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DOCKET NO. 55378

APPLICATION OF GUADALUPE-	§	PUBLIC UTILITY COMMISSION
BLANCO RIVER AUTHORITY AND	§	
UNDINE TEXAS ENVIRONMENTAL, LLC	§	OF TEXAS
FOR SALE, TRANSFER, OR MERGER OF	§	
FACILITIES AND CERTIFICATE RIGHTS	§	
IN CALHOUN COUNTY	§	

**JOINT MOTION TO ADMIT SUPPLEMENTAL EVIDENCE AND
PROPOSED NOTICE OF APPROVAL**

COME NOW Guadalupe-Blanco River Authority (GBRA) and Undine Texas Environmental, LLC (Undine) (collectively, the Applicants), together with the Staff (Staff) of the Public Utility Commission of Texas (Commission) (collectively, the Parties), and file this Joint Motion to Admit Supplemental Evidence and Proposed Notice of Approval. In support thereof, the Parties show the following:

I.

BACKGROUND

On August 16, 2023, Applicants filed an application with the Commission for approval of the sale, transfer, or merger of facilities and certificate rights in Calhoun County. On April 10, 2024, the administrative law judge (ALJ) issued Order No. 8 approving the sale and transfer to proceed.

On May 22, 2025, Applicants filed closing documents reflecting the consummation of Undine's acquisition of GBRA's facilities and uncertificated service area. On June 17, 2025, the ALJ issued Order No. 13, establishing a deadline of July 29, 2025, for the Parties to jointly file a proposed notice of approval. Therefore, this pleading is timely filed.

II.

JOINT MOTION TO ADMIT EVIDENCE

The Parties move to admit the following evidence into the record of this proceeding:

- A. Applicants' notice of completed transaction, filed May 22, 2025 (AIS Item No. 53);
- B. Commission Staff's recommendation on sufficiency of closing documents, filed June 9, 2025 (AIS Item No. 54);
- C. GBRA's consent form, filed July 18, 2025 (AIS Item No. 58);
- D. Undine's consent form, filed July 22, 2025 (AIS Item No. 59); and
- E. The attached map, certificate, and tariff.

III.

JOINT PROPOSED NOTICE OF APPROVAL

The parties move for the adoption of the attached Proposed Notice of Approval. The undersigned counsel for Undine represents that GBRA has authorized them to file this Joint Motion to Admit Evidence on GBRA's behalf.

IV.

CONCLUSION

The Parties respectfully request that the items above be admitted into the record of this proceeding as evidence, and that the attached Proposed Notice of Approval be adopted.

Dated: July 29, 2025.

Respectfully submitted,

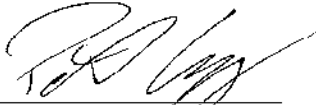
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LEGAL DIVISION**

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Attorneys for Undine Texas Environmental, LLC

DOCKET NO. 55378

CERTIFICATE OF SERVICE

As indicated by my signature above, I, Peter Gregg, certify that, unless otherwise ordered by the presiding officer, notice of the filing of this document will be provided to all parties of record via electronic mail on July 29, 2025 in accordance with the Orders Suspending Rules issued in Project No. 50664.

DOCKET NO. 55378

APPLICATION OF GUADALUPE-	§	PUBLIC UTILITY COMMISSION
BLANCO RIVER AUTHORITY AND	§	
UNDINE TEXAS ENVIRONMENTAL, LLC	§	OF TEXAS
FOR SALE, TRANSFER, OR MERGER OF	§	
FACILITIES AND CERTIFICATE RIGHTS	§	
IN CALHOUN COUNTY	§	

JOINT PROPOSED NOTICE OF APPROVAL

This Notice of Approval addresses the application of Guadalupe-Blanco River Authority (GBRA) and Undine Texas Environmental, LLC (Undine) (collectively, the Applicants) for the sale, transfer, or merger of facilities and certificate rights in Calhoun County. The Commission approves the following: (1) the sale and transfer of all of GBRA's existing facilities in the uncertificated sewer service area requested to Undine, and (2) the amendment of Undine's certificate of convenience and necessity (CCN) No. 20816 to add 60 acres of uncertificated area and 68 customers currently being served by GBRA.

I. Findings of Fact

The Commission makes the following findings of fact.

Applicants

1. GBRA is a conservation and reclamation district organized under Article 16, Section 59 of the Texas Constitution.
2. Undine is a domestic for-profit corporation registered with the Texas secretary of state under file number 801768169.
3. Undine operates, maintains, and controls facilities for providing sewer service in multiple Texas counties under CCN No. 20816.
4. Undine owns and operates numerous wastewater treatment facilities registered with the Texas Commission on Environmental Quality (TCEQ).

Application

5. On August 16, 2023, GBRA and Undine filed an application for the approval of the sale, transfer or merger of facilities and certificate rights in Calhoun County.
6. The applicants filed supplemental information on September 28, December 14 and 28, 2023, and March 6, 2024.

7. The sale and amendment affect approximately 60 acres and 68 current sewer customers in Calhoun County, Texas.
8. The area subject to this transaction is located approximately 4.2 miles southwest of downtown Port Lavaca, Texas, and is generally bounded on the north by 367 feet north of Farm to Market 2433, on the east by the intersection of Farm to Market 2433 and Sweetwater Road; on the south by the intersection of Sweetwater Road and Sanders Road; and on the west by Sanders Road.
9. Undine will amend the sewer CCN number 20816 to incorporate GBRA's uncertificated sewer service area.
10. In Order No. 3 issued on October 20, 2023, the ALJ found the application, as supplemented, administratively complete.

