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DOCKET NO. 54285

APPLICATION OF CSWR-TEXAS	§	PUBLIC UTILITY COMMISSION
UTILITY OPERATING COMPANY,	§	
LLC AND DOUGLAS UTILITY	§	OF TEXAS
COMPANY C/O ZIEBEN GROUP FOR	§	
SALE, TRANSFER, OR MERGER OF	§	
FACILITIES AND CERTIFICATE	§	
RIGHTS IN HARRIS COUNTY	§	

NOTICE OF APPROVAL

This Notice of Approval addresses the application of CSWR-Texas Utility Operating Company, LLC and Douglas Utility Company c/o Zieben Group, for approval of the sale, transfer, or merger of facilities and certificate rights in Harris County. The Commission approves the following: (1) the sale and transfer of all facilities and certificated service areas held under Douglas Utility’s certificates of convenience and necessity (CCN) numbers 11369 and 20527 to CSWR-Texas; (2) the cancellation of Douglas Utility’s CCN numbers 11369 and 20527; (3) the amendment of CSWR-Texas’ CCN numbers 13290 and 21120 to include the facilities and service areas previously included in Douglas Utility’s CCN numbers 11369 and 20527; and (4) the amendment of CSWR-Texas’ CCN numbers 13290 and 21120 to add 27.9 acres of uncertificated service area.

I. Findings of Fact

The Commission makes the following findings of fact.

Applicants

1. Douglas Utility is a Texas corporation registered with the Texas secretary of state under filing number 18261200.
2. Douglas Utility holds CCN numbers 11369 and 20527 which obligates it to provide retail water and sewer service in Harris County.
3. Douglas Utility owns a public water system registered with the Texas Commission on Environmental Quality (TCEQ) as Fountainview Subdivision under public water system identification number 1010127.

4. Douglas Utility owns and operates a TCEQ-permitted sewer system, under wastewater discharge permit number WQ11200001, registered as Douglas Utility Fountainview.
5. CSWR-Texas is a Texas limited liability company registered with the Texas secretary of state under file number 803367893.
6. CSWR-Texas holds CCN number 13290 which obligates it to provide retail water service in multiple counties.
7. CSWR-Texas holds CCN number 21120 which obligates it to provide retail sewer service in multiple counties.
8. CSWR-Texas owns and operates multiple public water systems registered with the TCEQ and sewer systems permitted by the TCEQ.

Application

9. On October 31, 2022, the applicants filed the application at issue in this proceeding.
10. CSWR-Texas supplemented the application on November 17, 18, and 21, and December 2, 2022, and February 27 and March 3, 2023.
11. In the application, supplemented, the applicants seek approval of the following:
 - a. the sale and transfer of all facilities and certificated service areas held under Douglas Utility's CCN numbers 11369 and 20527 to CSWR-Texas;
 - b. the cancellation of Douglas Utility's CCN numbers 11369 and 20527;
 - c. the amendment of CSWR-Texas' CCN numbers 13290 and 21120 to include the facilities and service areas previously included in Douglas Utility's CCN numbers 11369 and 20527; and
 - d. the amendment of CSWR-Texas' CCN numbers 13290 and 21120 to add 27.9 acres of uncertificated service area.
12. The requested water service area and sewer service area subject to the transaction (the requested areas) are identical in acreage and boundaries.
13. The requested areas includes approximately 104.9 acres, comprised of:

- a. 77 acres of singly certificated service area under Douglas Utility's CCN numbers 11369 and 20527;
 - b. 27.9 acres of uncertificated area adjacent to Douglas Utility's existing service area; and
 - c. 472 water and sewer customer connections.
14. The requested areas are located approximately 5 miles southwest of downtown Humble, Texas and is generally bounded on the north by Sam Houston Parkway (Tollway); on the east by Lee Road; on the south by Aldine Bender Road (Farm-to-Market Road 525); and on the west by Crosswinds Drive.
15. In Order No. 2 filed on December 2, 2022, the ALJ found the application, as supplemented, administratively complete.

