No./Item Description (Continued)****Sewer NARUC Accounts**

- 353 Land
- 354 Structures: building function.
- 355 Power Generation: size of generator in kW.
- 360 Force Mains: material type, size (pipe diameter) of main in inches and length in feet.
- 361 Gravity Mains: material type, size (pipe diameter) of main in inches and length in feet.
- 362 Filtration Equipment: type.
- 363 Services to Customers
- 364 Flow Meters: size in inches.
- 370 Manholes: type and quantity
- 371 Lift Station facility: quantity of pumps, horsepower per pump, capacity per pump in gallons per minute
- 375 Transmission/Distribution Mains
- 380 Treatment facility: type of treatment, design capacity in gallons per day (GPD).
- 381 Plant Sewers
- 382 Outfall Sewer Lines
- 390 Office Equipment
- 391 Vehicles
- 393 Shop Tools
- 394 Lab Equipment
- 395 Power Operated Equipment
- 396 Communication Equipment
- 397 Misc. Equipment
- 398 Fencing & Other Tangible Plant
- 407 Amortization Expense - Regulatory Assets

**Column [B] – Date of Installation (MM/DD/YYYY)**

The date of installation is the date the asset was installed or constructed and operated in the provision of water or sewer service.

**Column [C] – Service Life (Years)****Column [D.1] – Original Cost when installed (\$)**

This is the amount that was paid for when the asset was installed. The original cost must be supported by invoices or receipts and must match the amount that was booked in the utility's general ledger when the asset

**Column [D.2] – Customer Contributions in Aid of Construction (CIAC)(\$)****Column [D] – Adjusted Original Cost Net of Customer CIAC (\$)**

This amount is calculated by subtracting the dollar amount of CIAC (Column D.2) from the asset's original cost (Column D.1)

**Column [E] – Economic Life (Number of Days)**

UTILITY NAME: R Texas Utility Operating Company

SCHEDULES - CLASS B RATE/TARIFF CHANGE

**SCHEDULE III-3 PLANT IN SERVICE INSTRUCTIONS**

Calculate the total number of days the asset has been in service since the date the asset was installed or constructed and operated in the provision of water or sewer service.

**Column [F] – Annual Depreciation Expense (\$)**

This amount is calculated by dividing the Original Cost when installed (Column D.1) by the asset's Service Life (Column C)

**Column [G] – Accumulated Depreciation (\$)**

This amount is calculated by multiplying the Annual Depreciation (Column F) by the Economic Life (Column E) and dividing the result by 365.25 days.

**Column [H] – Net Book Value or Net Plant (\$)**

This is the amount of the item remaining that has not been depreciated and is calculated by subtracting the Accumulated Depreciation (Column G) from the Adjusted Original Cost net of Customer CIAC (Column D).

SCHEDULE III-3 PLANT IN SERVICE

UTILITY NAME: 

CSWR Texas Utility Operating Company, LLC

FOR THE TEST YEAR ENDED: 

12/31/2022

PWS ID or WQ Discharge Permit Number:

SCHEDULES - CLASS B RATE/TARIFF CHANGE

III-3 UTILITY PLANT - ORIGINAL COST & DEPRECIATION

(Provide a schedule for each PWS or Wastewater system)  
Add schedules as needed, provide a summary also

	[A.1]		[A.2]	[B]	[C]	[D.1]	[D.2]	[D]	[E.1]	[E.2]	[F]	[G]	[H]	[I]	
Line No.	NARUC Acct. No.		Item Description	Plant Name	Date of Installation (MM/DD/YYYY)	Service Life (Yrs)	Original Cost When Installed (\$)	Customer CIAC Amount* (\$)	Adjusted Original Cost (\$)	Economic Life (Total Days In Service)	Remaining Service Life (Yrs)	Annual Depreciation (\$)	Accumulated Depreciation (Reserve) (\$)	Net Book Value (\$)	Developer Contributions in Aid of Construction (DCIAC) (\$)
	Water	Sewer							[D]= [D.1] - [D.2]	[Test Year End Date] [Date of Installation]	[Service Life] - [Economic Life/365.25]	[F] = [D]/[C]	[G] =([F]*[E.1])/365.25	[H] = [D]-[G]	
			Examples of descriptions						See WP III-3						
			Well #1	Plant # 1											
			Well Pump 5 hp	Plant # 1											
			Booster Pump 25 hp	Plant # 1											
			Chlorination Equip	Plant # 1											
			20,000 gallon Ground Storage Tank	Plant # 1											
			5,000 gallon Pressure Tank	Plant # 1											
			3" PVC Water Lines	Plant # 1											
			3" Sch 80 PVC Pressure Main 2,552 LF	Plant # 1											
			4" Gate Valves	Plant # 1											
			Gravity Collection Lines	Plant # 1											
			Grinder Pumps	Plant # 1											
			1.	303	353	Land									
1.01								\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!		
1.02								\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!		
1.03								\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!		
2.	304	354	Structures & Improvements												
2.01								\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!		
2.02								\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!		
2.03								\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!		
3.	310	355	Power Generation Equipment (Electrical/Generator)												
3.01								\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!		
3.02								\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!		
3.03								\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!		
4.	331	375	Transmission/Distribution Mains												
4.01								\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!		
4.02								\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!		
4.03								\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!		
5.	333	363	Services to Customers												
5.01								\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!		
5.02								\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!		
5.03								\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!		

SCHEDULE III-3 PLANT IN SERVICE

UTILITY NAME: CSWR Texas Utility Operating Company, LLC

FOR THE TEST YEAR ENDED: 12/31/2022

PWS ID or WQ Discharge Permit Number:

SCHEDULES - CLASS B RATE/TARIFF CHANGE

III-3 UTILITY PLANT - ORIGINAL COST & DEPRECIATION

(Provide a schedule for each PWS or Wastewater system)  
Add schedules as needed, provide a summary also

	[A.1]		[A.2]	[B]	[C]	[D.1]	[D.2]	[D]	[E.1]	[E.2]	[F]	[G]	[H]	[I]	
Line No.	NARUC Acct. No.		Item Description	Plant Name	Date of Installation (MM/DD/YYYY)	Service Life (Yrs)	Original Cost When Installed (\$)	Customer CIAC Amount* (\$)	Adjusted Original Cost (\$)	Economic Life (Total Days In Service)	Remaining Service Life (Yrs)	Annual Depreciation (\$)	Accumulated Depreciation (Reserve) (\$)	Net Book Value (\$)	Developer Contributions in Aid of Construction (DCIAC) (\$)
	Water	Sewer													
6.	340	390	Office Equipment												
6.01								\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!		
6.02								\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!		
6.03								\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!		
7.	341	391	Vehicles												
7.01								\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!		
7.02								\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!		
7.03								\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!		
8.	343	393	Shop Tools												
8.01								\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!		
8.02								\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!		
8.03								\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!		
9.	344	394	Lab Equipment												
9.01								\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!		
9.02								\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!		
9.03								\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!		
10.	345	395	Power Operated Equipment												
10.01								\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!		
10.02								\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!		
10.03								\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!		
11.	348	398	Fencing & Other Tangible Plant												
11.01								\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!		
11.02								\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!		
11.03								\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!		
12.	305		Storage Tanks												
12.01								\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!		
12.02								\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!		
12.03								\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!		
13	306		Intake Structures												
13.01								\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!		
13.02								\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!		

SCHEDULE III-3 PLANT IN SERVICE

UTILITY NAME: CSWR Texas Utility Operating Company, LLC

FOR THE TEST YEAR ENDED: 12/31/2022

PWS ID or WQ Discharge Permit Number:

SCHEDULES - CLASS B RATE/TARIFF CHANGE

III-3 UTILITY PLANT - ORIGINAL COST & DEPRECIATION

(Provide a schedule for each PWS or Wastewater system)  
Add schedules as needed, provide a summary also

	[A.1]		[A.2]	[B]	[C]	[D.1]	[D.2]	[D]	[E.1]	[E.2]	[F]	[G]	[H]	[I]	
Line No.	NARUC Acct. No.		Item Description	Plant Name	Date of Installation (MM/DD/YYYY)	Service Life (Yrs)	Original Cost When Installed (\$)	Customer CIAC Amount* (\$)	Adjusted Original Cost (\$)	Economic Life (Total Days In Service)	Remaining Service Life (Yrs)	Annual Depreciation (\$)	Accumulated Depreciation (Reserve) (\$)	Net Book Value (\$)	Developer Contributions in Aid of Construction (DCIAC) (\$)
	Water	Sewer													
13.03									\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!	
14.	307		Wells												
14.01									\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!	
14.02									\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!	
14.03									\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!	
15.	311		Well Pumps (> 5 hp)												
15.01									\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!	
15.02									\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!	
15.03									\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!	
16.	311		Well Pumps (< 5 hp)												
16.01									\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!	
16.02									\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!	
16.03									\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!	
17.	311		Booster Pumps (> 5hp)												
17.01									\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!	
17.02									\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!	
17.03									\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!	
18.	311		Booster Pumps (< 5hp)												
18.01									\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!	
18.02									\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!	
18.03									\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!	
19.	320	380	Water Treatment Equipment/ Treatment and Disposal Equipment												
19.01									\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!	
19.02									\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!	
19.03									\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!	
20.	334		Meters and Meter Installations												
20.01									\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!	
20.02									\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!	
20.03									\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!	
21.	335		Hydrants												
21.01									\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!	