Notice

11. On December 14, 2023, Undine filed the affidavits of Vance Tillman, Chief Financial Officer, attesting that:
 - a. notice was provided to all current customers, neighboring utilities, and affected parties on December 4, 2023; and
 - b. there are no owners of a tract of land of at least 25 acres in the proposed area.
12. On December 28, 2023, Undine filed a publisher's affidavit attesting to the publication of notice in the *Port Lavaca Wave*, a newspaper of general circulation in Calhoun County, on December 13 and 20, 2023.
13. In Order No. 5, issued on January 22, 2024, the ALJ found the notice, as supplemented, sufficient.

Evidentiary Record

14. On March 27, 2024, the parties filed a joint motion to admit evidence.
15. In Order No. 7, issued on April 10, 2024, the ALJ admitted the following evidence into the record of this proceeding:
 - a. The application, including confidential attachments, filed on August 16, 2023;
 - b. Commission Staff's recommendation on administrative completeness and notice, filed on September 18, 2023;
 - c. Undine's response to Order No. 2, filed on September 28, 2023;

- d. Commission Staff's supplemental recommendation on administrative completeness and notice and proposed procedural schedule, filed on October 18, 2023;
 - e. Commission Staff's recommendation on notice and proposed procedural schedule, filed on December 1, 2023;
 - f. Undine's proof of notice, filed on December 14, 2023;
 - g. Undine's supplemental proof of notice, filed on December 28, 2023;
 - h. Commission Staff's supplemental recommendation on notice and proposed procedural schedule, filed on January 18, 2024;
 - i. Applicants' supplement to the application, filed on March 6, 2024;
 - j. Commission Staff's recommendation on approval of the sale and CCN amendment, with confidential attachment EB-1, filed on March 6, 2024; and
 - k. Undine's response to Commission Staff's recommendation, filed on March 13, 2024.
16. On July 29, 2025, the parties filed a joint motion to admit supplemental evidence.
17. In Order No. ____, issued on _____, 2025, the ALJ admitted the following evidence into the record:
- l. Applicants' notice of completed transaction, filed May 22, 2025;
 - m. Commission Staff's recommendation on sufficiency of closing documents, filed June 9, 2025;
 - n. GBRA's consent form, filed July 18, 2025;
 - o. Undine's consent form, filed July 22, 2025; and
 - p. The attached map, certificate, and tariff.

Sale

17. In Order No. 8 filed on April 10, 2024, the ALJ approved the sale and transaction to proceed and required Applicants to file proof that the transaction had been completed and customer deposits, if any, had been addressed.
18. On May 22, 2025, Applicants filed notice that the sale had closed on May 21, 2025, and confirmed that there were no outstanding customer deposits that needed to be addressed.
19. In Order No. 13 filed on June 17, 2025, the ALJ found the closing documents sufficient.

Purchaser's Compliance History

20. Undine has violations listed in the TCEQ databases which are being addressed.
21. The Commission's complaint records, which date back five years, show 2 complaints against Undine. All complaints have been reviewed and closed by the Commission's Consumer Protection Division.
22. Undine demonstrated a compliance status that is adequate for approval of the transaction to proceed.

Adequacy of Existing Service

23. GBRA has several TCEQ wastewater treatment plants (WWTP) registered with the TCEQ. The WWTP transferring in this application is registered as Crestview Subdivision, Permit No. WQ0013954001.
24. The last TCEQ compliance investigation of the Crestview Subdivision system was on November 30, 2023. GBRA has two violations listed in the TCEQ database for this system which are being addressed.
25. The Commission's complaint records, which date back 5 years, show 4 complaints against GBRA. All the complaints have been reviewed and closed by the Commission's Consumer Protection Division.

Need for Service

26. There are currently 68 existing customers in the requested area; therefore, there is a need for service.
27. There is no need for additional service, as the existing customers are currently receiving service from the GBRA sewer system.
28. The GBRA sewer system is currently in operation.
29. No additional construction is necessary for Undine to serve the requested area.

Effect of Approving the Transaction and Granting the Amendment

30. Undine will be the sole certificated sewer utility for the requested area.
31. Approving the sale and transfer to proceed and granting the CCN amendment will obligate Undine to provide continuous and adequate sewer service to current and future customers in the requested area.
32. There will be no effect on landowners as the requested area is currently being served by GBRA.

33. All retail public utilities in the proximate area of the requested areas were provided notice of the application and none filed protests or adverse comments in this proceeding.

34. There will be no effect on any other retail public utility servicing the proximate area.

Ability to Serve: Managerial and Technical

35. Undine owns and operates several TCEQ-registered wastewater treatment facilities.

36. Undine has a sufficient number of licensed operators and the managerial and technical capability to provide adequate and continuous service to the requested service area.

37. Undine has sufficient capability to serve the customers and no additional construction is necessary.

Ability to Serve: Financial Ability and Stability

38. Undine demonstrated that an affiliated interest is capable, available, and willing to cover temporary cash shortages.

39. Undine has sufficient cash available to cover any projected operations and maintenance shortages in the first five years of operations.

40. Undine demonstrated adequate financial and managerial capability to provide continuous and adequate service to the requested area.

Financial Assurance

41. There is no need to require Undine to provide a bond or other financial assurance to ensure continuous and adequate service.

Feasibility of Obtaining Service from Adjacent Retail Public Utility

42. The feasibility of obtaining service from an adjacent retail public utility was not considered because GBRA was adequately serving the existing customers and its facilities offer sufficient capacity.