Notice

16. On January 17, 2023, CSWR-Texas filed the affidavit of Aaron Silas, director of regulatory operations for CSWR-Texas, attesting that mailed notice was provided to all current customers of Douglas Utility, neighboring utilities, and affected parties on December 13, 2022. CSWR-Texas also filed a publisher's affidavit attesting that notice was published in the *Houston Chronicle*, a newspaper of general circulation in Harris County, on December 7 and 14, 2022.
17. In Order No. 3 filed on January 31, 2023, the ALJ found the notice sufficient.
18. On June 13, 2023, CSWR-Texas filed a second affidavit by Mr. Silas indicating there are no landowners owning tracts of land over 25 acres wholly or partly inside the requested CCN areas.

Evidentiary Record

19. In Order No. 5 filed on April, 10, 2023, the ALJ admitted the following evidence into the record:
 - a. the application, including confidential attachments, filed on October 31, 2022;

- b. CSWR-Texas' first supplement to the application, including highly sensitive supplemental attachment G, filed on November 17 and 18, 2022;
 - c. CSWR-Texas' second supplement to the application, including confidential supplemental attachment J, filed on November 21, 2022;
 - d. CSWR-Texas' third supplement to the application, including highly sensitive attachment G, filed on December 2, 2022;
 - e. CSWR-Texas' fourth supplement to the application, including highly sensitive attachment G, filed on February 27, 2023;
 - f. CSWR-Texas' fifth supplement to the application, including confidential supplemental attachment A-1, filed on March 3, 2023;
 - g. Commission Staff's recommendation on administrative completeness filed on December 1, 2022;
 - h. CSWR-Texas' affidavit of notice to current customers, neighboring utilities, and affected parties, including HS Exhibit B, filed on January 17, 2023;
 - i. Commission Staff's recommendation on sufficiency of notice, filed on January 27, 2023; and
 - j. Commission Staff's recommendation on the transaction, including confidential attachment FB-1, filed on March 6, 2023.
20. In Order No.15 filed on March 19, 2024, the ALJ admitted the following evidence into the record:
- a. CSWR-Texas' response to Order No. 7 filed on June 13, 2023;
 - b. Commission Staff's recommendation on supplemental notice filed on June 29, 2023;
 - c. Notice of completed transaction filed on October 17, 2023;
 - d. Commission Staff's recommendation on sufficiency of closing documents filed on October 31, 2023;

- e. CSWR-Texas' signed consent form filed on February 1, 2024;
- f. Douglas Utility's signed consent form filed on February 9, 2024; and
- g. The final maps, certificates, and tariffs as attached to the supplemental joint motion to admit evidence and proposed notice of approval filed on March 1, 2024.

Sale

- 21. In Order No. 6 filed on April 13, 2023, the ALJ approved the sale and transaction to proceed and required applicants to file proof that the transaction had been completed and that customer deposits, if any, had been addressed.
- 22. On October 17, 2023, CSWR-Texas filed notice that the sale had closed on July 26, 2023, and confirmed that there were no outstanding customer deposits that needed to be addressed.
- 23. In Order No. 10 filed on November 1, 2023, the ALJ found the closing documentation sufficient.

Purchaser's Compliance History

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

Adequacy of Existing Service

28. The last TCEQ compliance investigation of the Fountainview Subdivision public water system was on August 13, 2021. The last TCEQ compliance investigation of the Douglas Utility Fountainview sewer system was on April 18, 2022.
29. The Fountainview Subdivision water system has one violation listed in the TCEQ database.
30. The Commission's complaint records, which date back five years, show six complaints against Douglas Utility.
31. CSWR-Texas plans to make upgrades, renovations, and repairs to the system to return the systems to compliance and to ensure that customers receive safe and reliable service.