SCHEDULE III-3 PLANT IN SERVICE

UTILITY NAME: CSWR Texas Utility Operating Company, LLC

FOR THE TEST YEAR ENDED: 12/31/2022

PWS ID or WQ Discharge Permit Number:

SCHEDULES - CLASS B RATE/TARIFF CHANGE

III-3 UTILITY PLANT - ORIGINAL COST & DEPRECIATION

(Provide a schedule for each PWS or Wastewater system)  
Add schedules as needed, provide a summary also

	[A.1]		[A.2]	[B]	[C]	[D.1]	[D.2]	[D]	[E.1]	[E.2]	[F]	[G]	[H]	[I]	
Line No.	NARUC Acct. No.		Item Description	Plant Name	Date of Installation (MM/DD/YYYY)	Service Life (Yrs)	Original Cost When Installed (\$)	Customer CIAC Amount* (\$)	Adjusted Original Cost (\$)	Economic Life (Total Days In Service)	Remaining Service Life (Yrs)	Annual Depreciation (\$)	Accumulated Depreciation (Reserve) (\$)	Net Book Value (\$)	Developer Contributions in Aid of Construction (DCIAC) (\$)
	Water	Sewer							[D]= [D.1] - [D.2]	[Test Year End Date] [Date of Installation]	[Service Life] - [Economic Life/365.25]	[F] = [D]/[C]	[G] =([F]*[E.1])/365.25	[H] = [D]-[G]	
21.02								\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!		
21.03								\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!		
22.		360	Collection Sewers - Force												
22.01								\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!		
22.02								\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!		
22.03								\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!		
23.		361	Collection Sewers - Gravity												
23.01								\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!		
23.02								\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!		
23.03								\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!		
24.		362	Clarifier & Media												
24.01								\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!		
24.02								\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!		
24.03								\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!		
25.		364	Flow Meters												
25.01								\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!		
25.02								\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!		
25.03								\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!		
26.		370	Manholes / Receiving Wells												
26.01								\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!		
26.02								\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!		
26.03								\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!		
27.		371	Lift Station Pumps												
27.01								\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!		
27.02								\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!		
27.03								\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!		
28.		381	Plant Sewers												
28.01								\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!		
28.02								\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!		
28.03								\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!		
29.		382	Outfall Sewer Lines												

SCHEDULE III-3 PLANT IN SERVICE

UTILITY NAME: CSWR Texas Utility Operating Company, LLC

FOR THE TEST YEAR ENDED: 12/31/2022

PWS ID or WQ Discharge Permit Number:

SCHEDULES - CLASS B RATE/TARIFF CHANGE

III-3 UTILITY PLANT - ORIGINAL COST & DEPRECIATION

(Provide a schedule for each PWS or Wastewater system)  
Add schedules as needed, provide a summary also

	[A.1]		[A.2]	[B]	[C]	[D.1]	[D.2]	[D]	[E.1]	[E.2]	[F]	[G]	[H]	[I]	
Line No.	NARUC Acct. No.		Item Description	Plant Name	Date of Installation (MM/DD/YYYY)	Service Life (Yrs)	Original Cost When Installed (\$)	Customer CIAC Amount* (\$)	Adjusted Original Cost (\$)	Economic Life (Total Days In Service)	Remaining Service Life (Yrs)	Annual Depreciation (\$)	Accumulated Depreciation (Reserve) (\$)	Net Book Value (\$)	Developer Contributions in Aid of Construction (DCIAC) (\$)
	Water	Sewer													
29.01									\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!	
29.02									\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!	
29.03									\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!	
30.		396	Communication Equipment												
30.01									\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!	
30.02									\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!	
30.03									\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!	
31.		397	Misc. Equipment												
31.01									\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!	
31.02									\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!	
31.03									\$0.00	44,926.00	-123.00	#DIV/0!	#DIV/0!	#DIV/0!	
32			Subtotal (Items 1 - 31)				0.00	0.00	0.00			#DIV/0!	#DIV/0!	#DIV/0!	0.00

\*Any amount incurred by the utility’s customers will be deducted from the original cost. The adjusted original cost (Original Cost - Customer CIAC), column D, will be depreciated and the net book value will be calculated in column H. Any item whose original cost was paid for entirely by the customer(s) will equate to zero.

SCHEDULE III-3(a) UTILITY PLANT IN SERVICE - RECONCILIATION

UTILITY NAME: CSWR Texas Utility Operating Company, LLC  
 SCHEDULES - CLASS B RATE/TARIFF CHANGE  
**III-3(a) UTILITY PLANT IN SERVICE-RECONCILIATION TO PRIOR CASE**  
 FOR TEST YEAR ENDED: 12/31/2022

ORIGINAL COST DATA

A	B	C	D
Line No.	Description	Amount	Amount
1.	Beginning Gross Plant balance - (from previous rate case)	Must match previous rate case	\$ -
2.	Plant additions after previous rate case		
3.	N/A	\$	
4.			
5.			
6.			
7.			
8.			
9.			
10.			
11.	Total additions (add lines 3 through 10, Col C)		\$ -
	Test year plant retirements after previous rate case:		
12.	N/A	\$	
13.			
14.			
15.			
16.			
17.			
18.			
19.			
20.	Total retirements (add line 12 through 19, Col C)		\$ -
21.	Ending balance (line 1 + line 11 - line 20)	Equals III-3, Column D, line 32	\$ -

Please provide a full explanation of any adjustments to accounts from the prior period.



UTILITY NAME: CSWR Texas Utility Operating Company, LLC

SCHEDULES - CLASS B RATE/TARIFF CHANGE

III-3(b) ACCUMULATED DEPRECIATION FROM PRIOR RATE CASE

FOR THE TEST YEAR ENDED: 12/31/2022

ACCUMULATED DEPRECIATION:

Line No.	Description	Dollar Amount
1.	Ending-Prior Rate Case (Docket No. _____)	N/A
2	Ending balance per Sch III-3, Column G, Line 32	
	Describe accounting adjustments made between the prior rate case and the current rate case:	

Must match previous rate case.

UTILITY NAME: <u>WR Texas Utility Operating Company, L</u> SCHEDULES - CLASS B RATE/TARIFF CHANGE <b>III-4 AVERAGE CONSTRUCTION WORK IN PROGRESS,                  MATERIALS &amp; SUPPLIES INVENTORY &amp; PREPAYMENTS</b>  FOR THE TEST YEAR ENDED: 12/31/2022
--

Complete if the utility maintains these accounts and if the utility wants this to be included in the rate base. If the utility does not want this included in the rate case mark "N/A" on tables.

**Do not include this amount in your rate base unless the utility provides testimony meeting the requirements of PUCT Subst. Rule 24.41(c)(4).**

**III-4(a) AVERAGE CONSTRUCTION WORK IN PROGRESS**

A	B	C
Line No.	Description	Test Year Amount
1.	Beginning balance	
2.	Test year costs added	
3.	Test year construction costs completed	
4.	Ending balance	0
5.	Average balance - test year (line 1 plus line 4, divided by 2)	-

Typically zero, to Schedule III-2, Line 2

**III-4(b) MATERIALS & SUPPLIES / PREPAID EXPENSES**

Include the un-expensed or capitalized portion of materials and supplies on your balance sheet. Prepayments include amounts, such as annual insurance, that the utility has prepaid, such as a discount. Prepayments must be reasonable.

A		B	C
		Materials & Supplies inventory	Prepaid Expenses
1.	Sum of 12 test year month end balances		
2.	One month prior to the test year, month end balance		
3.	13 Month Average balance (line 6 plus line 7, divided by 13)	0	8,349

To III-2, Line 3.

To III-2, Line 4.

SCHEDULE III-5 WORKING CASH

UTILITY NAME: <u>CSWR Texas Utility Operating Company, LLC</u> SCHEDULES FOR CLASS B RATE/TARIFF CHANGE <b>III-5 WORKING CASH ALLOWANCE CALCULATIONS</b> FOR THE TEST YEAR ENDED: <u>12/31/2022</u>
--

For Class B Utilities, one-twelfth of O&M expense (excluding amounts charged to O&M expense for materials, supplies, expenses recovered through a pass-through provision or through charges other than minimum monthly charge and gallonage charges, and prepayments) will be considered a reasonable allowance for cash working capital. For purposes of working capital calculations, O&M expense does not include depreciation, other taxes, or federal income taxes.

1. No working cash allowance is permitted when a utility bills its customers in advance and provides service to flat rate customers only. Sewer connections count for the purposes of this schedule.
  
2. A utility which has all metered customers and bills monthly must divide its annual Operating and Maintenance (O&M) expenses (excluding all taxes and depreciation) by 12 to calculate working cash allowance. An example follows:

	Class B
1. Annual Expenses	\$70,000
2. Taxes and depreciation	(10,000)
3. Net Expenses (Line 1 - Line 2)	60,000
4. Working Cash (Line 3 / line 5)	\$5,000
5. Divisor	12

A	B	Water	Sewer	
Line No	Description	Class B		
1	Annual O & M Expenses	-	1,292,485	From Sch I-1, line 21, column F
2	Working Cash (Line 1 / Line 3)	-	107,707	To Sch III-2, line 5
3	Divisor	12	12	

# INSTRUCTIONS SCHEDULE III-6 DEBT

UTILITY NAME: R Texas Utility Operating Company  
SCHEDULES - CLASS B RATE/TARIFF CHANGE

## SCHEDULE III-6 NOTES PAYABLE (LONG TERM DEBT) & EQUITY INFORMATION INSTRUCTIONS

Enter the water and sewer combined debt and equity information in both water and sewer tables. The calculated rate of return should be the same for water and sewer, and should be based on combined water and sewer information. The utility's debt and equity for return purposes relate to water and sewer system assets only and should not include short term debt unless it is used to finance system assets. Do not include personal debt.

Where a utility is part of an affiliated interest or organization, the commission may consider and apply a hypothetical capital structure for the utility.