43. It is not feasible to obtain service from an adjacent retail public utility.

Regionalization or Consolidation

44. The construction of a physically separate sewer system is not necessary for Undine to serve the requested area.

45. Therefore, concerns of regionalization or consolidation do not apply.

Environmental Integrity and Effect on the Land

46. The requested area will continue to be served with existing infrastructure.

47. The environmental integrity of the land will not be affected as no additional construction is needed to provide service to the requested area.

Improvement of Service or Lowering Cost to Consumers

48. The customers' rates will not change from the current rates for the Crestview Subdivision. Reliability and quality of water service is expected to improve under Undine's management.

Maps, Certificate, and Tariff

49. On July 15, 2025, Commission Staff emailed to the applicants the final proposed maps, certificate, and tariff related to this docket.
50. On July 18, 2025, GBRA filed its consent form concurring with the proposed final map.
51. On July 22, 2025, Undine filed its consent form concurring with the proposed final map, certificate, and tariff.
52. The final maps, certificate, and tariff were included as attachments to the joint motion to admit supplemental evidence and proposed notice of approval filed on July 29, 2025.

Informal Disposition

53. More than 15 days have passed since the completion of notice provided in this docket.
54. GBRA, Undine, and Commission Staff are the only active parties to this proceeding.
55. No party requested a hearing, and no hearing is needed.
56. Commission Staff recommended approval of the application.
57. The decision is not adverse to any party.

II. Conclusions of Law

The Commission makes the following conclusions of law.

1. The Commission has authority over this proceeding under Texas Water Code (TWC) §§ 13.041, 13.241, 13.242, 13.244, 13.246, 13.251, 13.301, and 13.305.
2. GBRA and Undine are retail public utilities as defined by TWC § 13.002(19) and 16 Texas Administrative Code (TAC) § 24.3(31).
3. The Commission processed the application as required by the TWC, the Administrative Procedure Act,¹ and Commission Rules.

¹ Tex. Gov't Code §§ 2001.001-.903.

4. The application meets the requirements of TWC § 13.244 and 16 TAC §§ 24.227 and 24.233.
5. Public notice of the application was provided as required by TWC §§ 13.246(a) and 13.301(a) and 16 TAC § 24.239(a) through (c).
6. GBRA and Undine have complied with the requirements of 16 TAC § 24.239(k) and (l) with respect to customer deposits.
7. GBRA and Undine completed the sale within the time frame required by 16 TAC § 24.239(m).
8. After consideration of the factors in TWC § 13.246(c), Undine demonstrated that it is capable of rendering continuous and adequate service to every customer in the requested areas, as required by TWC § 13.251.
9. Undine demonstrated adequate financial, managerial, and technical capability for providing adequate and continuous service to the requested area, as required by TWC §§ 13.241(a) and 13.301(b).
10. Regionalization and consolidation concerns under TWC § 13.241(d) do not apply in this proceeding, because construction of a physically separate sewer system is not required.
11. It is not necessary for Undine to provide bond or other financial assurance under TWC §§ 13.246(d) and 13.301(c).
12. Undine has demonstrated that the sale and transfer of GBRA's uncertificated service area and existing facilities to Undine will serve the public interest and is necessary for the service, accommodation, convenience, or safety of the public, under TWC §§ 13.301(d) and (e) and 13.246(b).
13. Under TWC § 13.257(r) and (s), Undine must record a certified copy of the maps and certificate approved by this Order, along with a boundary description of the service areas, in the real property records of Calhoun counties within 31 days of receiving this Order and submit to the Commission evidence of the recording.
14. The requirements for informal disposition under 16 TAC § 22.35 have been met in this proceeding.

III. Ordering Paragraphs

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

1. The Commission approves the sale and transfer of all sewer facilities and service area held by GBRA to Undine, to the extent provided in this Notice of Approval and as shown on the attached maps.
2. The Commission amends Undine's CCN number 20816 to add 60 acres of uncertificated area served by GBRA.
3. The Commission approves the maps and tariff attached to this Notice of Approval.
4. The Commission issues the certificate attached to this Notice of Approval.
5. Undine must provide service to every customer or applicant for service within the approved area under CCN number 20816 that requests service and meets the requirements of Undine's sewer service policies, and such service must be continuous and adequate.
6. Undine must comply with the recording requirements in TWC § 13.257(r) and (s) for Calhoun County, and must file in this docket proof of the recording within 45 days of the date of this Notice of Approval.
7. Within ten days of the date of this Notice of Approval, Commission Staff must provide the Commission with a clean copy of Undine's sewer tariff to be stamped Approved and retained by Central Records.
8. The Commission denies all other motions and any other requests for general or specific relief, if not specifically granted.

Signed at Austin, Texas the _____ day of _____ 2025.

