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DOCKET NO. 54018

APPLICATION OF CSWR-TEXAS	§	PUBLIC UTILITY COMMISSION
UTILITY OPERATING COMPANY,	§	
LLC AND LINCECUMS WATER WELL	§	OF TEXAS
SERVICE FOR SALE, TRANSFER, OR	§	
MERGER OF FACILITIES AND	§	
CERTIFICATE RIGHTS IN BRAZORIA	§	
COUNTY	§	

NOTICE OF APPROVAL

This Notice of Approval addresses the application of Lincecums Water Well Service and CSWR-Texas Utility Operating Company, LLC for approval of the sale, transfer, or merger of facilities and certificate rights in Brazoria County. The Commission approves the following: (1) the sale and transfer of facilities and certificate rights held under Lincecums' certificate of convenience and necessity (CCN) number 13222 to CSWR-Texas; (2) the cancellation of Lincecums' CCN number 13222; (3) the amendment of CSWR-Texas' CCN number 13290 to include the facilities and service area previously included in Lincecums' CCN number 13222; and (4) the addition of uncertificated area currently served by Lincecums to CSWR-Texas' CCN number 13290, to the extent provided in this Notice of Approval.

I. Findings of Fact

The Commission makes the following findings of fact.

Applicants

1. John K. Lincecums is an individual operating Lincecums Water Well Service.
2. Lincecums is an investor-owned utility.
3. Lincecums holds CCN number 13222 which obligates it to provide retail water service in its certificated service area in Brazoria County.
4. Lincecums owns a public water system registered with the Texas Commission on Environmental Quality (TCEQ) under public water system number 0200159.
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 owns multiple public water systems registered with the TCEQ.

Application

8. On August 31, 2022, Lincecums and CSWR-Texas filed the application at issue in this proceeding.
9. CSWR-Texas supplemented the application on September 23, October 25, and December 2, 2022, and February 27, 2023, and June 8, 2023.
10. In the application, as supplemented, the applicants seek approval of the following:
 - a. the sale and transfer of Lincecums' facilities and service area under CCN number 13222 to CSWR-Texas;
 - b. the cancellation of Lincecums CCN number 13222;
 - c. the amendment of CSWR-Texas' CCN number 13290 to include the facilities and service area previously held under Lincecums' CCN number 13222; and
 - d. the addition of uncertificated area currently served by Lincecums to CSWR-Texas' CCN number 13290.
11. The requested area includes the following:
 - a. 43.1 acres of singly certificated area under Lincecums' CCN number 13222;
 - b. 1.5 acres of uncertificated area adjacent to Lincecums' existing certificated service area; and
 - c. 28 customer connections.
12. The requested area is located approximately two miles west of downtown Sweeny, Texas, and is generally bounded on the north by County Road 321; on the east by Hunters Lane; on the south by Union Pacific Railroad; and on the west by County Road 321.
13. In Order No. 3 filed on November 29, 2022, the administrative law judge (ALJ) found the application, as supplemented, administratively complete.

Notice

14. On January 9, 2023, CSWR-Texas filed the affidavit of Aaron Silas, director of regulatory operations of CSWR-Texas, attesting that notice, along with maps, was provided to current customers of Lincecum, neighboring utilities, and affected parties on December 7, 2022.
15. On January 9, 2023, CSWR-Texas filed a publisher's affidavit attesting to publication of notice in *The Facts*, a newspaper of general circulation in Brazoria County, on December 7 and 14, 2022.
16. In Order No. 4 filed on January 24, 2023, the ALJ found the notice sufficient.
17. On August 16, 2023, CSWR-Texas filed the affidavit of Eric Rocchio, regulatory case manager of CSWR-Texas, attesting that there are no landowners owning tracts of land over 25 acres wholly or partially inside the requested area.
18. In Order No. 12 filed on August 18, 2023, the ALJ found the supplemental proof of notice sufficient.

Evidentiary Record

19. In Order No. 6 filed on April 6, 2023, the ALJ admitted the following evidence into the record:
 - a. The application, including confidential attachments, filed on August 31, 2022;
 - b. CSWR-Texas' supplements to the application filed on September 23, October 25, and December 2, 2022, and February 27, 2023;
 - c. Commission Staff's supplemental recommendation on administrative completeness filed on November 28, 2022;
 - d. CSWR-Texas' affidavit of notice to current customers, neighboring utilities, and affected parties, including confidential exhibit B, filed on January 9, 2023;
 - e. Commission Staff's recommendation on sufficiency of notice filed on January 23, 2023; and
 - f. Commission Staff's recommendation on the transaction, including all attachments, filed on March 7, 2023.