For each loan enter the following information:

1. **Description**
2. **Date of Issuance**
3. **Maturity Date**
4. **Interest Rate** - Effective interest rate should be used for issues supported by letters of credit.
5. **Principal Amount at Issuance**
6. **Premium or (Discount) at Issuance**
7. **Underwriting Fees and Issuance Expenses**
8. **Gain or (Loss) on Reacquired Debt at Issuance**
9. **Net Proceeds** (Line 5+Line 6-Line 7 - Line 8)  
**Adjusted Net Proceeds at Issuance** - Net proceeds at issuance + amortized debt, discount, expenses,
10. premiums and unamortized losses
11. **Adjusted Net Proceeds as a Percent of Par Value** (Line 10/Line 5)
12. **Principal Currently Outstanding** (Including current maturities)
13. **Adjusted Net Proceeds** (Line 11) x (Line 12)  
**Issue as a Percent of Total Net Proceeds** - Each issue should be weighted by adjusted net proceeds to
14. derive the weighted cost of debt.  
**Cost of Debt** - this will equal the stated interest rate only if there were no issuance expenses or
15. underwriting costs, discounts or premiums, or gains or losses on reacquired debt.
16. **Weighted Cost of Long-Term Debt**

If the applicant has a parent or affiliate from which corporate debt or equity is allocated, provide a schedule that clearly presents corporate debt issuances and debt costs for the affiliate and the applicant. All methodologies, assumptions, and calculations used to allocate the debt to the Texas utility should be transparently disclosed. Fill out Schedule II-7 for the affiliate transactions.

SCHEDULE III-6 DEBT

UTILITY NAME: 

CSWR Texas Utility Operating Company, LLC

SCHEDULES - CLASS B RATE/TARIFF CHANGE

III-6 LONG TERM DEBT/ NOTES PAYABLE – WATER AND SEWER

FOR THE YEAR ENDED: 

12/31/2022

List the following information concerning debt and equity of the utility and attach copies of notes payable used. Round all percentages to two (2) decimal places. If debt from affiliated interests is allocated to the utility, provide workpapers demonstrating and justifying the allocation.

Line No.		A	B	C	D	E	F
	Name of Bank/Lender						Totals
		See direct testimony of Dylan D'Ascendis					
1	Description						
2	Date of Issue						
3	Maturity Date						
4	Interest Rate						
5	Principal Amount at Issuance						
6	Premium (Discount) at Issuance						
7	Underwriting Fees and Issuance Expenses						
8	Gain (Loss) on Reacquired Debt at Issuance						
9	Net Proceeds (Line 5+Line 6-Line 7 - Line 8)	0	0	0	0	0	
10	Adjusted Net Proceeds at Issuance						
11	Adjusted Net Proceeds as a Percent of Par Value (Line 10/Line 5)	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	
12	Principal Amount Currently Outstanding						
13	Adjusted Net Proceeds (Line 11) X (Line 12)	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
14	Issue as a Percent of Total Net Proceeds (Line 13/Column F Line 13)	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	
15	Cost of Debt (Line 4/Line 11)	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	
16	Weighted Cost of Long-Term Debt (Line 14 x Line 15)	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!

Sum of Column A through Column E

Column F, Line 13  
To Sch. III-1,  
Column A, Line 4

Column F, Line 16  
To Sch. III-1,  
Column D, Line 4

List short term debt, if any:

UTILITY NAME: <u>CSWR Texas Utility Operating Company, LLC</u> SCHEDULES - CLASS B RATE/TARIFF CHANGE <b>III-7 AFFILIATE RECEIVABLES AND PAYABLES</b> FOR TEST YEAR ENDED: <u>12/31/2022</u>
---

**III-7(a) - AFFILIATE RECEIVABLES**

Line No.	Affiliate	Amount Outstanding	Reason for Receivable
1.	None		
2.			
3.			
4.			
5.			
6.			
7.			

**III-7(b) - AFFILIATE PAYABLES**

Line No.	Affiliate	Amount Outstanding	Reason for Payable
1.	None		
2.			
3.			
4.			
5.			
6.			
7.			

UTILITY NAME: R Texas Utility Operating Company  
SCHEDULES - CLASS B RATE/TARIFF CHANGE

SCHEDULE III-8 CONTRIBUTIONS IN AID OF CONSTRUCTION AND ADVANCES INSTRUCTIONS

**III-8(a) ADVANCES FOR CONSTRUCTION**

If any of the items included in utility plant and equipment were 100% financed with customer contributions, assessments, surcharges, extension fees, etc., the utility may not include depreciation or return on those items in the revenue requirement, and the utility should not include them in **Table III-8(a) or (b)**. However, if those customer contributions did **not** cover the entire cost of the asset, the utility may include the excess amount that the utility paid for. Please list below all items that were funded either all or in part by customer contributions and indicate the amount that the customers contributed for each item.

**Column [A]** - List all of the items of plant and equipment that were funded all or in part by Customer Contributions (e.g., meters paid for by tap fee, line extension paid for by customer).

**Column [B]** - List the date each specific item was placed in service.

**Column [C]** - Enter the total cost of each item (regardless of how much was paid for by customers contributions or the utility).

**Column [D]** - Enter the amount of each item that was paid for with customer contributions. In most cases, this will be the same as the number in Column [C]. However, it is possible that the item may cost more or less than the customer contribution amount.

**Column [E]** - Subtract the amount in Column [D] from the amount in Column [C] and enter the result here. If the amount in this column is greater than zero for any specific item, enter those items into the appropriate category in **Table III-2**.

**III-8(b) DEVELOPER CONTRIBUTIONS IN AID OF CONSTRUCTION**

List any items of plant or equipment that you listed in **Schedule III-3** that were paid for all or in part by developer contributions. If only paid for in part by developer contributions, enter only the part that was funded by developer contributions. Enter the total Net Book Value from this table in **Schedule III-2**. If you have none, be sure to enter "N/A" on any line in the table.

Customer CIAC is entered directly into **Schedule III-3**.

SCHEDULES III-8 ADVANCES CIAC

UTILITY NAME: <u>CSWR Texas Utility Operating Company, LLC</u> SCHEDULES - CLASS B RATE/TARIFF CHANGE <b>III-8 ADVANCES FOR CONSTRUCTION AND CONTRIBUTIONS IN AID OF CONSTRUCTION</b> FOR THE TEST YEAR ENDED: <u>12/31/2022</u>
---

**III-8(a) ADVANCES FOR CONSTRUCTION**

	A	B	C	D	E	F	G
Line No.	Item	Date of Installation	Total Cost	Amount of Advance	Repayments made to developer	(F)=(D)-(E) Rate base Value (to Sch III-2, Line 9)	Amount to be refunded in the future*
1.	None					0	
2.						0	
3.						0	
4.						0	
5.						0	
6.	Total		0	0	0	0	0

\*If any advances or CIAC from developers or customers are refundable, please provide the potential date of refunding, if known.

**III-8(b) DEVELOPER CONTRIBUTIONS IN AID OF CONSTRUCTION\***

	A	B	C	D	E	F	G
Line No.	Item	Date of Installation or Contribution	Total Cost	Amount of Developer Contribution	Annual amortization	Accumulated Amortization	(G)=(D) - (F) Rate Base Value (to Sch III-2, Line 10)
1.	None						0
2.							0
3.							0
4.							0
5.							0
6.	Total	0	0	0	0	0	0

\*Customer CIAC is entered directly on III-3



SCHEDULES III-9 ADFIT

UTILITY NAME:	CSWR Texas Utility Operating Company, LLC
<b>SCHEDULES - CLASS B RATE/TARIFF CHANGE</b>	
<b>III-9 ACCUMULATED DEFERRED FEDERAL INCOME TAXES (ADFIT)</b>	
FOR THE TEST YEAR ENDED:	12/31/2022

Provide the calculations used to determine the ADFIT and Excess ADFIT amounts. **If this is the first time the utility is claiming ADFIT provide additional worksheets to show how it was calculated.**

**III-9(a) - ADFIT:**

Line No.	Description	A
		Amount
1.	Beginning Balance	0.00
2.	Test Year Adjustment	0.00
3.	Ending Balance	0.00

To Schedule III-2, Line 12

**III-9(b) - UNPROTECTED EXCESS ADFIT:**

Line No.	Description	A
		Amount
1.	Beginning Balance	0.00
2.	Total Change	0.00
3.	Ending Balance	0.00

To Schedule III-2, Line 13

**III-9(c) - PROTECTED EXCESS ADFIT:**

Line No.	Description	A
		Amount
1.	Beginning Balance	0.00
2.	Total Change	0.00
3.	Ending Balance	0.00

To Schedule III-2, Line 14

**III-9(d) - ACCUMULATED DEFERRED INVESTMENT TAX CREDITS:**

Line No.	Description	A
		Amount
1.	Beginning Balance	0.00
2.	Test Year Adjustment	0.00
3.	Ending Balance	0.00

To Schedule III-2, Line 15

UTILITY NAME: SWR Texas Utility Operating Company, LLC**SCHEDULES - CLASS B RATE/TARIFF CHANGE**

Section IV is used to report taxes other than income for proposed revenues.

**Instructions for Section IV**

Follow the instructions included with individual schedules under the heading reference.

**SECTION IV: TAXES OTHER THAN INCOME****Schedule IV-1**

Complete for property and payroll taxes. The schedule allows for calculations if the utility proposes known and measurable changes to payroll taxes and property taxes. Use your test year property tax bills for the known and measurable calculation. Use wages expense for the adjusted total payroll in the test year to complete this schedule. If wages were capitalized, payroll taxes should be allocated between expense and capital costs in the same ratio as payroll was allocated. Attach a schedule showing the allocation calculations. Provide the same for any affiliate taxes.