PUBLIC UTILITY COMMISSION OF TEXAS

REBECCA NASH WHITE
ADMINISTRATIVE LAW JUDGE



Public Utility Commission of Texas

By These Presents Be It Known To All That

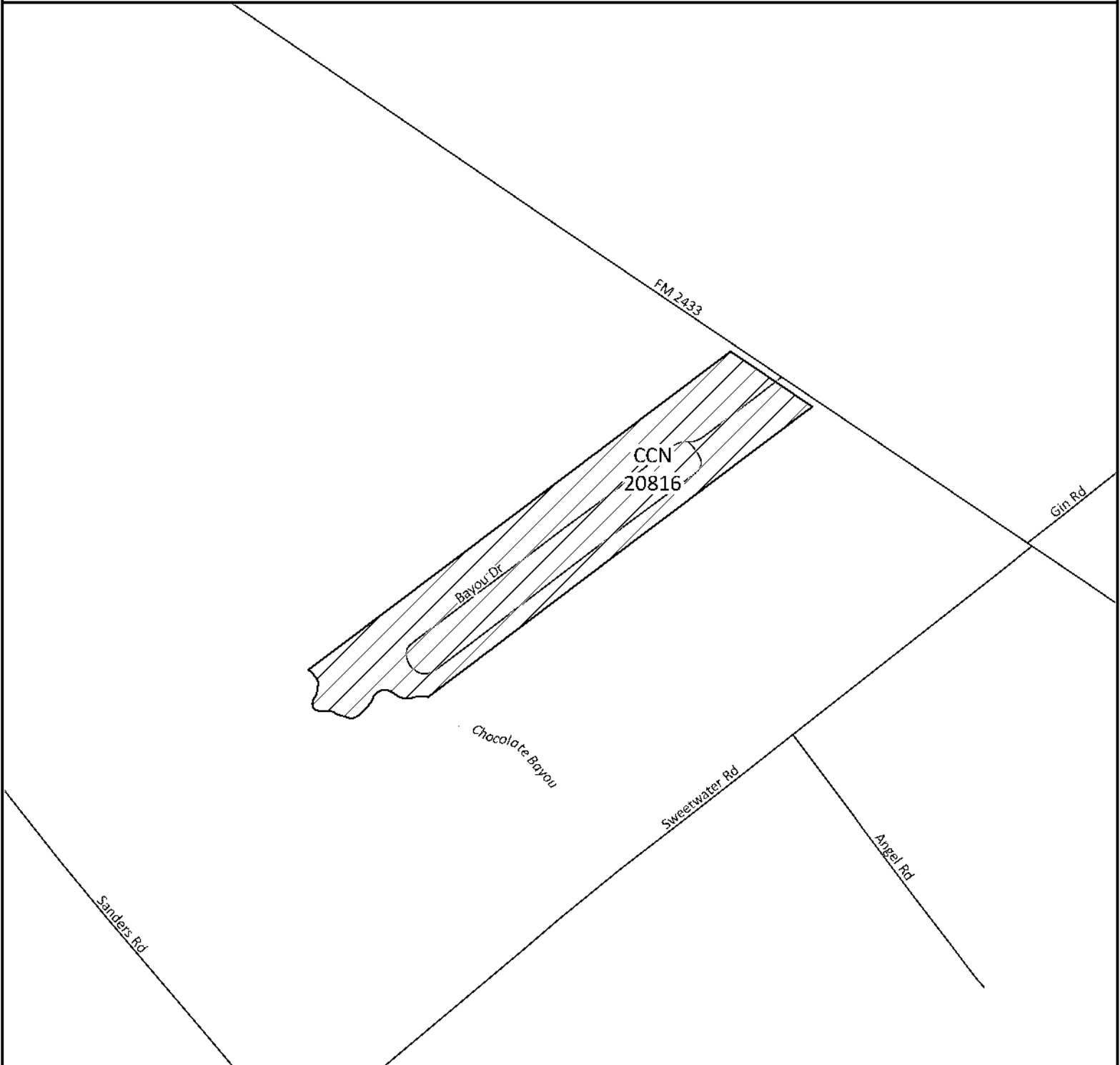
Undine Texas Environmental, LLC

having obtained certification to provide sewer utility service for the convenience and necessity of the public, and it having been determined by this Commission that the public convenience and necessity would in fact be advanced by the provision of such service, Undine Texas Environmental, LLC is entitled to this

Certificate of Convenience and Necessity No. 20816

to provide continuous and adequate sewer utility service to that service area or those service areas in Brazoria, Calhoun, Chambers, Fort Bend, Harris, Montgomery, Parker, Polk, Tarrant, and Walker counties as by final Order or Orders duly entered by this Commission, which Order or Orders resulting from Docket No. 55378 are on file at the Commission offices in Austin, Texas; and are matters of official record available for public inspection; and be it known further that these presents do evidence the authority and the duty of the Undine Texas Environmental, LLC to provide such utility service in accordance with the laws of this State and Rules of this Commission, subject only to any power and responsibility of this Commission to revoke or amend this Certificate in whole or in part upon a subsequent showing that the public convenience and necessity would be better served thereby.

PUCT Docket No. 55378
Undine Texas Environmental, LLC
Portion of Sewer CCN No. 20816
Transfer facilities of Guadalupe-Blanco River Authority (No CCN) and Amend CCN No. 20816 in Calhoun County



ft 0 500 1,000

Sewer CCN

 20816 - Undine Texas Environmental LLC



Mapping Section
Infrastructure Division

Date: July 10, 2025
Project: 55378.aprx



SEWER UTILITY TARIFF Docket No. 55378

Undine Texas Environmental, LLC
(Utility Name)

Cypress, TX 77429
(City, State, Zip Code)

17681 Telge Road
(Business Address)

(713) 574-5953
(Area Code/Telephone)

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

20816, 20832, 21029, 21026

This tariff is effective in the following counties:

Brazoria, Calhoun, Chambers, Fort Bend, Galveston, Harris, Johnson, Montgomery, Parker, Polk, Tarrant, & Walker

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

Beach City (Bayridge Subdivision, Oaks at Houston Point, and Sunflower Subdivision), City of Houston (Bellmar Terrace, Meadowland, and part of Assumption Heights), Iowa Colony (Spring Crossing and 288 Business Park), Town of Dennis (Sugartree)