Need for Additional Service

32. There is a continuing need for service because Douglas Utility is currently serving 472 customer connections in the requested areas.
33. This is an application to transfer existing facilities, customers, and service areas.
34. There is no evidence of specific requests for additional service within the requested areas.

Effect of Approving the Transaction

35. CSWR-Texas will be the sole certificated water utility and sewer utility of the requested areas.
36. CSWR-Texas will be required to provide continuous and adequate water and sewer service to current and future customers in the requested areas.
37. All retail public utilities in the proximate area were provided notice of the application, and no protests or adverse comments were filed.
38. There will be no effect on any other retail public utility providing service in the proximate area.

Ability to Serve: Managerial and Technical

39. CSWR-Texas owns and operates numerous TCEQ-approved public water systems and TCEQ-permitted sewer systems.
40. CSWR-Texas employs or contracts with TCEQ-licensed water operators and sewer operators who will operate the water and sewer systems.

41. No additional construction is necessary for CSWR-Texas to provide service to the requested areas.
42. CSWR-Texas has the technical and managerial capability to provide adequate and continuous service to the requested areas.

Ability to Serve: Financial Ability and Stability

43. CSWR, LLC, the immediate parent company of CSWR-Texas, is capable, available, and willing to cover temporary cash shortages, and has a debt-to-equity ratio of less than one, satisfying the leverage test.
44. CSWR, LLC provided a written guarantee of coverage of temporary cash shortages and demonstrated that it has sufficient cash available to cover any projected operations and maintenance shortages in the first five years of operations after completion of the transaction and possesses the cash and leverage ability to pay for capital improvements and necessary equity investments, satisfying the operations test.
45. CSWR-Texas submitted documents demonstrating funds are available for the purchase of the system and facilities.
46. CSWR-Texas demonstrated the financial and managerial capability and stability to provide continuous and adequate service to the requested areas.

Financial Assurance

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

Feasibility of Obtaining Service from Adjacent Retail Public Utility

48. Douglas Utility is currently providing water and sewer service to customers in the requested areas and has sufficient capacity.
49. Obtaining service from an adjacent retail public utility would likely increase costs to customers because new facilities would need to be constructed. At a minimum, an interconnect would need to be installed in order to connect to a neighboring retail public utility.
50. It is not feasible to obtain service from an adjacent retail public utility.

Regionalization or Consolidation

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

Voluntary Valuation of Acquired Utility or Facilities

53. Prior to filing the application, CSWR-Texas and Douglas Utility filed a notice to the Commission in Project No. 49859¹ of their intent to use the Commission's fair market value (FMV) process to determine the ratemaking rate base of Douglas Utility's water and sewer system assets to be acquired by CSWR-Texas.
54. CSWR-Texas included copies of the three appraisal reports required by the FMV process with the application and evidence of the purchase price agreed upon between CSWR-Texas and Douglas Utility.
55. The agreed upon purchase price for the transaction and the appraisals reported by each of the utility experts and the resulting average amount is identified in confidential attachment FB-1 to Commission Staff's recommendation on the transaction.
56. The average of the three appraisals yields a purchase price of less than the FMV of Douglas Utility's water and sewer systems; therefore, the ratemaking rate base for Douglas Utility's water and sewer system is the agreed upon purchase price for the transaction identified in attachment FB-1 to Commission Staff's recommendation.
57. The application included CSWR-Texas' known and estimated transaction and closing costs.
58. No additional conditions for the acquisition based on the FMV process are needed.

¹ Notice of Intent to Determine Fair Market Value, Docket No. 49859.

Environmental Integrity and Effect on the Land

59. There will be minimal effects on environmental integrity and on the land as a result of CSWR-Texas' planned upgrades, renovations, and repairs to the water system and sewer system.

Improvement in Service or Lowering Cost to Consumers

60. Reliability and quality of water and sewer service is expected to improve under CSWR-Texas' management.

61. The rates charged to customers in the requested area will not change as a result of the proposed transaction, because CSWR-Texas will adopt the currently in effect tariffs for the water system and sewer system upon approval of the transaction.