20. In Order No. 20 filed on February 12, 2024, the ALJ admitted the following additional evidence into the record:
- a. CSWR-Texas' notice of completed transaction filed on May 4, 2023;
 - b. CSWR-Texas' correction to the notice of completed transaction filed on May 12, 2023;
 - c. Commission Staff's recommendation on sufficiency of closing documents filed on May 19, 2023;
 - d. CSWR-Texas' response to Order No. 9, including highly sensitive attachments, filed on June 7, 2023;
 - e. CSWR-Texas' fifth supplement to the application, including confidential attachments, filed on June 8, 2023;
 - f. Commission Staff's response to Order No. 9, including confidential attachment FB-1.1, filed on June 21, 2023;
 - g. The applicants' consent forms filed on June 30, 2023;
 - h. The map attached to the joint supplemental motion to admit evidence and joint proposed notice of approval filed on August 1, 2023;
 - i. CSWR-Texas' supplemental proof of notice filed on August 16, 2023;
 - j. CSWR-Texas' capital improvement plan and confidential attachments filed on November 9, 2023;
 - k. Commission Staff's recommendation on CSWR-Texas' capital improvement plan filed on November 20, 2023;
 - l. The certificate and tariff pages attached to the joint supplemental motion to admit evidence and amended proposed notice of approval filed on January 19, 2024; and
 - m. The revised certificate and tariff pages attached to the joint second supplemental motion to admit evidence and second amended proposed notice of approval filed on February 5, 2024.

21. In Order No. 22 filed on March 1, 2024, the ALJ admitted CSWR-Texas' status update and attached affidavit of Mike Duncan filed on February 29, 2024 into the record.

Sale

22. In Order No. 7 filed on April 12, 2023, the ALJ approved the sale and transaction to proceed and required the applicants to file proof that the transaction had closed and that customer deposits, if any, had been addressed.
23. On May 4 and 12, 2023, the applicants filed notice and corrected notice that the sale had closed on April 26, 2023, and confirmed that there were no outstanding customer deposits that needed to be addressed.
24. In Order No. 8 filed on May 22, 2023, the ALJ found the closing documents sufficient.

Purchaser's Compliance History

25. 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.
26. The Commission's complaint records, which date back to 2017, show 12 complaints against CSWR-Texas.
27. CSWR-Texas does not have a history of continuing mismanagement or misuse of revenues as a utility service provider.
28. CSWR-Texas demonstrated a compliance history that is adequate for approval of the sale to proceed.

Adequacy of Existing Service

29. There are currently 28 connections in the requested area that are being served by Lincecums through public water system number 0200159 and such service has been continuous and adequate.
30. The last TCEQ compliance investigation of Lincecums' public water system was on November 13, 2018.
31. Lincecums has unresolved violations listed in the TCEQ database.

32. The Commission's complaint records, which date back to 2017, show no complaints against Lincecums.

Need for Additional Service

33. There is a continuing need for service because Lincecums is currently serving 28 connections in the requested area.
34. This is an application to transfer only existing facilities, customers, and service area.
35. There is no evidence of specific requests for additional service within the requested area.

Effect of Approving the Transaction and Granting the Amendment

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

Ability to Serve: Managerial and Technical

41. CSWR-Texas owns and operates numerous public water systems registered with TCEQ and does not have any active violations listed in the TCEQ database.
42. CSWR-Texas employs or contracts with TCEQ-licensed water operators who will operate the public water system being transferred.
43. No additional construction is necessary for CSWR-Texas to provide service to the requested area. However, CSWR-Texas plans to make upgrades, renovations, and repairs to the water system to improve the reliability and quality of service.
44. CSWR-Texas has the technical and managerial capability to provide adequate and continuous service to the requested area.