THE RATES SET OR APPROVED BY THE CITY FOR THE SYSTEMS ENTIRELY WITHIN ITS CORPORATE BOUNDARY ARE NOT PRESENTED IN THIS TARIFF. THOSE RATES ARE NOT UNDER THE ORIGINAL JURISDICTION OF THE PUBLIC UTILITY COMMISSION OF TEXAS AND WILL HAVE TO BE OBTAINED FROM THE CITY OR UTILITY

This tariff is effective in the following subdivisions and public sewer systems:

See attached list

TABLE OF CONTENTS

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

SECTION 1.0 – RATE SCHEDULE	3
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SECTION 3.0 – EXTENSION POLICY	18
APPENDIX A – SAMPLE SERVICE AGREEMENT	

LIST OF SUBDIVISIONS AND SYSTEMS

System Name	WQ Number	County
Angle Acres WWTP	WQ 0012420-001	Brazoria
1484 Wastewater Treatment Plant	WQ 0016318-001	Montgomery
Beasley West End WWTP	WQ 0016196-001	Fort Bend
Beechwood WWTP	WQ 0012113-001	Brazoria
Cold River Ranch	WQ 0012780-001	Brazoria
Country Vista WWTP	WQ 0013769-001	Johnson
Crestview Subdivision	WQ 0013954-001	Calhoun
Crystal Palace WWTP	WQ 0012936-001	Galveston
Grand Ranch	WQ 0013846-001	Johnson
Grasslands WWTP	WQ 0012672-001	Brazoria
Grunwald WWTP	WQ 0016195-001	Fort Bend
Laguna WWTP	WQ 0014452-001	Galveston
Mayfair	WQ 0013518-001	Tarrant
Mayfair South	WQ 0013518-001	Tarrant
Mayfair West	WQ 0013518-001	Tarrant
Reserve at Angleton WWTP	WQ 0016046-001	Brazoria
Spring Crossing/288 Business Park*	WQ 0012780-001	Brazoria
Southwood Estates	WQ 0012780-001	Brazoria
Sugartree**	WQ 0014163-001	Parker
Tiemann WWTP	WQ 0016197-001	Fort Bend

* Spring Crossing/288 Business Park subject to City of Iowa Colony's jurisdiction

**Sugartree subject to the Town of Dennis's jurisdiction

***Crestview subject to Crestview subdivision rate schedule

Formerly Nerro Supply, LLC		
*Bayridge Subdivision	WQ 0013643-001	Chambers
Greens Bayou Fabrication Yard	WQ 0003792-000	Harris
*Oaks at Houston Point	WQ 0013643-001	Chambers
*Sunflower Subdivision	WQ 0013643-001	Chambers
Wildwood Shores	WQ 0014154-001	Walker

* Entirely within the City of Beach City

Formerly Pure Utilities, L.C.		
Lakeside Village	WQ 0014014-001	Polk
Kalita Point Utilities, Kalita Point	WQ 0011465-001	Polk
Kalita Point Utilities, Indian Hill	WQ 0011621-001	Polk

Formerly Nitsch & Son Utility Company, Inc.		
System Name	WQ Number	County
Durkee Manor WWTP	WQ0010419001	Harris

Subdivisions: Airline Village, Assumption Heights*, Bellmar, Bellmar Estates, Bellmar Terrace*, Durkee Manor, Meadowland*

*Within the City of Houston city limits

Formerly Conroe Resort Utilities, LLC		
System Name	WQ Number	County
Conroe Resort	WQ0012493001	Montgomery

Subdivisions: Del Lago Subdivision, LaToretta Resort, West Pam Villas, and Lakeview Marina

SECTION 1.0 - RATE SCHEDULE

Section 1.01 – RatesRate Year 1Effective Date: August 1, 2020Meter Size:Monthly Minimum Charge

All Meters

\$75.00 Flat RateRate Year 2Effective Date: August 1, 2021Meter Size:Monthly Minimum Charge

All Meters

\$92.50 Flat RateRate Year 3Effective Date: August 1, 2022Meter Size:Monthly Minimum Charge

All Meters

\$110.00 Flat Rate

Volume charges are determined based on average consumption for winter period which includes the following months: N.A.

RATE CASE EXPENSES\$1.12 per month

Effective Date: August 1, 2020. The rate case expense surcharge will be collected for 36 months or until the full \$85,289.03 of rate case expenses related to Docket No. 50200 is collected, whichever occurs first.

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

Cash X , Check X , Money Order X , Credit Card X , Other (specify Online Payment or Automatic Bank Draft)

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

UNAFFILIATED THIRD PARTIES WHO ACCEPT AND PROCESS CREDIT CARD AND ELECTRONIC PAYMENTS FOR UTILITY BILLS MAY REQUIRE PAYMENT OF AN ADDITIONAL CONVENIENCE CHARGE FOR THIS SERVICE.

REGULATORY ASSESSMENT1.0%

PUBLIC UTILITY COMMISSION (COMMISSION) RULES REQUIRE THE UTILITY TO COLLECT AND REMIT TO THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY A FEE OF ONE PERCENT OF THE RETAIL MONTHLY BILL.

Section 1.02 - Miscellaneous Fees

TAP FEE\$865.00

TAP FEE COVERS THE UTILITY'S COSTS FOR MATERIALS AND LABOR TO INSTALL A STANDARD RESIDENTIAL CONNECTION. AN ADDITIONAL FEE TO COVER UNIQUE COSTS IS PERMITTED IF LISTED ON THIS TARIFF, INCLUDING COSTS RELATED TO ROAD BORES, ROCK CUTS, AND UNUSUALLY LONG TAPS.