Maps, Certificates and Tariffs

62. On January 16, 2024, Commission Staff emailed the applicants the final proposed maps, certificates, and tariffs.

63. On February 1, 2024, CSWR-Texas filed its consent to the proposed final maps, certificates, and tariffs.

64. On February 2, 2024, Commission Staff emailed to CSWR-Texas revised water and sewer certificates and tariff pages relevant to this docket.

65. On February 9, 2024, CSWR-Texas, on behalf of Douglas Utility, filed Douglas Utility's consent to the proposed final maps, certificates, and tariffs.

66. On March 1, 2024, the parties filed the proposed final maps, certificates, and tariffs as attachments to the supplemental joint motion to admit evidence and proposed notice of approval.

Informal Disposition

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

68. No person filed a protest or motion to intervene.

69. CSWR-Texas, Douglas Utility, and Commission Staff are the only parties to this proceeding.

70. No party requested a hearing and no hearing is needed.

71. Commission Staff recommended approval of the application.
72. This decision is not adverse to any party.

II. Conclusions of Law

The Commission makes the following conclusions of law.

1. The Commission has authority over this proceeding under Texas Water Code (TWC) §§ 13.241, 13.242, 13.244, 13.246, 13.251, and 13.301.
2. Douglas Utility and CSWR-Texas are retail public utilities as defined by TWC § 13.002(19) and 16 Texas Administrative Code (TAC) § 24.3(31).
3. The Commission processed the application as required by the TWC, the Administrative Procedure Act,² and Commission rules.
4. The application meets the requirements of TWC § 13.244 and 16 TAC §§ 24.233 and 24.239.
5. CSWR-Texas and Douglas Utility, provided notice of the application that complies with TWC §§ 13.246 and 13.301(a)(2) and 16 TAC § 24.239(a)-(c).³
6. Douglas Utility and CSWR-Texas have complied with the requirements of 16 TAC § 24.239(k) and (l) with respect to customer deposits.
7. Douglas Utility and CSWR-Texas 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), CSWR-Texas demonstrated that it is capable of rendering continuous service to every customer in the requested areas, as required by TWC § 13.251.
9. CSWR-Texas demonstrated adequate financial, managerial, and technical capability for providing adequate and continuous service to the requested areas as required by TWC §§ 13.241(a) and 13.301(b).

² Tex. Gov't Code §§ 2001.001-.903.

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

10. It is not necessary for CSWR-Texas to provide bond or other financial assurance under TWC §§ 13.246(d) and 13.301(c).
11. Regionalization and consolidation concerns under TWC § 13.241(d) do not apply in this proceeding because construction of a physically separate sewer system is not required.
12. CSWR-Texas and Douglas Utility demonstrated that the sale of Douglas Utility's water and sewer facilities and the transfer of the water and sewer service areas held under water CCN number 11369 and sewer CCN number 20527 from Douglas Utility to CSWR-Texas under water CCN number 13290 and sewer CCN number 21120 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).
13. The Commission's executive director selected three utility valuation experts to perform appraisal of Douglas Utility in compliance with TWC § 13.305(c)(2) and 16 TAC § 24.238(e).
14. The application included copies of the three appraisal reports completed by the utility valuation experts as required by TWC § 13.305(h) and 16 TAC § 24.239(d)(1)(A).
15. The application included the purchase price agreed to by CSWR-Texas and Douglas Utility as required by TWC § 13.305(h)(2) and 16 TAC § 24.239(d)(1)(B).
16. The application included the ratemaking rate based determined under TWC § 13.305(g) and 16 TAC § 24.238 as required by TWC § 13.305(h)(3).
17. The application included the known transaction and closing costs incurred by CSWR-Texas to be requested for review for inclusion in CSWR-Texas' rate base and recovery in a future rate case as permitted by TWC § 13.305(e) and 16 TAC §§ 24.238(k), 24.239(d)(1)(C), and 24.239(d)(2).
18. The calculation of the fair market valuation for Douglas Utility complies with TWC § 13.305(f) and 16 TAC § 24.238(f)-(j).
19. The calculation of the ratemaking rate base for Douglas Utility complies with TWC § 13.305(g) and 16 TAC § 24.238(b)(3) and (4).