**Schedule IV-2**

Revenue related taxes and expenses are those that change as the gross revenue of the utility changes. Examples are Texas franchise tax and bad debt expense. This schedule allows the "gross up" of these expenses. Obtain copies of the utility's franchise tax report to complete this schedule. Provide the same for any affiliate taxes.

SCHEDULE IV-1 OTHER TAXES

TY NAME:  CSWR Texas Utility Operating Company, LLC

SCHEDULES - CLASS B RATE/TARIFF CHANGE

IV-1 ESTIMATE OF TAXES OTHER THAN INCOME

FOR THE TEST YEAR ENDED: 12/31/2022

IV-1(a) PROPERTY TAXES

A	B	C	D	E
Line No.	Description	Plant Additions	Property Taxes	Reference
1	Utility plant added in test year	-		Schedule III-3(a), Column D, Line 11
2	Utility plant retirements in test year	-		Schedule III-3(a), Column D, Line 20
3	Net additions	-		Line 1 minus line 2
4	Property taxes paid in in test year		6,655	per property tax bills
5	Beginning Gross Plant balance		-	Schedule III-3(a), Column D, Line 1
6	Net Property tax rate		#DIV/0!	Line 4 divided by Line 5 times 100
7	Test year property tax on additions (Known and measurable change)		#DIV/0!	Line 3 times Line 6
8	Adjusted Test year property tax expense		6,655	Line 4 plus Line 7

IV-1(b) PAYROLL TAXES (BASED ON ADJUSTED TEST YEAR NUMBERS)

A	B	C	D	E	F	G
Line No.	Tax Type	Wage Level	Tax Rate	Taxable Wages	Reference	Tax
					SCHEDULE II-7(b) Line 58	(D x E)
9	FICA	CSWR does not maintain any direct employees in Texas. All O&M is provided through our contracted O&M providers. Please refer to the testimony and workpapers of Brent Thies for information relative to employee expense that is captured as corporate overhead.				
10	Medicare					
11	Added Medicare (Affordable Care Act)					
12	Federal unemployment	wages to _____	%	0.00%	Column D Line 58	
13	State unemployment	wages to _____	%	0.00%	Column D+E Line 58	
14	Total (add Lines 11 through 14)			0.00%		
15	Less: Capitalized	Use % on Sch II-7(b), line 59	%	#DIV/0!		#DIV/0!
16	Test year Payroll Tax Expense	Line 13 less 14				-
17	Known and measurable change		(Line 13 minus Line 14)			-

IV-1(c) OTHER TAXES:

A	B	C	D	E
Line No.	Description	Test year	K & M change	Adjusted Test Year
18	None			-
19				-
20				-
21	Total Other Taxes (Line 18 + Line 19 + Line 20)	-	-	-
22	Total this page - taxes other than income (Sch IV-1(a) Line 8, Column D) + (Sch IV-1(b) Line 16, Column G) + (Sch IV-1(c) Line 21, Column E)			6,655
23	Total known and measurable change (Sch IV-1(a) Line 7, Column D) + (Sch IV-1(b) Line 17, Column G) + (Sch IV-1(c) Line 21, Column D)			#DIV/0!

#DIV/0!

SCHEDULE IV-2 REVENUE RELATED TAXES AND EXPENSES

UTILITY NAME: CSWR Texas Utility Operating Company, LLC  
SCHEDULES - CLASS B RATE/TARIFF CHANGE  
IV-2 REVENUE RELATED TAXES AND EXPENSES  
FOR THE TEST YEAR ENDED: 12/31/2022

	A	B	C	D	E	F
Line No.		Texas Margins Tax	City Franchise Taxes	Bad Debt Expense	Other Revenue Related	Totals (F=B+C+D+E)
1	Test year expense	See Exhibits CDE-6 and CDE-10				-
2	Test year effective expense/historic test year expense					-
3	Gross up factor (1/(1-0.05)) (example below)					-
4	Change in revenue requirement					
5	Adjusted revenue requirement (Line 3 x Line 4)					0
6	Adjusted expense (Line 3 times Line 4)					-
7	Add Schedule IV-1(c) , Line 21, Column E					-
8	Total taxes other than FIT (to Sch I-1, Col F, Line 23)					

Example: Test Year Franchise tax\$100  
Test Year revenues:\$2,000  
Percentage (100/2000):0.050  
Gross up factor (1/(1-0.05))1.052631579

SCHEDULE V-1 FEDERAL INCOME TAX

UTILITY NAME: <u>CSWR Texas Utility Operating Company, LLC</u> SCHEDULES - CLASS B RATE/TARIFF CHANGE <b>V-1 FEDERAL INCOME TAX</b> FOR THE TEST YEAR ENDED: <span style="float: right;">12/31/2022</span>
---

Section V calculated federal income tax at present rates.

PUCT allows utilities to include normalized federal income tax in the cost of service. The federal income tax calculation is based on the utility's return dollars. The schedule includes a "gross up of taxes to allow for the cost of service to include changes in taxes due to the changes in proposed revenues.

A	B	C	D
Line		Amount	Reference
1	Requested Return	613,227	Schedule III-1, Line 3
2	Less: Synchronized Interest	187,028	Schedule III-1, Column F, Line 4 x Schedule III-2, Column B, Line 18
3	Requested taxable return	426,199	Line 1 minus Line 2
4	Corp. Tax Rate	21%	Current C corporation federal income tax rate at the time of filing, if the applicant is not a C corporation, then the appropriate alternative federal income tax rate is required to be used.
5	Tax Factor	0.265822785	1.0 divided by (1.0 minus Corp. Tax Rate)*Corp. Tax Rate = (1/(1-Corp. Tax Rate)*Corp.Tax Rate)
6	Grossed up federal income tax	113,293	Line 3 times line 5

To Sch I-1, Line 24

UTILITY NAME: <u>SWR Texas Utility Operating Company, LLC</u> SCHEDULES - CLASS B RATE/TARIFF CHANGE
---

**Instructions for Section VI**

Complete schedules per instructions found in the column headers and reference column.

For a flat rate calculation, use VI-2 Flat Rate Calc

For a fixed rate and a variable rate, use VI-1 Fixed & Variable Alloc and

For a single tier variable rate, use VI-3 1 Tier Gallonage Rate Calc

For a multi-tier variable rate, use VI-4 Multi-Tier Rate Calc

For surcharges, use VI-5 Surcharge Calc

UTILITY NAME: __CSWR Texas Utility Operating Company, LLC__ SCHEDULES - CLASS B RATE/TARIFF CHANGE <b>VI-1 FIXED &amp; VARIABLE ALLOCATION FOR RATE DESIGN</b> FOR THE TEST YEAR ENDED: 12/31/2022
---

				A	B	C	D	E
Line No.	Acct. No.		Account Name	Adjusted Test Year Expenses (From Schedule I-1)	Fixed % of Col. A (Adjust each row or adjust line 28 for overall percentage for Fixed Expenses)	Fixed Expenses	Variable Expenses	Reference
	Water	Sewer				C = A x B	D = A - C	
1.	610	710	Purchased water/sewer treatment	59,944	0%	0	59,944	Schedule I-1, Column F, Line 1
2.		711	Sludge Removal Expense	1,300	0%	0	1,300	Schedule I-1, Column F, Line 2
3.	615.1	715.1	Purchased Power-wells, booster pumps	86,773	0%	0	86,773	Schedule I-1, Column F, Line 3
4.	618	718	Chemicals and other volume related expenses	37,861	0%	0	37,861	Schedule I-1, Column F, Line 4
5.	601.1	701.1	Employee labor	0	67%	0	0	Schedule I-1, Column F, Line 5
6.	620	720	Materials and Supplies	998	67%	669	329	Schedule I-1, Column F, Line 6
7.	631-636	731-736	Contract work	522,315	67%	349,951	172,364	Schedule I-1, Column F, Line 7
8.	650	750	Transportation expenses	0	67%	0	0	Schedule I-1, Column F, Line 8
9.	664	764	Other plant maintenance	0	67%	0	0	Schedule I-1, Column F, Line 9
10.	601.2	702.2	Office salaries	0	67%	0	0	Schedule I-1, Column F, Line 10
11.	603	703	Management salaries	0	67%	0	0	Schedule I-1, Column F, Line 11
12.	604	704	Employee pensions & benefits	0	67%	0	0	Schedule I-1, Column F, Line 12
13.	615.8	715.8	Purchased power - G&A	0	67%	0	0	Schedule I-1, Column F, Line 13
14.	670	770	Bad debt expense	22,542	67%	15,103	7,439	Schedule I-1, Column F, Line 14
15.	676	776	Office services & rentals	0	67%	0	0	Schedule I-1, Column F, Line 15
16.	677	777	Office supplies & expenses	1,021	67%	684	337	Schedule I-1, Column F, Line 16
17.	656-659	756-759	Insurance	77,687	67%	52,051	25,637	Schedule I-1, Column F, Line 17
18.	667	767	Regulatory expense (other)	29,575	67%	19,815	9,760	Schedule I-1, Column F, Line 18
19.	675	775	Miscellaneous expenses	452,468	67%	303,154	149,314	Schedule I-1, Column F, Line 19
20.				0		0	0	Schedule I-1, Column F, Line 20
21.	403		Depreciation	239,219	67%	160,277	78,942	Schedule I-1, Column F, Line 22
22.	408		Taxes Other Than Income	17,869	67%	11,972	5,897	Schedule I-1, Column F, Line 23
23.	409/410		Income Tax Expense	113,293	67%	75,907	37,387	Schedule I-1, Column F, Line 24
24.			TOTAL EXPENSES	1,662,866	67%	989,582	673,284	Add Lines 1-23
25.			REQUESTED RETURN	613,227	67%	410,862	202,365	Schedule I-1, Column F, Line 28
26.			TOTAL REVENUE REQUIREMENT	2,276,093	67%	1,400,444	875,649	Line 24 plus Line 25
27.			LESS: OTHER REVENUES	-12,800	67%	(8,576)	(4,224)	Schedule I-1, Column F, Line 30
28.			REVENUE for RATE DESIGN	2,263,293		1,391,868	871,425	Line 26 less Line 27 (if line 27 is negative, add the two lines)