SECTION 1.0 – RATE SCHEDULE (Continued)

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

RECONNECTION FEE

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

- a) Nonpayment of bill (Maximum \$25.00)..... \$25.00
- b) Customer's request that service be disconnected..... \$50.00
- c) After hours reconnection \$50.00

TRANSFER FEE \$65.00

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

LATE CHARGE (HIGHER OF \$5.00 OR 10% OF THE BILL)..... \$5.00 or 10 %

COMMISSION RULES ALLOW A ONE-TIME PENALTY TO BE CHARGED ON DELINQUENT BILLS. A LATE
CHARGE MAY NOT BE APPLIED TO ANY BALANCE TO WHICH THE PENALTY WAS APPLIED IN A
PREVIOUS BILLING.

RETURNED CHECK CHARGE \$30.00

RETURNED CHECK CHARGES MUST BE BASED ON THE UTILITY'S DOCUMENTABLE COST.

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

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

GOVERNMENTAL TESTING, INSPECTION AND COSTS SURCHARGE:

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

LINE EXTENSION AND CONSTRUCTION CHARGES:

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

SECTION 1.0 - RATE SCHEDULE

<u>Meter Size</u>	<u>Monthly Minimum Charge</u>	<u>Gallage Charge</u>
All Connections	<u>\$2,012</u> (Includes 0 gallons)	<u>\$0.00</u> per 1,000 gallons Same for all meter sizes

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

Cash X, Check X, Money Order X, Credit Card , Other (specify)

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

REGULATORY ASSESSMENT 1.0%

PUBLIC UTILITY COMMISSION (COMMISSION) RULES REQUIRE THE UTILITY TO COLLECT AND REMIT TO THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY A FEE OF ONE PERCENT OF THE RETAIL MONTHLY BILL.

Section 1.02 - Miscellaneous Fees

TAP FEE Actual Cost

TAP FEE COVERS THE UTILITY'S COSTS FOR MATERIALS AND LABOR TO INSTALL A STANDARD RESIDENTIAL CONNECTION. AN ADDITIONAL FEE TO COVER UNIQUE COSTS IS PERMITTED IF LISTED ON THIS TARIFF, INCLUDING COSTS RELATED TO ROAD BORES, ROCK CUTS, AND UNUSUALLY LONG TAPS.

TAP FEE (Large Connection Tap) Actual Cost

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

RECONNECTION FEE

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

- a) Non payment of bill (Maximum \$25.00) \$25.00
- b) Customer's request that service be disconnected \$50.00

TRANSFER FEE \$50.00

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

SECTION 1.0 - RATE SCHEDULE (Continued)

LATE CHARGE (EITHER \$5.00 OR 10% OF THE BILL).....	<u>10%</u>
COMMISSION RULES ALLOW A ONE-TIME PENALTY TO BE CHARGED ON DELINQUENT BILLS. A LATE CHARGE MAY NOT BE APPLIED TO ANY BALANCE TO WHICH THE PENALTY WAS APPLIED IN A PREVIOUS BILLING.	
RETURNED CHECK CHARGE	<u>\$50.00</u>
RETURNED CHECK CHARGES MUST BE BASED ON THE UTILITY'S DOCUMENTABLE COST.	
CUSTOMER DEPOSIT RESIDENTIAL (Maximum \$50).....	<u>\$50.00</u>
COMMERCIAL & NON-RESIDENTIAL DEPOSIT	<u>1/6TH OF ESTIMATED ANNUAL BILL</u>
GOVERNMENTAL TESTING, INSPECTION AND COSTS SURCHARGE:	
WHEN AUTHORIZED IN WRITING BY THE COMMISSION AND AFTER NOTICE TO CUSTOMERS, THE UTILITY MAY INCREASE RATES TO RECOVER INCREASED COSTS FOR INSPECTION FEES AND WATER TESTING. [16 TAC § 24.25(b)(2)(G)]	
LINE EXTENSION AND CONSTRUCTION CHARGES:	
REFER TO SECTION 3.0--EXTENSION POLICY FOR TERMS, CONDITIONS, AND CHARGES WHEN NEW CONSTRUCTION IS NECESSARY TO PROVIDE SERVICE.	

SECTION 1.0 - RATE SCHEDULE

<u>Meter Size</u>	<u>Monthly Minimum Charge</u>	<u>Gallonge Charge</u>
5/8" or 3/4"	<u>\$25.00</u> (Includes 10,000 gallons)	<u>\$2.00</u> per 1,000 gallons
1"	<u>\$25.00</u>	Same for all meter sizes

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

Cash X, Check X, Money Order X, Credit Card , Other (specify)

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

REGULATORY ASSESSMENT 1.0%

PUBLIC UTILITY COMMISSION (COMMISSION) RULES REQUIRE THE UTILITY TO COLLECT AND REMIT TO THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY A FEE OF ONE PERCENT OF THE RETAIL MONTHLY BILL.

Section 1.02 - Miscellaneous Fees

TAP FEE \$750.00

TAP FEE COVERS THE UTILITY'S COSTS FOR MATERIALS AND LABOR TO INSTALL A STANDARD RESIDENTIAL CONNECTION. AN ADDITIONAL FEE TO COVER UNIQUE COSTS IS PERMITTED IF LISTED ON THIS TARIFF, INCLUDING COSTS RELATED TO ROAD BORES, ROCK CUTS, AND UNUSUALLY LONG TAPS.

TAP FEE (Large Connection Tap) Actual Cost

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

RECONNECTION FEE

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

- a) Non payment of bill (Maximum \$25.00) \$25.00
- b) Customer's request that service be disconnected \$10.00

TRANSFER FEE \$10.00

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

SECTION 1.0 -- RATE SCHEDULE (Continued)

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

RETURNED CHECK CHARGE \$25.00
RETURNED CHECK CHARGES MUST BE BASED ON THE UTILITY'S DOCUMENTABLE COST.