20. Under TWC § 13.257(r) and (s), CSWR-Texas must record a certified copy of the certificate and the map approved by this Notice of Approval, along with a boundary description of the service areas, in the real property records of Harris County within 31 days of receiving this Notice of Approval and submit to the Commission evidence of the recording.
21. 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.

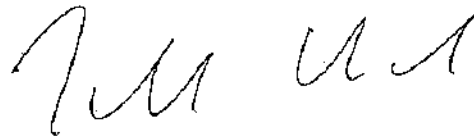
1. The Commission approves the sale and transfer of facilities, customers, and service areas held under Douglas Utility's CCN numbers 11369 and 20527 to CSWR-Texas' CCN numbers 13290 and 21120, to the extent provided in this Notice of Approval and as shown on the attached maps.
2. The Commission cancels Douglas Utility's CCN numbers 11369 and number 20527.
3. The Commission amends CSWR-Texas' CCN numbers 13290 and 21120 to include the facilities, customers, and service areas previously included in Douglas Utility's CCN numbers 11369 and 20527, as shown on the attached maps.
4. The Commission amends CSWR-Texas' CCN numbers 13290 and 21120 to add 27.9 acres of uncertificated area, as shown on the attached maps.
5. The Commission issues the certificates attached to this Notice of Approval.
6. The Commission approves the maps and tariffs attached to the Notice of Approval.
7. CSWR-Texas must provide service to every customer or applicant for service within the approved area under CCN 13290 and CCN number 21120 that requests service and meets the terms of CSWR-Texas' water and sewer service policies, and such service must be continuous and adequate.
8. CSWR-Texas must comply with the recording requirements in TWC § 13.257(r) and (s) for the area in Harris County affected by the application and must submit to the

Commission evidence of the recording no later than 45 days after receipt of the Notice of Approval.

9. Within ten days of the date this Notice of Approval is filed, Commission Staff must provide the Commission with a clean copy of the most current comprehensive tariffs, including the tariff pages approved by this Notice of Approval, to be stamped *Approved* and retained by Central Records.
10. The Commission denies all other motions and any other requests for general or specific relief, if not expressly granted.

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

PUBLIC UTILITY COMMISSION OF TEXAS



JEFFREY J. HUHN
ADMINISTRATIVE LAW JUDGE

PUCT Docket No. 54285
CSWR-Texas Utility Operating Company, LLC
Portion of Water CCN No. 13290
Transfer all of Doulgas Utility Company, CCN No. 11369 and Amend CCN No. 13290 in Harris County



Public Utility Commission of Texas
1701 N. Congress Ave
Austin, TX 78701

Water CCN

 13290 - CSWR-Texas Utility Operating Company LLC



Map by: Komal Patel
Date: December 1, 2023
Project: 54285CSWRWater.mxd

PUCT Docket No. 54285
CSWR-Texas Utility Operating Company, LLC
Portion of Sewer CCN No. 21120
Transfer all of Doulgas Utility Company, CCN No. 20527 and Amend CCN No. 21120 in Harris County