UTILITY NAME: \_\_CSWR Texas Utility Operating Company, LLC\_\_  
SCHEDULES - CLASS B RATE/TARIFF CHANGE  
**VI-2 Flat Rate Calculation**  
FOR THE TEST YEAR ENDED: 12/31/2022

	A	B	C
Line No.	Description	Reference	Amount
1.	Expenses	Sewer Revenue Requirement	2,263,293
2.	Connection Count	Sewer Counts	2,753.00
3.	Billing Cycles per Year (Monthly Billing Cycle)		12
4.	<b>Flat Rate (Line 1/Line 2/Line 3)</b>		68.51



UTILITY NAME: \_CSWR Texas Utility Operating Company, LLC\_  
**SCHEDULES - CLASS B RATE/TARIFF CHANGE**  
**VI-3 Rate Calculation for Single Tier Gallonage Charge for All Usage**  
FOR THE TEST YEAR ENDED: 12/31/2022

	A	B	C	
Line No.	Description	Reference	Amount	
1.	Fixed Expenses			
2.	Te	CSWR is not using Single Tier Rates in the sewer rate filing.		
3.	Bi			12
4.				
Line No.	Description	Reference	Amount	
5.	Variable Expenses			
6.	Total Test Year Gallons Billed	Schedule II-1(a), Column C, Line 4	0	
7.	Volumetric Rate (Charge per 1,000 gallons) (Line 5/(Line 6/1000))		#DIV/0!	

UTILITY NAME: \_\_\_\_CSWR Texas Utility Operating Company, LLC\_\_\_\_  
**SCHEDULES - CLASS B RATE/TARIFF CHANGE**  
**VI-4 Multi-Tiered Rate Calculation**  
 FOR THE TEST YEAR ENDED: 12/31/2022

	A	B	C
Line No.	Description	Reference	Amount
1.	CSWR is not using Multi-Tier Rates in this rate filing.		
2.			
3.		Billing Cycles per Year (Monthly Billing Cycle)	12
4.	Minimum Monthly Charge (Line 1/Line 2/Line 3)		#DIV/0!

	A	B	C	D
Multi-Tiered Rates				
Line No.	Gallage Tier (Gallons)	Revenue (\$)	Gallons Billed (Gallons)	Rate per 1,000 Gallons
5.	Variable Expenses	VI-1, Col. D, Line 28	Must be provided by Utility	
	<i>Example: 0-3,000</i>			
	<i>3,001-5,000 +</i>			
6.				
7.				
8.	CSWR is not using Multi-Tier Rates in this rate filing.			
9.				
10.				
11.				
12.				
13.				
14.	Volumetric Rate (Charge per 1,000 gallons)			

UTILITY NAME: CSWR Texas Utility Operating Company, LLC  
**SCHEDULES - CLASS B RATE/TARIFF CHANGE**  
**VI-5 Surcharge Calculation**  
 FOR THE TEST YEAR ENDED: 12/31/2022

### VI-5(a): FLAT RATE SURCHARGE CALCULATION

	A	B	C
Line No.	Description	Reference	Amount
1.	Rate Case Expense or Other Surcharged Expense	Schedule II-11, Column D, Line 19	\$7,590
2.	Connection Count	Schedule I-3(a), Column E, Line 9 + Schedule I-3(b), Column E, Line 5	2,753.00
3.	Enter the number of months for surcharge to be collected (example: 1 year = 12 months, 2 years = 24 months, etc.)		24
4.	<b>Surcharge Calculation (Line 1/Line 2/Line 3)</b>		0.11

### VI-5(b): METER EQUIVALENTS SURCHARGE CALCULATION

	A	B	C
Line No.	Description	Reference	Amount
1.	Rate Case Expense or Other Surcharged Expense	Schedule II-11, Column D, Line 19	\$7,590
2.	Connection Count	Schedule I-3(a), Column H, Line 9	2,753.00
3.	Enter the number of months for surcharge to be collected (example: 1 year = 12 months, 2 years = 24 months, etc.)		24
4.	<b>Surcharge Calculation (Line 1/Line 2/Line 3)</b>		0.11

UTILITY NAME: SWR Texas Utility Operating Company, LLC  
SCHEDULES - CLASS B RATE/TARIFF CHANGE

### Instructions for Section VII

Complete schedules per instructions found in the reference column.

Use schedules in this section to calculate the proposed rates and total revenue to include in notice to customers. Only use the needed schedule depending on which schedule rates were calculated with.

For **VI-2 Flat Rate Calc** use **VII-1 Revenue Flat Rate**.

For **VI-3 1 Tier Gallonage Rate Calc** use **VII-2 Revenue Generated 1 Tier**.

For **VI-4 Multi-Tier Rate Calc** use **VII-3 Revenue Gen Multi-Tier**.

For **VI-5(a) Flat Rate Surcharge Calc** use **VII-4(a) Revenue Generated for Flat Rate Surcharge**.

For **VI-5(b) Meter Equivalents Surcharge Calc** use **VII-4(b) Revenue Generated for Meter Equivalents Surcharge**.

UTILITY NAME: \_CSWR Texas Utility Operating Company, LLC\_  
SCHEDULES - CLASS B RATE/TARIFF CHANGE  
VII-1 Revenue Generated for Flat Rate  
FOR THE TEST YEAR ENDED: 12/31/2022

	A	B	C	D	E
Line No.		Existing Rates	Proposed Rates	Reference (unless otherwise noted reference is for both Column C & D)	Items to Notice
1.	Rate for a Flat Rate Unit		\$68.51	Column C, Line 1 = Schedule VI-2, Column C, Line 4	Column B & C
2.	No. of Meters		2753	Schedule I-3(b), Column E, Line 5	
3.	Total Revenue Generated	\$1,076,900	\$2,263,296	Line 1 multiplied by Line 2	
4.	Revenue Requirement in Application	\$2,263,293	\$2,263,293	Sewer Revenue Requirement	
5.	Over / (Under) Recovery	-\$1,186,393	\$4	Line 3 minus Line 4	Column B
6.	Percentage of (Under) Recovery	-52%	0%	Line 5 divided by Line 4 multiplied by 100 for percentage. If entering in excel do not multiply by 100, enter number as a decimal.	Column B

UTILITY NAME: ___CSWR Texas Utility Operating Company, LLC___					
SCHEDULES - CLASS B RATE/TARIFF CHANGE					
VII-2 Revenue Generated for Single Tier Gallonage Charge for All Usage					
FOR THE TEST YEAR ENDED: 12/31/2022					

	A	B	C	D	E	F
Line No.		Meter Ratios	Existing Rates	Proposed Rates	Reference (unless otherwise noted reference is for both Column C & D)	Items to Notice
	<b>RATES</b>					
	<b>Minimum Monthly Charge</b>					
1.	5/8"	1.00		#DIV/0!	Column D, Line 1 = Schedule VI-3, Column C, Line 4	Column C & D
2.	3/4"	1.00		#DIV/0!	Column D, Line 2 = Column D, Line 1 multiplied by Column B, Line 2	Column C & D
3.	1"	CSWR is not using Single Tier Rates in the sewer rate filing.			Column D, Line 3 = Column D, Line 1 multiplied by Column B, Line 3	Column C & D
4.	1 1/2"				Column D, Line 4 = Column D, Line 1 multiplied by Column B, Line 4	Column C & D
5.	2"				Column D, Line 5 = Column D, Line 1 multiplied by Column B, Line 5	Column C & D
6.		5.33		#DIV/0!	Column D, Line 6 = Column D, Line 1 multiplied by Column B, Line 6	Column C & D
7.	Unmetered			#DIV/0!	Must be provided by Utility, if applicable	Column C & D
	<b>Volumetric Charge per tier</b>					
8.	All Usage			#DIV/0!	Column D, Line 8 = Schedule VI-3, Column C, Line 7	Column C & D
	<b>No. of Meters</b>					
9.	5/8"		0	0	Schedule I-3(a), Column E, Line 1	
10.	3/4"		0	0	Schedule I-3(a), Column E, Line 2	
11.	1"		0	0	Schedule I-3(a), Column E, Line 3	
12.	1 1/2"		0	0	Schedule I-3(a), Column E, Line 4	
13.	2"		0	0	Schedule I-3(a), Column E, Line 5	
14.			0	0	Schedule I-3(a), Column E, Line 6	
15.	Unmetered			2,753	Schedule I-3(a), Column E, Line 7	
16.	<b>Total</b>		-	2,753	Add Lines 9-15	
	<b>Gallons Billed</b>					
17.	All Usage		0	0	Schedule II-1(a), Column C, Line 4	
	<b>REVENUE</b>					
	<b>Minimum Monthly Charge</b>					
18.	5/8"		\$0	#DIV/0!	Line 1 multiplied by Line 9 multiplied by 12	
19.	3/4"		\$0	#DIV/0!	Line 2 multiplied by Line 10 multiplied by 12	
20.	1"		\$0	#DIV/0!	Line 3 multiplied by Line 11 multiplied by 12	
21.	1 1/2"		\$0	#DIV/0!	Line 4 multiplied by Line 12 multiplied by 12	
22.	2"		\$0	#DIV/0!	Line 5 multiplied by Line 13 multiplied by 12	
23.			\$0	#DIV/0!	Line 6 multiplied by Line 14 multiplied by 12	
24.	Unmetered		\$0	#DIV/0!	Line 7 multiplied by Line 15 multiplied by 12	
25.	<b>Total revenue generated by minimum monthly charges</b>		\$0	#DIV/0!	Add Lines 18-24	
	<b>Volumetric Revenue</b>					
26.	<b>Total revenue generated by Volumetric Usage</b>		\$0	#DIV/0!	Line 8 multiplied by (Line 17/1000)	
27.	<b>Total Revenue Generated</b>			#DIV/0!	Line 25 plus Line 26	
28.	Revenue Requirement in Application				Schedule I-1, Column F, Line 31	
29.	Over / (Under) Recovery		\$0	#DIV/0!	Line 27 minus Line 28	Column C
30.	Percentage of (Under) Recovery		#DIV/0!	#DIV/0!	Line 29 divided by Line 28 multiplied by 100 for percentage. If entering in excel do not multiply by 100, enter number as a decimal.	Column C