Ability to Serve: Financial Ability

45. 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.
46. CSWR, LLC provided a written guarantee of coverage of temporary cash shortages, demonstrated that it has sufficient cash available to cover any projected operations and maintenance shortages in the first year 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.
47. The cost of CSWR-Texas' proposed capital improvements for the water system being transferred exceeds \$100,000. However, with a cumulative review of CSWR-Texas' other purchased systems, CSWR-Texas' capital improvements are expected to exceed \$100,000.
48. CSWR-Texas requested a good-cause exception to the requirement that it provide loan documentation for the amount it will need to make capital improvements to the system because CSWR-Texas does not obtain loans or purchasing for repairing systems. Additionally, CSWR-Texas states that it is already required to maintain a sufficient cash balance to purchase Lincecum's water system and make capital improvements.
49. CSWR-Texas submitted documents demonstrating funds are available for the purchase of Lincecum's water system and the purchase of other systems and for the construction of capital improvements necessary for CSWR-Texas to provide continuous and adequate service to existing customers for each system.
50. CSWR-Texas filed a capital improvements plan that included a budget and an estimated timeline for construction of all facilities necessary to provide service to the requested areas, keyed to a map showing where such facilities will be located.
51. CSWR-Texas demonstrated the financial and managerial capability and stability to pay for the facilities necessary to provide continuous and adequate service to the requested area.

Financial Assurance

52. 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

53. Lincecums is currently serving customers and has sufficient capacity.
54. 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.
55. It is not feasible to obtain service from an adjacent retail public utility.

Regionalization or Consolidation

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

Environmental Integrity and Effect on the Land

58. The requested area will continue to be served with existing infrastructure.
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 public water system.

Improvement of Service or Lowering Cost to Consumers

60. Reliability and quality of water 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 tariff for Lincecums' public water system number 0200159 upon approval of the transaction.

Map, Tariff Pages, and Certificate

62. On June 19, 2023, Commission Staff emailed to CSWR-Texas and Lincecums the final proposed map, tariff, and certificate related to this docket.
63. On June 30, 2023, CSWR-Texas and Lincecums filed their consent forms concurring with the proposed final map, tariff, and certificate.

64. On January 19, 2024, Commission Staff and CSWR-Texas filed revised tariff pages relevant to this docket.
65. The proposed relevant tariff pages and certificate were included as attachments to the supplemental joint motion to admit evidence and proposed notice of approval filed on January 19, 2024.
66. On February 5, 2024, Commission Staff and CSWR-Texas filed revised certificate and tariff pages relevant to this docket.
67. The proposed revised certificate and tariff pages were included as attachments to the joint second supplemental motion to admit evidence and second amended proposed notice of approval filed on February 5, 2024.

Informal Disposition

68. More than 15 days have passed since the completion of notice provided in this docket.
69. No person filed a protest or motion to intervene.
70. Lincecums, CSWR-Texas, and Commission Staff are the only parties to this proceeding.
71. No party requested a hearing and no hearing is needed.
72. Commission Staff recommended approval of the application.
73. 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) §§ 13.241, 13.242, 13.244, 13.246, 13.251, and 13.301.
2. Lincecums 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,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. CSWR-Texas and Lincecums provided notice of the application that complies with TWC §§ 13.246 and 13.301(a)(2) and 16 TAC § 24.235(a) through (c).
6. CSWR-Texas and Lincecums completed the sale within the time frame required by 16 TAC § 24.239(m).
7. Lincecums and CSWR-Texas have complied with the requirements of 16 TAC § 24.239(k) and (l) with respect to customer deposits.
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 area, as required by TWC § 13.251.
9. Consistent with the Commission's determinations in Docket No. 54393,² there is good cause under 16 TAC § 24.2(b) to allow CSWR-Texas to demonstrate compliance with 16 TAC § 24.11(e)(5)(A) by submitting documents indicating it has funds immediately available for the purchase of the water system being transferred plus the capital improvements necessary to provide continuous and adequate service to existing customers.
10. CSWR-Texas 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).
11. It is not necessary for CSWR-Texas to provide bond or other financial assurance under TWC §§ 13.246(d) and 13.301(c).
12. CSWR-Texas provided a capital improvements plan under TWC § 13.244(d)(3) and 16 TAC § 24.233(a)(6).
13. Regionalization and consolidation concerns under TWC § 13.241(d) do not apply in this proceeding because construction of a physically separate water system is not required.