Sewer CCN

 21120 - CSWR-Texas Utility Operating Company LLC





Public Utility Commission of Texas

By These Presents Be It Known To All That

CSWR-Texas Utility Operating Company, LLC

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

Certificate of Convenience and Necessity No. 13290

to provide continuous and adequate water utility service to that service area or those service areas in Angelina, Aransas, Austin, Burlison, Burnet, Calhoun, Camp, Denton, Ellis, Erath, Gillespie, Guadalupe, Harris, Hays, Hidalgo, Hood, Jackson, Kerr, Limestone, Llano, Lubbock, McCulloch, Medina, Montague, Montgomery, Navarro, Orange, Parker, Polk, Robertson, Sabine, San Augustine, Victoria, Wilson, and Wood Counties as by final Order or Orders duly entered by this Commission, which Order or Orders resulting from Docket No. 54285 are on file at the Commission offices in Austin, Texas; and are matters of official record available for public inspection; and be it known further that these presents do evidence the authority and the duty of the CSWR-Texas Utility Operating Company, LLC to provide such utility service in accordance with the laws of this State and Rules of this Commission, subject only to any power and responsibility of this Commission to revoke or amend this Certificate in whole or in part upon a subsequent showing that the public convenience and necessity would be better served thereby.



Public Utility Commission of Texas

By These Presents Be It Known To All That

CSWR-Texas Utility Operating Company, LLC

having obtained certification to provide 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, CSWR-Texas Utility Operating Company, LLC is entitled to this

Certificate of Convenience and Necessity No. 21120

to provide continuous and adequate sewer utility service to that service area or those service areas in Aransas, Bexar, Calhoun, Harris, Hidalgo, Hood, Jackson, Lubbock, Navarro, Orange, Parker, and Polk Counties as by final Order or Orders duly entered by this Commission, which Order or Orders resulting from Docket No. 54285 are on file at the Commission offices in Austin, Texas; and are matters of official record available for public inspection; and be it known further that these presents do evidence the authority and the duty of the CSWR-Texas Utility Operating Company, LLC to provide such utility service in accordance with the laws of this State and Rules of this Commission, subject only to any power and responsibility of this Commission to revoke or amend this Certificate in whole or in part upon a subsequent showing that the public convenience and necessity would be better served thereby.



WATER UTILITY TARIFF

Docket Number: 54285

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

1630 Des Peres Rd Suite 140
(Business Address)

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

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

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

13290

This tariff is effective in the following counties:

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

The following is a list of cities where CSWR-Texas Utility Operating Company, LLC provides service:

City of Red Oak

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

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

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

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

See List

TABLE OF CONTENTS

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

SECTION 1.0 -- RATE SCHEDULE	2
SECTION 2.0 -- SERVICE RULES AND REGULATIONS	XX
SECTION 3.0 -- EXTENSION POLICY	XX
APPENDIX A -- DROUGHT CONTINGENCY PLAN	
APPENDIX B -- SERVICE AGREEMENT	

LIST OF SUBDIVISIONS AND SYSTEMS

SUBDIVISION	PWS	COUNTY	PAGE No.
Aero Valley Water Service	0610243	Denton	2
Amberwood Subdivision	1011920	Harris	2
Aransas Bay	0040018	Aransas	2
Arrowhead Water System	2470025	Wilson	2
Big Wood Springs Subdivision	2500019	Wood	2
Bois D' Arc	0040018	Aransas	2
Chaparral Water System Gillespie	0860010	Gillespie	2
Coleto Water Company	2350036	Victoria	2
Copano Cove Subdivision	0040003	Aransas	2
Copano Heights Unit 1 & 2, Water System	0040017	Aransas	2
Copano Ridge Subdivision	0040029	Aransas	2
Council Creek Village	0270014	Burnet	2
Country Squire Water & Sewer	1810060	Orange	2
Crystal Land Water System	1330153	Kerr	2
El Pinon Estates Water System	2030013	San Augustine	2
Emerald Forest	0700058	Ellis	2
Flag Creek Ranch	1500112	Llano	2
Forest Oak Unit 1 and 2	0940085	Guadalupe	2
Fountainview*	1010127	Harris	XX
Franklin Water Systems 1	1520224	Lubbock	2
Franklin Water Systems 3	1520080	Lubbock	2
Goose Island State Park	0040018	Aransas	2
Grande Casa Ranchitos	0700063	Ellis	2
Hickory Hill Water	2470018	Victoria	2
Hillside Estates Water System	0080049	Austin	2
Hilltop Home Addition	1840034	Parker	2
Hilltop Estates	1840034	Parker	2
Homestead @ Turtle Creek	1330153	Kerr	2
Indian Cove	0040018	Aransas	2

LIST OF SUBDIVISIONS AND SYSTEMS

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

LIST OF SUBDIVISIONS AND SYSTEMS

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

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

SECTION 1.0 -- RATE SCHEDULE

Section 1.01 - Rates

<u>Meter Size</u>	<u>Monthly Minimum Charge</u>	<u>Gallonge Charge</u>
5/8"	<u>\$10.35</u> (Includes 0 gallons)	<u>\$3.25</u> per 1000 gallons
3/4"	<u>\$15.53</u>	
1"	<u>\$25.88</u>	
1 ½ "	<u>\$51.75</u>	
2"	<u>\$82.80</u>	
3"	<u>\$155.25</u>	
4"	<u>\$258.75</u>	
6"	<u>\$517.50</u>	
8"	<u>\$828.00</u>	

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

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

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

Section 1.02 - Miscellaneous Fees

TAP FEE.....\$875.00
 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 (Large meter).....Actual Cost
 TAP FEE IS THE UTILITY'S ACTUAL COST FOR MATERIALS AND LABOR FOR METER SIZE INSTALLED.

METER TEST FEE (actual cost of testing the meter up to).....\$25.00
 THIS FEE WHICH SHOULD REFLECT THE UTILITY'S COST SHALL BE CHARGED IF A CUSTOMER REQUESTS A SECOND METER TEST WITHIN A TWO-YEAR PERIOD AND THE TEST INDICATES THAT THE METER IS RECORDING ACCURATELY. THE FEE SHALL NOT EXCEED \$25.

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

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

SECTION 1.0 -- RATE SCHEDULE (Continued)

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 \$5.00
PUC RULES ALLOW A ONE-TIME PENALTY TO BE CHARGED ON DELINQUENT BILLS. A LATE CHARGE SHALL NOT BE APPLIED TO ANY BALANCE TO WHICH THE PENALTY WAS APPLIED IN A PREVIOUS BILLING.

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

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

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

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

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

SECTION 1.0 -- RATE SCHEDULE (Continued)

TEMPORARY WATER RATE:

Unless otherwise superseded by PUC order or rule, if the Utility is ordered by a court or governmental body of competent jurisdiction to reduce its pumpage, production, or water sales, the Utility shall be authorized to increase its approved gallonage charge according to the formula:

$$TGC = \frac{cgc + (pr)(cgc)(r)}{(1.0-r)}$$

Where:

TGC = temporary gallonage charge

cgc = current gallonage charge

r = water use reduction expressed as a decimal fraction (the pumping restriction)

pr = percentage of revenues to be recovered expressed as a decimal fraction

for this tariff, pr shall equal 0.5

To implement the Temporary Water Rate, the Utility must comply with all notice and other requirements of 16 TAC § 24.25(j).

GROUNDWATER REDUCTION PLAN FEE:

The Houston Groundwater Reduction Plan Fee is calculated as follows:

$$(\text{GRP fee per 1000 gallons}) \times (\text{Total Usage in month in 1000 gallon units})$$

For period before treated surface water is actually used, the GRP Fee, based on Monthly Pumpage at the Wells, will be passed through as follows:

$$\text{GRP Fee Per 1000 gallons usage by customers} = (Q \times R \times P)/GS$$

Where:

Q = Quantity of groundwater pumped in billing periods in 1000 gallons

R = Groundwater Reduction Plan Fee per 1000 gallons

P = Percentage of total required by contract

GS = Total gallons sold during billing period in 1000 gallons



SEWER UTILITY TARIFF
Docket Number: 54285

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

1630 Des Peres Rd Suite 140
(Business Address)

Des Peres, MO 63131
(City, State, Zip Code)

(866) 301-7725
(Area Code/Telephone)

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

21120

This tariff is effective in the following counties:

Aransas, Bexar, Calhoun, Harris, Hidalgo, Hood, Jackson, Lubbock, Navarro, Orange, Parker, and Polk

The following is a list of cities where CSWR-Texas Utility Operating Company, LLC provides service:

The City of San Antonio

Rates for customers in the Leon Springs Service subdivision (#WQ0014376001), who are located within the City of San Antonio, are included in this tariff because the City of San Antonio has surrendered its original jurisdiction over water and wastewater rates.

This tariff is effective in the following subdivisions and systems:

See List

TABLE OF CONTENTS

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

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

LIST OF SUBDIVISIONS AND SYSTEMS

SUBDIVISION	NPDES	COUNTY	PAGE
Aransas Bay	No Permit (Collection Only)	Aransas	2
Blue Sky and Virginia Terrace Mobile Home Park*	No Permit (Collection Only)	Lubbock	3
Country Squire	WQ0011589001	Orange	2
Fountainview*	WQ0011200001	Harris	XX
Hilltop Estates	WQ0015010001	Parker	2
Hilltop Home Addition	WQ0015010001	Parker	2
Laguna Vista	No Permit (Non-Discharging)	Hood	2
Leon Springs	WQ0014376001	Bexar	2
Longford Place	WQ0011155001	Orange	2
Mangum Estates Subdivision	WQ0013147001	Polk	2
Pelican Isle	WQ0013528001	Navarro	2
Quiet Village II	No Permit (Collection Only)	Hidalgo	2
Seagun Complex	No Permit (Collection Only)	Aransas	2
Shady Grove	No Permit (Non-Discharging)	Hood	2
Texas Landing Utilities	WQ0013147001	Polk	2
Tri-County Point POA	WQ0015399001	Calhoun & Jackson	2

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

SECTION 1.0 -- RATE SCHEDULE

Section 1.01 - Rates

<u>Meter Size</u>	<u>Monthly Minimum Charge</u>	<u>Gallage Charge</u>
5/8"	<u>\$14.50</u> (Includes 0 gallons)	<u>\$3.00</u> per 1000 gallons
3/4"	<u>\$21.75</u>	
1"	<u>\$36.25</u>	
1 ½ "	<u>\$72.50</u>	
2"	<u>\$116.00</u>	
3"	<u>\$217.50</u>	
4"	<u>\$362.50</u>	
6"	<u>\$725.00</u>	
8"	<u>\$1,160.00</u>	

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Section 1.02 - Miscellaneous Fees

TAP FEE.....\$650.00
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TAP FEE (Large meter).....Actual Cost
 TAP FEE IS THE UTILITY'S ACTUAL COST FOR MATERIALS AND LABOR FOR METER SIZE INSTALLED.

SEWER CONNECTION INSPECTION FEE (Residential).....\$50.00
 WHERE A NEW SEWER CONNECTION IS REQUIRED AT A LOT WHICH HAS NOT PREVIOUSLY HAS SERVICE AND THE CONNECTION NOT OTHERWISE PAID FOR BY THE DEVELOPER.

SEWER CONNECTION INSPECTION FEE (Non-Residential).....Actual Cost
 WHERE A NEW SEWER CONNECTION IS REQUIRED AT A LOT WHICH HAS NOT PREVIOUSLY HAS SERVICE AND THE CONNECTION NOT OTHERWISE PAID FOR BY THE DEVELOPER.

PLAN REVIEW FEE (Non-Residential).....\$200.00
 WHERE A FACILITY IS BEING CONSTRUCTED AND THE UTILITY NEEDS TO REVIEW THE PLANS BEFORE CONSTRUCTION BEGINS.

SECTION 1.0 -- RATE SCHEDULE (Continued)

RECONNECTION FEE

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- b) Customer's request that service be disconnected \$50.00

TRANSFER FEE \$25.00

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LATE CHARGE \$5.00

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