UTILITY NAME: \_\_CSWR Texas Utility Operating Company, LLC\_\_  
SCHEDULES - CLASS B RATE/TARIFF CHANGE  
VII-3 Revenue Generated for Multi-Tier Gallonage Charges  
FOR THE TEST YEAR ENDED: 12/31/2022

	A	B	C	D	E	F
Line No.		Meter Ratios	Existing Rates	Proposed Rates	Reference (unless otherwise noted reference is for both Column C & D)	Items to Notice
	<b>RATES</b>					
	<b>Minimum Monthly Charge</b>					
1.	5/8"	1.0		#DIV/0!	Column D, Line 1 = Schedule VI-4, Column C, Line 4	Column C & D
2.	3/4"	1.5	CSWR is not using Multi-Tier Rates in this rate filing.		Line 2 = Column D, Line 1 multiplied by line 2	Column C & D
3.	1"	2.5			Line 3 = Column D, Line 1 multiplied by line 3	Column C & D
4.	1 1/2"	5.0			Line 4 = Column D, Line 1 multiplied by line 4	Column C & D
				#DIV/0!	Column B, Line 4	Column C & D
5.	2"	8.0		#DIV/0!	Column D, Line 5 = Column D, Line 1 multiplied by Column B, Line 5	Column C & D
6.	3"	15.0		#DIV/0!	Column D, Line 6 = Column D, Line 1 multiplied by Column B, Line 6	Column C & D
7.	Other				Must be provided by Utility, if applicable	Column C & D
	<b>Volumetric Charge per tier</b>					
	<i>Example: 0-3,000</i>					
	<i>3,001-5,000 +</i>					
8.				\$0.00	Column D, Line 8 = Schedule VI-4, Column C, Line 6	Column C & D
9.				\$0.00	Column D, Line 9 = Schedule VI-4, Column C, Line 7	Column C & D
10.				\$0.00	Column D, Line 10 = Schedule VI-4, Column C, Line 8	Column C & D
11.				\$0.00	Column D, Line 11 = Schedule VI-4, Column C, Line 9	Column C & D
12.				\$0.00	Column D, Line 12 = Schedule VI-4, Column C, Line 10	Column C & D
13.				\$0.00	Column D, Line 13 = Schedule VI-4, Column C, Line 11	Column C & D
14.				\$0.00	Column D, Line 14 = Schedule VI-4, Column C, Line 12	Column C & D
15.				\$0.00	Column D, Line 15 = Schedule VI-4, Column C, Line 13	Column C & D
	<b>No. of Meters</b>					
16.	5/8"				Schedule I-3(a), Column E, Line 1	
17.	3/4"				Schedule I-3(a), Column E, Line 2	

UTILITY NAME: \_\_CSWR Texas Utility Operating Company, LLC\_\_

SCHEDULES - CLASS B RATE/TARIFF CHANGE

VII-3 Revenue Generated for Multi-Tier Gallonage Charges

FOR THE TEST YEAR ENDED: 12/31/2022

	A	B	C	D	E	F
Line No.		Meter Ratios	Existing Rates	Proposed Rates	Reference (unless otherwise noted reference is for both Column C & D)	Items to Notice
18.	1"				Schedule I-3(a), Column E, Line 3	
19.	1 1/2"				Schedule I-3(a), Column E, Line 4	
20.	2"				Schedule I-3(a), Column E, Line 5	
21.	3"				Schedule I-3(a), Column E, Line 6	
22.	Other				Schedule I-3(a), Column E, Line 7	
23.	Total		0	0	Add Lines 16-22	
	Gallons Billed					
24.	0			0	Column A, C & D - Must be provided by the Utility	
25.	0			0	Column A, C & D - Must be provided by the Utility	
26.	0			0	Column A, C & D - Must be provided by the Utility	
27.	0			0	Column A, C & D - Must be provided by the Utility	
28.	0			0	Column A, C & D - Must be provided by the Utility	
29.	0			0	Column A, C & D - Must be provided by the Utility	
30.	0			0	Column A, C & D - Must be provided by the Utility	
31.	0			0	Column A, C & D - Must be provided by the Utility	
	REVENUE					
	Minimum Monthly Charge					
32.	5/8"		\$0	#DIV/0!	Line 1 multiplied by Line 16 multiplied by 12	
33.	3/4"		\$0	#DIV/0!	Line 2 multiplied by Line 17 multiplied by 12	
34.	1"		\$0	#DIV/0!	Line 3 multiplied by Line 18 multiplied by 12	
35.	1 1/2"		\$0	#DIV/0!	Line 4 multiplied by Line 19 multiplied by 12	



UTILITY NAME: \_\_CSWR Texas Utility Operating Company, LLC\_  
SCHEDULES - CLASS B RATE/TARIFF CHANGE  
VII-3 Revenue Generated for Multi-Tier Gallonage Charges  
FOR THE TEST YEAR ENDED: 12/31/2022

	A	B	C	D	E	F
Line No.		Meter Ratios	Existing Rates	Proposed Rates	Reference (unless otherwise noted reference is for both Column C & D)	Items to Notice
36.	2"		\$0	#DIV/0!	Line 5 multiplied by Line 20 multiplied by 12	
37.	3"		\$0	#DIV/0!	Line 6 multiplied by Line 21 multiplied by 12	
38.	Other		\$0	\$0	Line 7 multiplied by Line 22 multiplied by 12	
39.	<b>Total revenue generated by minimum monthly charges</b>		\$0	#DIV/0!	Add Lines 30-38	
	<b>Volumetric Revenue</b>					
40.	0		\$0	\$0	Line 8 multiplied by (Line 24/1000)	
41.	0		\$0	\$0	Line 9 multiplied by (Line 25/1000)	
42.	0		\$0	\$0	Line 10 multiplied by (Line 26/1000)	
43.	0		\$0	\$0	Line 11 multiplied by (Line 27/1000)	
44.	0		\$0	\$0	Line 12 multiplied by (Line 28/1000)	
45.	0		\$0	\$0	Line 13 multiplied by (Line 29/1000)	
46.	0		\$0	\$0	Line 14 multiplied by (Line 30/1000)	
47.	0		\$0	\$0	Line 15 multiplied by (Line 31/1000)	
48.	<b>Total revenue generated by Volumetric Usage</b>		\$0	\$0	Add Lines 40-47	
49.	<b>Total Revenue Generated</b>		\$0	#DIV/0!	Line 39 plus Line 48	
50.	Revenue Requirement in Application		\$2,263,293	\$2,263,293	Schedule I-1, Column F, Line 31	
51.	Over / (Under) Recovery		-\$2,263,293	#DIV/0!	Line 49 less Line 50	Column C
52.	Percentage of (Under) Recovery		-1	#DIV/0!	Line 51 divided by Line 50 multiplied by 100 for percentage. If entering in excel do not multiply by 100, enter number as a decimal.	Column C

UTILITY NAME: \_\_CSWR Texas Utility Operating Company, LLC\_  
SCHEDULES - CLASS B RATE/TARIFF CHANGE  
VII-3 Revenue Generated for Multi-Tier Gallonage Charges  
FOR THE TEST YEAR ENDED: 12/31/2022

	A	B	C	D	E	F
Line No.		Meter Ratios	Existing Rates	Proposed Rates	Reference (unless otherwise noted reference is for both Column C & D)	Items to Notice

UTILITY NAME: __CSWR Texas Utility Operating Company, LLC__ SCHEDULES - CLASS B RATE/TARIFF CHANGE <b>VII-4 Surcharge Revenue Calculation</b> FOR THE TEST YEAR ENDED: 12/31/2022
--

**VII-4(a): REVENUE GENERATED FOR FLAT RATE SURCHARGE**

	A	B	C	D
Line No.		Proposed Surcharge Rate	Reference (unless otherwise noted reference is for both Column C & D)	Items to Notice
1.	Surcharge Rate	\$0.11	Column B, Line 1 = Schedule VI-5(a), Column C, Line 4	Column B
2.	No. of Meters	2,753	Schedule I-3(a), Column E, Line 9 + Schedule I-3(b), Column E, Line 5	
3.	<b>Total Surcharge Revenue Generated</b>	\$3,795	Line 1 multiplied by Line 2	
4.	Rate Case Expense or Other Surcharged Expense	\$ 7,590.06	Schedule II-11, Column D, Line 19	
5.	Over / (Under) Recovery	(3,795)	Line 3 minus Line 4	Column B
6.	Percentage of (Under) Recovery	-50%	Line 5 divided by Line 4 multiplied by 100 for percentage. If entering in excel do not multiply by 100, enter number as a decimal.	Column B