² *Application of CSWR-Texas Utility Operating Company, LLC and Intermediary Solutions Holding LLC for Sale, Transfer, or Merger of Facilities and Certificate Rights in Lubbock County*, Docket No. 54393, Order (Sept. 14, 2023).

14. CSWR-Texas and Lincecums demonstrated that the sale of Lincecums' facilities and the transfer of the service area held under CCN number 13222 from Lincecums to CSWR-Texas under CCN number 13290 and the addition of 1.5 uncertificated acres previously served by Lincecums will serve the public interest and is necessary for the service, accommodation, convenience, and safety of the public under TWC § 13.301(d) and (e).
15. Under TWC § 13.257(r) and (s), CSWR-Texas must record a certified copy of its approved map and certificate, along with a boundary description of its service area, in the real property records of Brazoria County within 31 days of receiving this Notice of Approval and submit to the Commission evidence of the recording.
16. 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 and service area held under Lincecums' CCN number 13222 and adds 1.5 acres of uncertificated area served by Lincecums to CSWR-Texas, to the extent provided in this Notice of Approval and as shown on the attached map.
2. The Commission cancels Lincecums' CCN number 13222.
3. The Commission amends CSWR-Texas' CCN number 13290 to include the facilities, customers, and service area previously included in Lincecums' CCN number 13222 and to add 1.5 acres of uncertificated service area, as shown on the attached map.
4. The Commission approves the map and tariff pages attached to this Notice of Approval.
5. The Commission issues the certificate attached to this Notice of Approval.
6. Under 16 TAC § 24.2(b), the Commission grants CSWR-Texas a good-cause exception to the requirements of 16 TAC § 24.11(e)(5)(A).

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

Signed at Austin, Texas the 1st day of March 2024.

PUBLIC UTILITY COMMISSION OF TEXAS



**CHRISTINA DENMARK
ADMINISTRATIVE LAW JUDGE**

CSWR-Texas Utility Operating Company, LLC

Portion of Water CCN No. 13290

PUC Docket No. 54018

Transferred all of Lincecums Water Well Service, CCN No. 13222 and Amended CCN No. 13290
in Brazoria County



Water CCN



13290 - CSWR-Texas Utility Operating Company LLC





WATER UTILITY TARIFF

Docket Number: 54018

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	Gillispie	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
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
Laguna Tres	1110019	Hood	2

LIST OF SUBDIVISIONS AND SYSTEMS

SUBDIVISION	PWS	COUNTY	PAGE No.
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
Lincecum Water Powers Addition*	0200159	Brazoria	XX
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.

Lincecum Water Powers Addition

(Formerly John K. Lincecum dba Lincecums Water Well)

(Utility Name)

SECTION 1.0 -- RATE SCHEDULE

Section 1.01 - Rates

Flat Fee: \$35.00 per connection per month.

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 ASSESSMENT1.0%

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\$200.00

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

TAP FEE (Unique costs)Actual Cost

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

TAP FEE (Large meter)Actual Cost

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

METER RELOCATION FEEActual Relocation Cost, Not to Exceed Tap Fee

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

METER TEST FEE\$25.00

THIS FEE WHICH SHOULD REFLECT THE UTILITY'S COST 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\$0.00

TRANSFER FEE\$0.00

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

Lincecum Water Powers Addition

(Formerly John K. Lincecum dba Lincecums Water Well)

(Utility Name)

SECTION 1.0 -- RATE SCHEDULE (Continued)

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

RETURNED CHECK CHARGE\$0.00
RETURNED CHECK CHARGES MUST BE BASED ON THE UTILITY'S DOCUMENTABLE COST.

CUSTOMER DEPOSIT RESIDENTIAL (Maximum \$50).....\$0.00

COMMERCIAL & NON-RESIDENTIAL DEPOSIT1/6TH 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.



Public Utility Commission of Texas

By These Presents Be It Known To All That

CSWR-Texas Utility Operating Company, LLC

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

Certificate of Convenience and Necessity No. 13290

to provide continuous and adequate water utility service to that service area or those service areas in Angelina, Aransas, Austin, Brazoria, Burleson, Burnet, Calhoun, Camp, Denton, Ellis, Erath, Gillespie, Guadalupe, Harris, Hays, Hidalgo, Hood, Jackson, Kerr, Limestone, Llano, Lubbock, McCulloch, Medina, Montague, Montgomery, Navarro, Orange, 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. 54018 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.