CUSTOMER DEPOSIT RESIDENTIAL (Maximum \$50)..... \$25.00

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

GOVERNMENTAL TESTING, INSPECTION AND COSTS SURCHARGE:

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

LINE EXTENSION AND CONSTRUCTION CHARGES:

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

SECTION 1.0 -- RATE SCHEDULE

Section 1.01 - Rates

<u>Meter Size</u>	<u>Monthly Minimum Charge</u>	<u>Gallonge Charge</u>
5/8" or 3/4"	\$42.49 (Includes 5,000 gallons)	\$2.00 per 1000 gallons over the minimum

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

Cash X, Check X, Money Order X, Credit Card , Other (specify)

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

REGULATORY ASSESSMENT.....1.0%

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

Section 1.02 - Miscellaneous Fees

TAP FEE \$1,100.00

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

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

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

TAP FEE (Large meter) Actual Cost

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

RECONNECTION FEE

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

a) Non-payment of bill (Maximum \$25.00) \$25.00

b) Customer's request that service be disconnected..... \$25.00

TRANSFER FEE \$35.00

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

LATE CHARGE (EITHER \$5.00 OR 10% OF THE BILL)..... \$5.00

TCEQ RULES ALLOW A ONE-TIME PENALTY TO BE CHARGED ON DELINQUENT BILLS. A LATE CHARGE MAY NOT BE APPLIED TO ANY BALANCE TO WHICH THE PENALTY WAS APPLIED IN A PREVIOUS BILLING.

RETURNED CHECK CHARGE \$25.00

RETURNED CHECK CHARGES MUST BE BASED ON THE UTILITY'S DOCUMENTABLE COST.

SECTION 1.0 -- RATE SCHEDULE (Continued)

CUSTOMER DEPOSIT RESIDENTIAL (Maximum \$50)..... N/A

COMMERCIAL & NON-RESIDENTIAL DEPOSIT1/6TH OF ESTIMATED ANNUAL BILL

GOVERNMENTAL TESTING, INSPECTION AND COSTS SURCHARGE:

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

LINE EXTENSION AND CONSTRUCTION CHARGES:

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

SECTION 1.0 -- RATE SCHEDULE

Residential Monthly Flat Rate: \$30.00 flat fee per month

Volume charges are determined based on average consumption for winter period which includes the following months: N/A

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

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

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

REGULATORY ASSESSMENT.....1.0%

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

Section 1.02 - Miscellaneous Fees

TAP FEE \$1,000.00

TAP FEE IS BASED ON THE AVERAGE OF THE UTILITY'S ACTUAL COST FOR MATERIALS AND LABOR FOR STANDARD RESIDENTIAL CONNECTION.

RECONNECTION FEE

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

a) Non-payment of bill (Maximum \$25.00) \$25.00

b) Customer's request that service be disconnected..... \$250.00

TRANSFER FEE..... \$25.00

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

LATE CHARGE (EITHER \$5.00 OR 10% OF THE BILL) 10%

TCEQ RULES ALLOW A ONE-TIME PENALTY TO BE CHARGED ON DELINQUENT BILLS. A LATE CHARGE MAY NOT BE APPLIED TO ANY BALANCE TO WHICH THE PENALTY WAS APPLIED IN A PREVIOUS BILLING.

RETURNED CHECK CHARGE \$20.00

RETURNED CHECK CHARGES MUST BE BASED ON THE UTILITY'S DOCUMENTABLE COST.

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

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

SECTION 1.0 -- RATE SCHEDULE

<u>Meter Size</u>	<u>Monthly Minimum Charge</u>	<u>Gallonge Charge</u>
Residential	<u>\$75.00</u>	
Multifamily	<u>\$112.50</u>	

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

Cash X, Check X, Money Order X, Credit Card , Other (specify)

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

Section 1.02 - Miscellaneous Fees

TAP FEE Actual Cost
TAP FEE COVERS THE UTILITY'S COSTS FOR MATERIALS AND LABOR TO INSTALL A NEW CONNECTION.

TAP FEE REACTIVATE CONNECTION(Residential)..... \$225.00
TAP FEE COVERS THE UTILITY'S COSTS FOR MATERIALS AND LABOR TO REACTIVATE EXISTING CONNECTION.

TAP FEE REACTIVATE CONNECTION(Multifamily)..... \$337.50
TAP FEE COVERS THE UTILITY'S COSTS FOR MATERIALS AND LABOR TO REACTIVATE EXISTING CONNECTION.

SECTION 2.0 – SERVICE RULES AND POLICIES

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

Section 2.01 - Application for Sewer Service

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

Section 2.02 - Refusal of Service

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

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

(A) Customer Deposits

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

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

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

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

SECTION 2.0 – SERVICE RULES AND POLICIES (Continued)

(B) Tap or Reconnect Fees

A new customer requesting service at a location where service has not previously been provided must pay a tap fee as provided in Section 1. A customer requesting service where service has previously been provided must pay a reconnect fee as provided in Section 1. Any applicant or existing customer required to pay for any costs not specifically set forth in the rate schedule pages of this tariff shall be given a written explanation of such costs prior to request for payment and/or commencement of construction. If the applicant or existing customer does not believe that these costs are reasonable or necessary, the applicant or existing customer shall be informed of their right to appeal such costs to the Commission or such other regulatory authority having jurisdiction over the utility's rates in that portion of the utility's service area in which the applicant's or existing customer's property(ies) is located.