**VII-4(b): REVENUE GENERATED FOR METER EQUIVALENTS SURCHARGE**

	A	B	C	D	E
Line No.		Meter Ratios	Proposed Surcharge Rates	Reference (unless otherwise noted reference is for both Column C & D)	Items to Notice
	<b>Surcharge Rate</b>				
1.	5/8"	1.00	\$0.11	Column C, Line 1 = Schedule VI-5(b), Column C, Line 4	Column C
2.	3/4"	1.00	\$0.11	Column C, Line 2 = Column C, Line 1 multiplied by Column B, Line 2	Column C
3.	1"	1.67	\$0.19	Column C, Line 3 = Column C, Line 1 multiplied by Column B, Line 3	Column C
4.	1 1/2"	3.33	\$0.38	Column C, Line 4 = Column C, Line 1 multiplied by Column B, Line 4	Column C
5.	2"	5.33	\$0.61	Column C, Line 5 = Column C, Line 1 multiplied by Column B, Line 5	Column C
6.				Column C, Line 6 = Column C, Line 1 multiplied by Column B, Line 6	Column C
7.	Other		\$0.11	Must be provided by Utility, if applicable	Column C
	<b>No. of Meters</b>				
8.	5/8"		0	Schedule I-3(a), Column E, Line 1	
9.	3/4"		0	Schedule I-3(a), Column E, Line 2	
10.	1"		0	Schedule I-3(a), Column E, Line 3	
11.	1 1/2"		0	Schedule I-3(a), Column E, Line 4	

UTILITY NAME: __CSWR Texas Utility Operating Company, LLC__ SCHEDULES - CLASS B RATE/TARIFF CHANGE <b>VII-4 Surcharge Revenue Calculation</b> FOR THE TEST YEAR ENDED: 12/31/2022
--

**VII-4(b): REVENUE GENERATED FOR METER EQUIVALENTS SURCHARGE**

	A	B	C	D	E
Line No.		Meter Ratios	Proposed Surcharge Rates	Reference (unless otherwise noted reference is for both Column C & D)	Items to Notice
	<b>No. of Meters</b>				
12.	2"		0	Schedule I-3(a), Column E, Line 5	
13.	3"		0	Schedule I-3(a), Column E, Line 6	
14.	Other		2753	Schedule I-3(a), Column E, Line 7	
15.	<b>Total</b>		2753	Add Lines 8-14	
	<b>SURCHARGE RATE REVENUE</b>				
16.	5/8"		\$0	Line 1 multiplied by Line 8 multiplied by 12	
17.	3/4"		\$0	Line 2 multiplied by Line 9 multiplied by 12	
18.	1"		\$0	Line 3 multiplied by Line 10 multiplied by 12	
19.	1 1/2"		\$0	Line 4 multiplied by Line 11 multiplied by 12	
20.	2"		\$0	Line 5 multiplied by Line 12 multiplied by 12	
21.	3"		\$0	Line 6 multiplied by Line 13 multiplied by 12	
22.	Other		\$3,795	Line 7 multiplied by Line 14 multiplied by 12	
23.	<b>Total revenue generated by surcharge rate</b>		\$3,795	Add Lines 16-22	
24.	Surcharge		\$7,590	Schedule II-11, Column D, Line 19	
25.	Over / (Under) Recovery		-\$3,795	Line 23 minus Line 24	Column C
26.	Percentage of (Under) Recovery		-50%	Line 25 divided by Line 24 multiplied by 100 for percentage. If entering in excel do not multiply by 100, enter number as a decimal.	Column C

## CLASS B RATE/TARIFF CHANGE

UTILITY NAME: CSWR-Texas Utility Operating Company  
CCN No.: 13290121120  
DOCKET NUMBER: 54565

## VERIFICATION OF ACCURACY

### OATH

(To be made by the officer having control of the accounting of the respondent.)

STATE OF ~~TEXAS~~ Missouri

COUNTY OF St. Louis

Brent Thies

(Name of Affiant)

makes an oath and says that he/she is

Vice President & Controller

(Official Title of Affiant)

of CSWR, LLC, parent of CSWR-Texas Utility Operating Company, LLC  
(Exact Legal Title or Name of the Respondent)

The signed officer has reviewed the application.

Based on the officer's knowledge, the rate application does not contain any untrue statements of a material fact or omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which such statements were made, not misleading.

Based on such officer's knowledge, the financial statements, operations and other financial information included in the rate application fairly present in all material respects the financial condition and results of operations of the preparers as of, and for, the periods presented in the rate application.

He/she swears that all other statements contained in the said rate application are true, and that the said rate application is a correct and complete statement of the business and the above-named respondent during the test year time frame of

January 1, 2022

to

December 31, 2022

and including any additional time frames aside from the aforementioned test year resulting from rate case requests for information.

Subscribed and sworn to and before me, a Notary in and for the State and County  
above-named, this 31st day of January, 2023, to certify which  
my hand and seal of office.

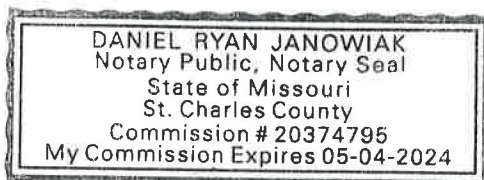
[Signature]  
(Signature of Affiant)

My commission expires

5/4/24

(Notary Public In And For The State Of Texas)

Daniel Ryan Janowiak  
Print or Type Name of Notary





## CLASS B RATE/TARIFF CHANGE APPLICATION

UTILITY NAME: CSWR Texas Utility Operating Company, LLC

CCN No. 13290, 21120

ADDRESS OF UTILITY: 1630 Des Peres Road, Suite 140  
P.O. Box, Street and suite number, if applicable

Des Peres, MO 63131  
City and Zip Code

PHONE NUMBER: ( )  
area code

NAME OF PERSON TO CONTACT REGARDING THIS FILING:

NAME: Brent Thies

PHONE: 314-736-4672

EMAIL ADDRESS: bthies@cswrgroup.com

PUCT CLASS SIZE: **B**  
Connection Count: **2,300-9,999**

FOR TEST YEAR ENDING: December 31, 2022 (Enter Month/Day/Year)

AMOUNT OF REVENUE INCREASE (DECREASE) \$4,742,511.46  
in dollars (From Schedule VII-1, Column B, Line 5 or  
Schedule VII-2, Column C, Line 29 or  
Schedule VII-3, Column C, Line 51)

PERCENT INCREASE (DECREASE): 97.06%  
percent above (below) current revenue requirement (From Schedule VII-1, Column B, Line 6 or  
Schedule VII-2, Column C, Line 30 or  
Schedule VII-3, Column C, Line 52)

DESCRIBE OWNERSHIP OF COMPANY:  
LLC

PUBLIC UTILITY COMMISSION OF TEXAS (PUCT) DOCKET NUMBER OF LAST MAJOR RATE FILING: N/A  
(If the last major rate filing was at the Texas Commission on Environmental Quality (TCEQ), provide a copy of the final order.)

RATE CASE OR DOCKET NUMBER OF LAST MINOR TARIFF RATE CHANGE\*\*: 52699, 52722

IF ANY UTILITY ASSETS WERE TRANSFERRED IN A SALE, TRANSFER, MERGER APPLICATION: See listing of STM Dockets

\*(e.g. Class B or C Rate Change application or TCEQ Rate/Tariff change application).

\*\* (e.g. pass-through rate change or temporary water rate provision).

## **CLASS B RATE/TARIFF CHANGE INSTRUCTIONS FOR APPLICATION**

**This application can only be used by Class B utilities. Class B utilities have connections counts from 2,300 to 9,999.** The application contains schedules for the calculation of rates for one type of utility service (water or sewer). While the instructions that follow relate to only one set of schedules, they apply to each type of utility service that you are providing. If applicable, costs should be directly assigned to water and sewer functions. In the event that direct assignment is not possible, allocate expenses between water and sewer as accurately as possible, using cost-causation principles. Complete a set of rate/tariff change application schedules for each type of utility service provided. For instance, if the utility provides water and sewer service, but is only requesting a change for water service, the utility will also need to complete a set of rate/tariff change application schedules for sewer service.

**These schedules are organized in a manner whereby the user can work through each section in the following order:**

- 1st Record historical test year data on Schedule I-1, Column D.  
Enter your test year end on the table of contents.**
- 2nd Provide historical revenue information on Schedule 1-2.**
- 3rd Record historical operating expenses and make known and measurable adjustments.  
(Section II)**
- 4th Calculate return for rate making purposes (Section III).**
- 5th Calculate adjusted taxes other than income (Section IV).**
- 6th Calculate federal income taxes (Section V).**
- 8th Determine revenue requirements (Schedule I).**
- 9th Design proposed rates (Section VI).**
- 10th Calculate the increase (decrease) in revenue for the notice.**

These schedules are intended to assist the utility in calculation of its new rates. The process consists of a number of relatively complex steps. Utilities are required to provide all the information necessary to support amounts included in the schedules and to cross-reference all information. Specifically, the utility must provide the general ledger, invoices and receipts from third party vendors supporting the test year expenses. If the applicant does not use a schedule, it should be marked "N/A", and an explanation provided.

## CLASS B RATE/TARIFF CHANGE APPLICATION ATTACHMENTS REQUIRED FOR SUFFICIENCY

The utility must submit the following with the rate application as each applies to the specific utility and affiliates:

1. Organizational Chart.
2. Cost Allocation information/Cost Allocation Manual.
3. Rating Agency Reports/Prospectus.
4. Payroll allocation – detail on how the split (between water and sewer, or between affiliates) was calculated and supporting documentation.
5. Customer Complaint policy and records.
6. Federal forms 1096 and 1099 supporting any contract labor requested in the cost of service or capitalized.
7. Federal forms W-2 and W-3 supporting any wages claimed in the cost of service or capitalized to plant in service.
8. Income statement and balance sheet (per books) for the test year for Texas utility operations. If the utility provides both water and sewer service, then the information provided should include information for both water and sewer service, separately stated and totaled, regardless if the application is for only a water rate change or only a sewer rate change or for both.
9. If you have any developer agreements please provide as such.
10. All required schedules and supporting workpapers for a rate change. Mark any schedules that are not applicable to the utility with "N/A"
11. If the utility's tariff includes a pass-through clause or a surcharge, please provide a reconciliation of revenues collected for the pass-through clause or surcharge, and expenses paid related to the pass-through clause or surcharge for the test year.
12. If the utility's cost of service includes any affiliated transactions (affiliates as defined in TWC § 13.002 (2)), the utility must list them separately and provide evidence that meets the affiliate transaction requirements in TWC § 13.185(e) and (f). Provide a schedule that includes direct assignment costs, allocated costs and any other changes between affiliates with a summary by
13. Native files for any schedules where only summaries were provided or areas where the applicant used their own created files.
14. Proposed notice forms located at [puc.texas.gov](http://puc.texas.gov).
15. An affidavit attesting to the correctness of the application included in the application form.

*The federal forms above should be filed confidentially to protect sensitive information.*

**Affiliates and Affiliated transactions:** In order to be considered for inclusion in the cost of service as a reasonable and necessary cost in accordance with Texas Water Code § 13.185(e), payment to affiliated interests for costs of any services, or any property, right or thing, or for interest expense must be supported by documentation showing that the price to the utility is no higher than prices charged by the supplying affiliate to its other affiliates or divisions for the same item or items, or to unaffiliated persons or corporations.

If the applicant is affiliated with another entity, provide the most recent annual income statement, statement of cash flow, and balance sheet for the affiliated entity(ies).



UTILITY NAME: CSWR Texas Utility Operating Company, LLC  
GENERAL RATE/TARIFF CHANGE APPLICATION SCHEDULES  
TABLE OF CONTENTS (Page 1 of 2)

**Complete all of the following schedules for your Class B utility (if the schedule does not apply, mark it "N/A")**

FOR TEST YEAR ENDED: 12/31/2022

		Attachment Schedule	Items Checked
SECTION I	<u>REVENUES AND REVENUE REQUIREMENT</u>		
	Revenue Requirement Summary	<u>I-1</u>	<input checked="" type="checkbox"/>
	Historical Revenue Summary	<u>I-2</u>	<input checked="" type="checkbox"/>
	Utility Revenue Summary - Income Statement	<u>I-2(a)</u>	<input checked="" type="checkbox"/>
	Application Reconciled to Income Statement	<u>I-2(b)</u>	<input checked="" type="checkbox"/>
	<u>Include the appropriate schedules:</u>		
	Connection Count	<u>I-3</u>	<input checked="" type="checkbox"/>
	Metered Active Connections by Meter Size	<u>I-3(a)</u>	<input checked="" type="checkbox"/>
	Unmetered Active (Flat Rate) Customers	<u>I-3(b)</u>	<input checked="" type="checkbox"/>
SECTION II	<u>OPERATIONS AND EXPENSES</u>		
	Production	<u>II-1</u>	<input checked="" type="checkbox"/>
	Water & Sewer Production (metered rates)	<u>II-1(a)</u>	<input checked="" type="checkbox"/>
	Water Production (with unmetered rates)	<u>II-1(b)</u>	<input checked="" type="checkbox"/>
	Other Revenues & Expenses passed through	<u>II-2</u>	<input checked="" type="checkbox"/>
	Operating Expenses	<u>II-3</u>	<input checked="" type="checkbox"/>
	Large Items	<u>II-4</u>	<input checked="" type="checkbox"/>
	Known & Measurable Changes	<u>II-5</u>	<input checked="" type="checkbox"/>
	Affiliate Transactions	<u>II-6</u>	<input checked="" type="checkbox"/>
	Allocation of Payroll Expenses	<u>II-7(a)</u>	<input type="checkbox"/> N/A
	Calculation of Payroll Taxes	<u>II-7(b)</u>	<input type="checkbox"/> N/A
	Employee Pensions/Benefits	<u>II-8</u>	<input type="checkbox"/> N/A
	Other Expenses	<u>II-9</u>	<input checked="" type="checkbox"/>
	Advertising	<u>II-9(a)</u>	<input type="checkbox"/> N/A
	Contributions	<u>II-9(b)</u>	<input type="checkbox"/> N/A
	Dues and Membership	<u>II-9(c)</u>	<input type="checkbox"/> N/A
	Regulatory Expenses	<u>II-9(d)</u>	<input checked="" type="checkbox"/>
	Unaffiliated Rents & Leases	<u>II-10(a)</u>	<input type="checkbox"/> N/A
	Affiliated/Allocated Rents & Leases	<u>II-10(b)</u>	<input checked="" type="checkbox"/>
	Rate Case Expense	<u>II-11</u>	<input checked="" type="checkbox"/>
SECTION III	<u>RETURN AND RATE BASE/PLANT &amp; EQUIPMENT INFORMATION</u>		
	Requested Return	<u>III-1</u>	<input checked="" type="checkbox"/>
	Rate Base Summary	<u>III-2</u>	<input checked="" type="checkbox"/>
	Utility Plant - Original Cost & Depreciation	<u>III-3</u>	<input checked="" type="checkbox"/>
	Utility Plant reconciled to previous filing	<u>III-3(a)</u>	<input checked="" type="checkbox"/>
	Accumulated Depreciation	<u>III-3(b)</u>	<input checked="" type="checkbox"/>
	Construction Work in Progress	<u>III-4</u>	<input checked="" type="checkbox"/>
	Developer Construction work in progress	<u>III-4(a)</u>	<input checked="" type="checkbox"/>
	Materials and Supplies Inventory	<u>III-4(b)</u>	<input checked="" type="checkbox"/>
	Working Cash Allowance Calculations	<u>III-5</u>	<input checked="" type="checkbox"/>

UTILITY NAME: WR Texas Utility Operating Company, L  
GENERAL RATE/TARIFF CHANGE APPLICATION SCHEDULES  
TABLE OF CONTENTS (Page 2 of 2)

FOR TEST YEAR ENDED: 12/31/2022

		Attachment Schedule	Items Checked
SECTION III	<u>RETURN AND RATE BASE/PLANT &amp; EQUIPMENT INFORMATION (Continued)</u>		
	Long Term Debt/ Notes Payable – Water and Sewer	<u>III-6</u>	<input checked="" type="checkbox"/>
	Affiliate Receivables and Payables	<u>III-7</u>	<input type="checkbox"/> N/A
	Contributions in Aid of Construction and Advances	<u>III-8</u>	<input type="checkbox"/> N/A
	Advances for Construction	<u>III-8(a)</u>	<input type="checkbox"/> N/A
	Contributions in Aid of Construction	<u>III-8(b)</u>	<input type="checkbox"/> N/A
	Accumulated Deferred Federal Income Taxes (ADFIT)	<u>III-9</u>	<input checked="" type="checkbox"/>
	ADFIT	<u>III-9(a)</u>	<input checked="" type="checkbox"/>
	Unprotected Excess ADFIT	<u>III-9(b)</u>	<input checked="" type="checkbox"/>
	Protected Excess ADFIT	<u>III-9(c)</u>	<input checked="" type="checkbox"/>
	Accumulated Deferred Investment Tax Credits	<u>III-9(d)</u>	<input checked="" type="checkbox"/>
SECTION IV	<u>TAXES OTHER THAN INCOME</u>	<u>IV</u>	
	Property Taxes	<u>IV-1(a)</u>	<input checked="" type="checkbox"/>
	Payroll Taxes	<u>IV-1(b)</u>	<input type="checkbox"/> N/A
	Other Taxes	<u>IV-1(c)</u>	<input checked="" type="checkbox"/>
	Revenue Related Taxes	<u>VI-2</u>	<input checked="" type="checkbox"/>
SECTION V	<u>FEDERAL INCOME TAXES (FIT)</u>		
	Federal Income Taxes at Present Rates- effective rate	<u>V-1</u>	<input checked="" type="checkbox"/>
SECTION VI	<u>RATE DESIGN</u>		
	Fixed & Variable Revenue Requirement Allocation	<u>VI-1</u>	<input checked="" type="checkbox"/>
	Flat Rate	<u>VI-2</u>	<input checked="" type="checkbox"/>
	Rate Calculation for Single Tier Gallonage Charge for All Usage	<u>VI-3</u>	<input checked="" type="checkbox"/>
	Multi-Tiered Rate Calculation	<u>VI-4</u>	<input type="checkbox"/> N/A
	Surcharge Calculation	<u>VI-5</u>	<input checked="" type="checkbox"/>
	Flat Rate Surcharge Calculation	<u>VI-5(a)</u>	<input checked="" type="checkbox"/>
	Meter Equivalent Surcharge Calculation	<u>VI-5(b)</u>	<input checked="" type="checkbox"/>
SECTION VII	<u>RATES &amp; REVENUE GENERATED FOR NOTICE</u>		
	Revenue Generated for Flat Rate	<u>VII-1</u>	<input checked="" type="checkbox"/>
	Revenue Generated for Single Tier Gallonage Charge for All Usage	<u>VII-2</u>	<input checked="" type="checkbox"/>
	Revenue Generated for Multi-Tier Gallonage Charges	<u>VII-3</u>	<input type="checkbox"/> N/A
	Surcharge Revenue Calculation	<u>VII-4</u>	<input checked="" type="checkbox"/>
	Revenue Generated for Flat Rate Surcharge	<u>VII-4(a)</u>	<input checked="" type="checkbox"/>
	Revenue Generated for Meter Equivalent Surcharge	<u>VII-4(b)</u>	<input checked="" type="checkbox"/>
SECTION VIII	<u>OATH</u>	<u>VIII</u>	<input checked="" type="checkbox"/>