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

(C) Easement Requirement

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

Section 2.04 - Utility Response to Applications for Service

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

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

Section 2.05 - Customer Responsibility

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

SECTION 2.0 – SERVICE RULES AND POLICIES (Continued)

Section 2.06 - Access to Customer's Premises

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

Section 2.07 - Back Flow Prevention Devices

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

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

Section 2.10 - Billing

(A) Regular Billing

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

(B) Late Fees

A late penalty of either \$5.00 or 10% will be charged on bills received after the due date. The penalty on delinquent bills will not be applied to any balance to which the penalty was applied in a previous billing. The utility must maintain a record of the date of mailing to charge the late penalty.

(C) Information on Bill

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

SECTION 2.0 – SERVICE RULES AND POLICIES (Continued)

(D) Prorated Bills

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

Section 2.11- Payments

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

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

Section 2.12 - Service Disconnection

(A) With Notice

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

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

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

(B) Without Notice

Utility service may also be disconnected without notice for reasons as described in the Commission rules.

Section 2.13 - Reconnection of Service

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

SECTION 2.0 – SERVICE RULES AND POLICIES (Continued)

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

Section 2.14 - Service Interruptions

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

Section 2.15 - Quality of Service

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

Section 2.16 - Customer Complaints and Disputes

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

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

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

Section 2.17 - Customer Liability

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

SECTION 3.0 – EXTENSION POLICY

Section 3.01 - Standard Extension Requirements

Line Extension and Construction Charges: No Contribution in Aid of Construction may be required of any customer except as provided for in this approved extension policy.

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

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

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

Section 3.02 - Costs Utilities and Service Applicants Shall Bear

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

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

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

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

SECTION 3.0 – EXTENSION POLICY (Continued)

Exceptions may be granted by the PUC if

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

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

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

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

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

Section 3.03 - Contributions in Aid of Construction

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

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

SECTION 3.0 – EXTENSION POLICY (Continued)

Any service extension to a subdivision (recorded or unrecorded) may be subject to the provisions and restrictions of 16 TAC § 24.163(d). When a developer wishes to extend the system to prepare to service multiple new connections, the charge shall be the cost of such extension, plus a pro-rata charge for facilities which must be committed to such extension compliant with the TCEQ minimum design criteria. As provided by 16 TAC § 24.163(d)(4), for purposes of this section, commercial, industrial, and wholesale customers shall be treated as developers.

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

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

Section 3.04 - Appealing Connection Costs

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

Section 3.05 - Applying for Service

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

SECTION 3.0 – EXTENSION POLICY (Continued)

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

Section 3.06 - Qualified Service Applicant

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

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

Section 3.07 - Developer Requirements

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

APPENDIX A – SAMPLE SERVICE AGREEMENT
From TCEQ Rules, 30 TAC § 290.47(b), Appendix B
SERVICE AGREEMENT

- I. PURPOSE.** The NAME OF SEWER SYSTEM is responsible for protecting the drinking water supply from contamination or pollution which could result from improper private water distribution system construction or configuration. The purpose of this service agreement is to notify each customer of the restrictions which are in place to provide this protection. The utility enforces these restrictions to ensure the public health and welfare. Each customer must sign this agreement before the NAME OF SEWER SYSTEM will begin service. In addition, when service to an existing connection has been suspended or terminated, the sewer system will not re-establish service unless it has a signed copy of this agreement.
- II. RESTRICTIONS.** The following unacceptable practices are prohibited by State regulations.
- A. No direct connection between the public drinking water supply and a potential source of contamination is permitted. Potential sources of contamination shall be isolated from the public water system by an air-gap or an appropriate backflow prevention device.
 - B. No cross-connection between the public drinking water supply and a private water system is permitted. These potential threats to the public drinking water supply shall be eliminated at the service connection by the installation of an air-gap or a reduced pressure-zone backflow prevention device.
 - C. No connection which allows water to be returned to the public drinking water supply is permitted.
 - D. No pipe or pipe fitting which contains more than 8.0% lead may be used for the installation or repair of plumbing at any connection which provides water for human use.
 - E. No solder or flux which contains more than 0.2% lead can be used for the installation or repair of plumbing at any connection which provides water for human use.
- III. SERVICE AGREEMENT.** The following are the terms of the service agreement between the NAME OF SEWER SYSTEM (the Sewer System) and NAME OF CUSTOMER (the Customer).
- A. The Sewer System will maintain a copy of this agreement as long as the Customer and/or the premises are connected to the Sewer System.
 - B. The Customer shall allow his property to be inspected for possible cross-connections and other potential contamination hazards. These inspections shall be conducted by the Sewer System or its designated agent prior to initiating new water service; when there is reason to believe that cross-connections or other potential contamination hazards exist; or after any major changes to the private water distribution facilities. The inspections shall be conducted during the Sewer System's normal business hours.
 - C. The Sewer System shall notify the Customer in writing of any cross-connection or other potential contamination hazard which has been identified during the initial inspection or the periodic reinspection.
 - D. The Customer shall immediately remove or adequately isolate any potential cross-connections or other potential contamination hazards on his premises.
 - E. The Customer shall, at his expense, properly install, test, and maintain any backflow prevention device required by the Sewer System. Copies of all testing and maintenance records shall be provided to the Sewer System.
- IV. ENFORCEMENT.** If the Customer fails to comply with the terms of the Service Agreement, the Sewer System shall, at its option, either terminate service or properly install, test, and maintain an appropriate backflow prevention device at the service connection. Any expenses associated with the enforcement of this agreement shall be billed to the Customer.

CUSTOMER'S SIGNATURE:

DATE: